

UNITED STATES STATUTES AT LARGE

CONTAINING THE

LAWS AND CONCURRENT RESOLUTIONS
ENACTED DURING THE SECOND SESSION OF THE
NINETY-THIRD CONGRESS
OF THE UNITED STATES OF AMERICA

1974

AND

PROCLAMATIONS

VOLUME 88

IN TWO PARTS

PART 1

PUBLIC LAWS 93-246 THROUGH 93-446



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PUBLIC LAWS

Public Laws

ENACTED DURING THE

SECOND SESSION OF THE NINETY-THIRD CONGRESS OF THE UNITED STATES OF AMERICA

Begun and held at the City of Washington on Monday, January 21, 1974, and adjourned sine die on Friday, December 20, 1974. RICHARD M. NIXON, President until his resignation August 9, 1974; GERALD R. FORD, President on and after August 9, 1974; GERALD R. FORD, Vice President until August 9, 1974; NELSON A. ROCKEFELLER, Vice President on and after December 19, 1974; CARL ALBERT, Speaker of the House of Representatives.

Public Law 93-246

AN ACT

January 31, 1974
[H. R. 9256]

To increase the contribution of the Government to the costs of health benefits for Federal employees, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsections (a) and (b) of section 8906 of title 5, United States Code, are amended to read as follows:

Federal employees health benefits.

Government contribution, increase.

“(a) The Commission shall determine the average of the subscription charges in effect on the beginning date of each contract year with respect to self alone or self and family enrollments under this chapter, as applicable, for the highest level of benefits offered by—

“(1) the service benefit plan;

“(2) the indemnity benefit plan;

“(3) the two employee organization plans with the largest number of enrollments, as determined by the Commission; and

“(4) the two comprehensive medical plans with the largest number of enrollments, as determined by the Commission.

“(b) (1) Except as provided by paragraph (2) of this subsection, the biweekly Government contribution for health benefits for an employee or annuitant enrolled in a health benefits plan under this chapter shall be adjusted, beginning on the first day of the first applicable pay period of each year, to an amount equal to the following percentage, as applicable, of the average subscription charge determined under subsection (a) of this section: 50 percent for applicable pay periods commencing in 1974 and 60 percent for applicable pay periods commencing in 1975 and in each year thereafter.

Limitation.

"(2) The biweekly Government contribution for an employee or annuitant enrolled in a plan under this chapter shall not exceed 75 percent of the subscription charge."

(b) Section 8906(c) of title 5, United States Code, is amended by striking out "subsections (a) and (b)" and inserting "subsection (b)" in lieu thereof.

(c) Section 8906(g) of title 5, United States Code, is amended by striking out "subsection (a) of".

5 USC 8905
note.

SEC. 2. (a) Notwithstanding any other provision of law, an annuitant, as defined under section 8901(3) of title 5, United States Code, who is participating or who is eligible to participate in the health benefits program offered under the Retired Federal Employees Health Benefits Act (74 Stat. 849; Public Law 86-724), may elect, in accordance with regulations prescribed by the United States Civil Service Commission, to be covered under the provisions of chapter 89 of title 5, United States Code, in lieu of coverage under such Act.

5 USC 8901.

(b) An annuitant who elects to be covered under the provisions of chapter 89 of title 5, United States Code, in accordance with subsection (a) of this section, shall be entitled to the benefits under such chapter 89.

SEC. 3. Section 8902 of title 5, United States Code, is amended by adding at the end thereof the following subsection:

"(j) Each contract under this chapter shall require the carrier to agree to pay for or provide a health service or supply in an individual case if the Commission finds that the employee, annuitant, or family member is entitled thereto under the terms of the contract."

Effective dates.
5 USC 8906
note.

SEC. 4. (a) The first section of this Act shall take effect on the first day of the first applicable pay period which begins on or after January 1, 1974.

5 USC 8905
note.

(b) Section 2 shall take effect on the one hundred and eightieth day following the date of enactment or on such earlier date as the United States Civil Service Commission may prescribe.

5 USC 8902
note.

(c) Section 3 shall become effective with respect to any contract entered into or renewed on or after the date of enactment of this Act.

Effective date.
5 USC 8906
note.

(d) The determination of the average of subscription charges and the adjustment of the Government contributions for 1973, under section 8906 of title 5, United States Code, as amended by the first section of this Act, shall take effect on the first day of the first applicable pay period which begins on or after the thirtieth day following the date of enactment of this Act.

Approved January 31, 1974.

Public Law 93-247

AN ACT

January 31, 1974
[S. 1191]

To provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes.

Child Abuse
Prevention and
Treatment Act.
42 USC 5101
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Abuse Prevention and Treatment Act".

THE NATIONAL CENTER ON CHILD ABUSE AND NEGLECT

SEC. 2. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to in this Act as the "Secretary") shall establish an office to be known as the National Center on Child Abuse and Neglect (hereinafter referred to in this Act as the "Center").

Establishment.
42 USC 5101.

(b) The Secretary, through the Center, shall—

(1) compile, analyze, and publish a summary annually of recently conducted and currently conducted research on child abuse and neglect;

Annual research
summary.

(2) develop and maintain an information clearinghouse on all programs, including private programs, showing promise of success, for the prevention, identification, and treatment of child abuse and neglect;

Information
clearinghouse.

(3) compile and publish training materials for personnel who are engaged or intend to engage in the prevention, identification, and treatment of child abuse and neglect;

(4) provide technical assistance (directly or through grant or contract) to public and nonprofit private agencies and organizations to assist them in planning, improving, developing, and carrying out programs and activities relating to the prevention, identification, and treatment of child abuse and neglect;

(5) conduct research into the causes of child abuse and neglect, and into the prevention, identification, and treatment thereof; and

(6) make a complete and full study and investigation of the national incidence of child abuse and neglect, including a determination of the extent to which incidents of child abuse and neglect are increasing in number or severity.

Study.

DEFINITION

SEC. 3. For purposes of this Act the term "child abuse and neglect" means the physical or mental injury, sexual abuse, negligent treatment, or maltreatment of a child under the age of eighteen by a person who is responsible for the child's welfare under circumstances which indicate that the child's health or welfare is harmed or threatened thereby, as determined in accordance with regulations prescribed by the Secretary.

42 USC 5102.

DEMONSTRATION PROGRAMS AND PROJECTS

SEC. 4. (a) The Secretary, through the Center, is authorized to make grants to, and enter into contracts with, public agencies or nonprofit private organizations (or combinations thereof) for demonstration programs and projects designed to prevent, identify, and treat child abuse and neglect. Grants or contracts under this subsection may be—

Grants and
contracts.
42 USC 5103.

(1) for the development and establishment of training programs for professional and paraprofessional personnel in the fields of medicine, law, education, social work, and other relevant

fields who are engaged in, or intend to work in, the field of the prevention, identification, and treatment of child abuse and neglect; and training programs for children, and for persons responsible for the welfare of children, in methods of protecting children from child abuse and neglect;

(2) for the establishment and maintenance of centers, serving defined geographic areas, staffed by multidisciplinary teams of personnel trained in the prevention, identification, and treatment of child abuse and neglect cases, to provide a broad range of services related to child abuse and neglect, including direct support and supervision of satellite centers and attention homes, as well as providing advice and consultation to individuals, agencies, and organizations which request such services;

(3) for furnishing services of teams of professional and paraprofessional personnel who are trained in the prevention, identification, and treatment of child abuse and neglect cases, on a consulting basis to small communities where such services are not available; and

(4) for such other innovative programs and projects, including programs and projects for parent self-help, and for prevention and treatment of drug-related child abuse and neglect, that show promise of successfully preventing or treating cases of child abuse and neglect as the Secretary may approve.

Not less than 50 per centum of the funds appropriated under this Act for any fiscal year shall be used only for carrying out the provisions of this subsection.

Grants to
States.

(b)(1) Of the sums appropriated under this Act for any fiscal year, not less than 5 per centum and not more than 20 per centum may be used by the Secretary for making grants to the States for the payment of reasonable and necessary expenses for the purpose of assisting the States in developing, strengthening, and carrying out child abuse and neglect prevention and treatment programs.

(2) In order for a State to qualify for assistance under this subsection, such State shall—

(A) have in effect a State child abuse and neglect law which shall include provisions for immunity for persons reporting instances of child abuse and neglect from prosecution, under any State or local law, arising out of such reporting;

(B) provide for the reporting of known and suspected instances of child abuse and neglect;

(C) provide that upon receipt of a report of known or suspected instances of child abuse or neglect an investigation shall be initiated promptly to substantiate the accuracy of the report, and, upon a finding of abuse or neglect, immediate steps shall be taken to protect the health and welfare of the abused or neglected child, as well as that of any other child under the same care who may be in danger of abuse or neglect;

(D) demonstrate that there are in effect throughout the State, in connection with the enforcement of child abuse and neglect laws and with the reporting of suspected instances of child abuse and neglect, such administrative procedures, such personnel trained in child abuse and neglect prevention and treatment, such training procedures, such institutional and other facilities (public and private), and such related multidisciplinary programs and services as may be necessary or appropriate to assure that the State will deal effectively with child abuse and neglect cases in the State;

(E) provide for methods to preserve the confidentiality of all records in order to protect the rights of the child, his parents or guardians;

(F) provide for the cooperation of law enforcement officials, courts of competent jurisdiction, and appropriate State agencies providing human services;

(G) provide that in every case involving an abused or neglected child which results in a judicial proceeding a guardian ad litem shall be appointed to represent the child in such proceedings;

(H) provide that the aggregate of support for programs or projects related to child abuse and neglect assisted by State funds shall not be reduced below the level provided during fiscal year 1973, and set forth policies and procedures designed to assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of State funds which would, in the absence of Federal funds, be available for such programs and projects;

(I) provide for dissemination of information to the general public with respect to the problem of child abuse and neglect and the facilities and prevention and treatment methods available to combat instances of child abuse and neglect; and

(J) to the extent feasible, insure that parental organizations combating child abuse and neglect receive preferential treatment.

(3) Programs or projects related to child abuse and neglect assisted under part A or B of title IV of the Social Security Act shall comply with the requirements set forth in clauses (B), (C), (E), and (F) of paragraph (2). 42 USC 601, 620.

(c) Assistance provided pursuant to this section shall not be available for construction of facilities; however, the Secretary is authorized to supply such assistance for the lease or rental of facilities where adequate facilities are not otherwise available, and for repair or minor remodeling or alteration of existing facilities.

(d) The Secretary shall establish criteria designed to achieve equitable distribution of assistance under this section among the States, among geographic areas of the Nation, and among rural and urban areas. To the extent possible, citizens of each State shall receive assistance from at least one project under this section.

AUTHORIZATIONS

SEC. 5. There are hereby authorized to be appropriated for the purposes of this Act \$15,000,000 for the fiscal year ending June 30, 1974, \$20,000,000 for the fiscal year ending June 30, 1975, and \$25,000,000 for the fiscal year ending June 30, 1976, and for the succeeding fiscal year. 42 USC 5104.

ADVISORY BOARD ON CHILD ABUSE AND NEGLECT

SEC. 6. (a) The Secretary shall, within sixty days after the date of enactment of this Act, appoint an Advisory Board on Child Abuse and Neglect (hereinafter referred to as the "Advisory Board"), which shall be composed of representatives from Federal agencies with responsibility for programs and activities related to child abuse and neglect, including the Office of Child Development, the Office of Education, the National Institute of Education, the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Social and Rehabilitation Service, and the Health Services Administration. The Advisory Board shall assist the Secretary in coordinating programs and activities related to child abuse 42 USC 5105.

Membership.

Functions.

and neglect administered or assisted under this Act with such programs and activities administered or assisted by the Federal agencies whose representatives are members of the Advisory Board. The Advisory Board shall also assist the Secretary in the development of Federal standards for child abuse and neglect prevention and treatment programs and projects.

Report to
President and
Congress.

(b) The Advisory Board shall prepare and submit, within eighteen months after the date of enactment of this Act, to the President and to the Congress a report on the programs assisted under this Act and the programs, projects, and activities related to child abuse and neglect administered or assisted by the Federal agencies whose representatives are members of the Advisory Board. Such report shall include a study of the relationship between drug addiction and child abuse and neglect.

(c) Of the funds appropriated under section 5, one-half of 1 per centum, or \$1,000,000, whichever is the lesser, may be used by the Secretary only for purposes of the report under subsection (b).

COORDINATION

42 USC 5106.

SEC. 7. The Secretary shall promulgate regulations and make such arrangements as may be necessary or appropriate to ensure that there is effective coordination between programs related to child abuse and neglect under this Act and other such programs which are assisted by Federal funds.

Approved January 31, 1974.

Public Law 93-248

February 5, 1974
[S.1070]

AN ACT

To implement the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969.

Intervention on
the High Seas
Act.
33 USC 1471
note.
Definitions.
33 USC 1471.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intervention on the High Seas Act".

SEC. 2. As used in this Act—

(1) "ship" means—

(A) any seagoing vessel of any type whatsoever, and

(B) any floating craft, except an installation or device engaged in the exploration and exploitation of the resources of the seabed and the ocean floor and the subsoil thereof;

(2) "oil" means crude oil, fuel oil, diesel oil, and lubricating oil;

(3) "convention" means the International Convention Relating to Intervention on the High Seas in Cases of Oil Pollution Casualties, 1969;

(4) "Secretary" means the Secretary of the department in which the Coast Guard is operating; and

(5) "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

33 USC 1472.

SEC. 3. Whenever a ship collision, stranding, or other incident of navigation or other occurrence on board a ship or external to it resulting in material damage or imminent threat of material damage to the ship or her cargo creates, as determined by the Secretary, a grave and imminent danger to the coastline or related interests of the United States from pollution or threat of pollution of the sea by oil which

may reasonably be expected to result in major harmful consequences, the Secretary may, except as provided for in section 10, without liability for any damage to the owners or operators of the ship, to her cargo or crew, or to underwriters or other parties interested therein, take measures on the high seas, in accordance with the provisions of the Convention and this Act, to prevent, mitigate, or eliminate that danger.

SEC. 4. In determining whether there is grave and imminent danger of major harmful consequences to the coastline or related interests of the United States, the Secretary shall consider the interests of the United States directly threatened or affected including but not limited to, fish, shellfish, and other living marine resources, wildlife, coastal zone and estuarine activities, and public and private shorelines and beaches.

33 USC 1473.

SEC. 5. Upon a determination under section 3 of this Act of a grave and imminent danger to the coastline or related interests of the United States, the Secretary may—

33 USC 1474.

(1) coordinate and direct all public and private efforts directed at the removal or elimination of the threatened pollution damage;

(2) directly or indirectly undertake the whole or any part of any salvage or other action he could require or direct under subsection (1) of this section; and

(3) remove, and, if necessary, destroy the ship and cargo which is the source of the danger.

SEC. 6. Before taking any measure under section 5 of this Act, the Secretary shall—

33 USC 1475.

(1) consult, through the Secretary of State, with other countries affected by the marine casualty, and particularly with the flag country of any ship involved;

Consultation.

(2) notify without delay the Administrator of the Environmental Protection Agency and any other persons known to the Secretary, or of whom he later becomes aware, who have interests which can reasonably be expected to be affected by any proposed measures; and

Notification.

(3) consider any views submitted in response to the consultation or notification required by subsections (1) and (2) of this section.

SEC. 7. In cases of extreme urgency requiring measures to be taken immediately, the Secretary may take those measures rendered necessary by the urgency of the situation without the prior consultation or notification as required by section 6 of this Act or without the continuation of consultations already begun.

33 USC 1476.

SEC. 8. (a) Measures directed or conducted under this Act shall be proportionate to the damage, actual or threatened, to the coastline or related interests of the United States and may not go beyond what is reasonably necessary to prevent, mitigate, or eliminate that damage.

33 USC 1477.

(b) In considering whether measures are proportionate to the damage the Secretary shall, among other things, consider—

(1) the extent and probability of imminent damage if those measures are not taken;

(2) the likelihood of effectiveness of those measures; and

(3) the extent of the damage which may be caused by those measures.

SEC. 9. In the direction and conduct of measures under this Act the Secretary shall use his best endeavors to—

33 USC 1478.

(1) assure the avoidance of risk to human life;

(2) render all possible aid to distressed persons, including facilitating repatriation of ships' crews; and

(3) not unnecessarily interfere with rights and interests of

others, including the flag state of any ship involved, other foreign states threatened by damage, and persons otherwise concerned.

Compensation.
33 USC 1479.

SEC. 10. (a) The United States shall be obliged to pay compensation to the extent of the damage caused by measures which exceed those reasonably necessary to achieve the end mentioned in section 3.

Jurisdiction.

(b) Actions against the United States seeking compensation for any excessive measures may be brought in the United States Court of Claims, in any district court of the United States, and in those courts enumerated in section 460 of title 28, United States Code. For purposes of this Act, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii, and the Trust Territory of the Pacific Islands shall be included within the judicial districts of both the District Court of the United States for the District of Hawaii and the District Court of Guam.

Notification.
33 USC 1480.

SEC. 11. The Secretary of State shall notify without delay foreign states concerned, the Secretary-General of the Inter-Governmental Maritime Consultative Organization, and persons affected by measures taken under this Act.

Violations.
33 USC 1481.

SEC. 12. (a) Any person who—

(1) willfully violates a provision of this Act or a regulation issued thereunder; or

(2) willfully refuses or fails to comply with any lawful order or direction given pursuant to this Act; or

Penalty.

(3) willfully obstructs any person who is acting in compliance with an order or direction under this Act, shall be fined not more than \$10,000 or imprisoned not more than one year, or both.

(b) In a criminal proceeding for an offense under paragraph (1) or (2) of subsection (a) of this section it shall be a defense for the accused to prove that he used all due diligence to comply with any order or direction or that he had reasonable cause to believe that compliance would have resulted in serious risk to human life.

Experts, nomination.
33 USC 1482.

SEC. 13. (a) The Secretary, in consultation with the Secretary of State and the Administrator of the Environmental Protection Agency, may nominate individuals to the list of experts provided for in article III of the convention.

Negotiators, conciliators, or arbitrators, designation or nomination.
33 USC 1483.

(b) The Secretary of State, in consultation with the Secretary, shall designate or nominate, as appropriate and necessary, the negotiators, conciliators, or arbitrators provided for by the convention and the annexes thereto.

SEC. 14. No measures may be taken under authority of this Act against any warship or other ship owned or operated by a country and used, for the time being, only on Government noncommercial service.

33 USC 1484.

SEC. 15. This Act shall be interpreted and administered in a manner consistent with the convention and other international law. Except as specifically provided, nothing in this Act may be interpreted to prejudice any otherwise applicable right, duty, privilege, or immunity or deprive any country or person of any remedy otherwise applicable.

Rules and regulations.
33 USC 1485.

SEC. 16. The Secretary may issue reasonable rules and regulations which he considers appropriate and necessary for the effective implementation of this Act.

33 USC 1486.
33 USC 1321.

SEC. 17. The revolving fund established under section 311(k) of the Federal Water Pollution Control Act shall be available to the Secretary for Federal actions and activities under section 5 of this Act.

Effective date.
33 USC 1487.

SEC. 18. This Act shall be effective upon the date of enactment, or upon the date the convention becomes effective as to the United States, whichever is later.

Approved February 5, 1974.

Public Law 93-249

JOINT RESOLUTION

February 8, 1974
[S. J. Res. 185]

To provide for advancing the effective date of the final order of the Interstate Commerce Commission in Docket No. MC 43 (Sub-No. 2).

Whereas the Interstate Commerce Commission, through its proposed order issued January 30, 1974, in Docket No. MC 43 (Sub-No. 2), seeks to alleviate a serious and pressing transportation problem by requiring carriers to reimburse their owner-operators for all increases in the price of fuel over the base period May 15, 1973; and

Whereas section 221(b) of the Interstate Commerce Act, 49 U.S.C. 321(b) appears to preclude the Commission from making its final order in MC 43 (Sub-No. 2) effective in less than thirty days; and

Whereas the inability to effectuate the final order in MC 43 (Sub-No. 2) more promptly will cause substantial hardship to a significant portion of the motor carrier industry and the shipping public; and

Whereas there exists a national transportation crisis which presents a grave risk to the commerce and well-being of the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commission shall issue a final order in MC 43 (Sub-No. 2) as soon as possible which shall become effective not later than February 15, 1974.

ICC.
Fuel price in-
creases, trucker
reimbursement.

Approved February 8, 1974.

Public Law 93-250

AN ACT

March 2, 1974
[S. 37]

To amend the Budget and Accounting Act, 1921, to require the advice and consent of the Senate for future appointments to the offices of Director and Deputy Director of the Office of Management and Budget, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first two sentences of section 207 of the Budget and Accounting Act, 1921 (31 U.S.C. 16) are amended to read as follows:

OMB.
Director and
Deputy Director,
Senate confirma-
tion requirement.

“SEC. 207. There is in the Executive Office of the President an Office of Management and Budget. There shall be in the Office a Director and a Deputy Director, both of whom shall be appointed by the President, by and with the advice and consent of the Senate.”

SEC. 2. The amendment made by the first section of this Act shall take effect—

Effective dates.
31 USC 16 note.

(1) insofar as such amendment relates to appointments to the office of Director of the Office of Management and Budget, immediately after the individual holding that office on the date of the enactment of this Act ceases to hold that office;

(2) insofar as such amendment relates to appointments to the office of Deputy Director of the Office of Management and Budget, immediately after the individual holding that office on the date of the enactment of this Act ceases to hold that office; and

(3) immediately as to such vacant office or offices, if the Office of the Director or the Office of the Deputy Director of the Office of Management and Budget is vacant when this Act is enacted.

Approved March 2, 1974.

Public Law 93-251

March 7, 1974
[H. R. 10203]

AN ACT

Authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Water resources
development; river
basin monetary
authorizations.
Water Resources
Development Act
of 1974.

TITLE I—WATER RESOURCES DEVELOPMENT

SEC. 1. (a) The Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to undertake the phase I design memorandum stage of advanced engineering and design of the following multi-purpose water resources development projects, substantially in accordance with, and subject to the conditions recommended by the Chief of Engineers in, the reports hereinafter designated.

MIDDLE ATLANTIC COASTAL AREA

The project for hurricane-flood protection at Virginia Beach, Virginia: House Document Numbered 92-365, at an estimated cost of \$954,000.

JAMES RIVER BASIN

The project for flood protection for the city of Buena Vista on the Maury River, Virginia: House Document Numbered 93-56, at an estimated cost of \$665,000.

SALT RIVER BASIN

The project for Camp Ground Lake on Beech Fork in the Salt River Basin, Kentucky, for flood protection and other purposes: House Document Numbered 92-374, at an estimated cost of \$330,000.

PASCAGOULA RIVER BASIN

The project for flood protection and other purposes on Bowie Creek, Mississippi: House Document Numbered 92-359, at an estimated cost of \$390,000.

PEARL RIVER BASIN

The project for flood control and other purposes on the Pearl River, Mississippi: House Document Numbered 92-282, at an estimated cost of \$310,000.

UPPER MISSISSIPPI RIVER BASIN

The project for flood control and other purposes on the Zumbro River at Rochester, Minnesota: Report of the Chief of Engineers dated June 7, 1973, in House Document Numbered 93-156, at an estimated cost of \$150,000.

LOWER MISSISSIPPI RIVER BASIN

The project for Greenville Harbor, Greenville, Mississippi: Senate Document Numbered 93-38, at an estimated cost of \$200,000.

The project for flood protection for the east bank of the Mississippi River, Warren to Wilkinson Counties, Mississippi (Natchez area): House Document Numbered 93-148, at an estimated cost of \$150,000.

The project for flood control and other purposes on the east bank of the Mississippi River, Warren to Wilkinson Counties, Mississippi

(Vicksburg-Yazoo area): House Document Numbered 93-149, at an estimated cost of \$150,000.

The project for flood control and other purposes for the Bushley Bayou area of the Red River backwater area, Louisiana: House Document Numbered 93-157, at an estimated cost of \$300,000.

PEE DEE RIVER BASIN

The project for flood control and other purposes on Roaring River Reservoir, North Carolina: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of \$400,000.

ALTAMAHA RIVER BASIN

The project for flood control and other purposes at Curry Creek Reservoir, Georgia: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of \$400,000.

COOSA RIVER BASIN

The project for flood control and other purposes at Dalton Reservoir, Conasauga River, Georgia: in accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of \$440,000.

GUADALUPE RIVER BASIN

The project for flood control and other purposes on the Blanco River at Clopton Crossing, Texas: House Document Numbered 92-364, at an estimated cost of \$177,000.

ARKANSAS RIVER BASIN

The project for flood protection and other purposes on the Arkansas River and tributaries above John Martin Dam, Colorado: House Document Numbered 93-143, at an estimated cost of \$1,140,000.

SPRING RIVER BASIN

The project for flood control and other purposes on Center Creek near Joplin, Missouri: House Document Numbered 92-361, at an estimated cost of \$150,000.

COLUMBIA RIVER BASIN

The project for installation of power generating facilities at the Libby Reregulating Dam, Kootenai River, Montana: Senate Document Numbered 93-29, at an estimated cost of \$75,000.

UMPQUA RIVER BASIN

The project for flood protection and other purposes at the Days' Creek Dam, South Umpqua River, Oregon: House Document Numbered 92-371, at an estimated cost of \$400,000.

(b) The Secretary of the Army is authorized to undertake advanced engineering and design for the projects in subsection (a) of this section after completion of the phase I design memorandum stage of such projects. Such advanced engineering and design may be undertaken only upon a finding by the Chief of Engineers, transmitted to the

Finding by
Chief of Engi-
neers, transmittal
to congressional
committees.

Appropriation.

Committees on Public Works of the Senate and House of Representatives, that the project is without substantial controversy, that it is substantially in accordance with and subject to the conditions recommended for such project in this section, and that the advanced engineering and design will be compatible with any project modifications which may be under consideration. There is authorized to carry out this subsection not to exceed \$5,000,000. No funds appropriated under this subsection may be used for land acquisition or commencement of construction.

33 USC 701c
note, 701-1 note.

SEC. 2. Sections 201 and 202 and the last three sentences in section 203 of the Flood Control Act of 1968 shall apply to all projects authorized in this section. The following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted by the Secretary of the Army, acting through the Chief of Engineers, in accordance with the plans and subject to the conditions recommended by the Chief of Engineers in the respective reports hereinafter designated.

DELAWARE RIVER BASIN

The project for local flood protection on Wabash Creek, Borough of Tamaqua, Pennsylvania: In accordance with the recommendations of the Secretary of the Army in his report dated April 12, 1971, on the Development of Water Resources in Appalachia, at an estimated cost of \$2,355,000.

CHARLES RIVER WATERSHED

The project for flood control and other purposes in the Charles River Watershed, Massachusetts: Report of the Chief of Engineers dated December 6, 1972, at an estimated cost of \$7,340,000.

UPPER MISSISSIPPI RIVER BASIN

The project for flood control and other purposes at Prairie du Chien, Wisconsin: Report of the Chief of Engineers dated February 9, 1972, at an estimated cost of \$1,840,000.

Land acquisition.

62 Stat. 1178.
80 Stat. 1423.

SEC. 3. (a) The West Tennessee tributaries feature, Mississippi River and tributaries project (Obion and Forked Deer Rivers), Tennessee, authorized by the Flood Control Acts approved June 30, 1948, and November 7, 1966, as amended and modified, is hereby further amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to acquire thirty-two thousand acres of land for the mitigation of fish and wildlife resources, recreation, and environmental purposes. Such lands shall be made available for public use, consistent with good wildlife management practices.

(b) Due to the urgency of completion of the West Tennessee tributaries feature and the necessity to preserve wildlife habitat, the Secretary of the Army, acting through the Chief of Engineers, is hereby authorized to enter immediately into leasehold agreements, accept donations, acquire by direct purchase, and to institute eminent domain proceedings to insure the preservation of the necessary lands in their natural state and to further the objectives of this section.

Plans, approval.

(c) Final details and designs of this mitigation feature shall consist of plans approved by the Secretary of the Army, the Secretary of the Interior, and the Governor of the State of Tennessee after consultation with the Tennessee Game and Fish Commission prior to the conveyance by the Secretary of the Army to the State of Tennessee as provided in subsection (d).

(d) The Secretary of the Army is authorized and directed to convey without monetary consideration, to the State of Tennessee all right, title, and interest of the United States in the lands and developments acquired under the authority of this section. Prior to such conveyance the State of Tennessee or its appropriate designee shall agree in writing in accordance with the provisions of section 221 of the Flood Control Act of 1970, to operate, maintain, and manage the agreed-upon mitigation lands and developments at no expense to the United States. In addition, the deed of conveyance to the lands and developments shall provide that they shall continue to be used for wildlife purposes in accordance with the plans of subsection (b) and the title to such lands or developments, which have been provided at Federal expense under the authority of this subsection shall revert to the United States if they cease to be used for such purposes.

State of
Tennessee, land
conveyance.

42 USC 1962d-
5b.

(e) Not less than 20 per centum of the funds appropriated each fiscal year for the construction of the West Tennessee tributaries feature, Mississippi River and tributaries project, shall be expended to implement the mitigation program authorized by this section, until the entire amount of funds authorized by this section has been expended.

(f) The sum of \$6,600,000 is hereby authorized to be appropriated to carry out the purposes of this section, and such sum shall be in addition to funds previously authorized for the West Tennessee tributaries feature.

Appropriation.

SEC. 4. The project for beach erosion control on Ediz Hook at Port Angeles, Washington, is authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document Numbered 93-101, at an estimated cost of \$4,553,000. The Secretary of the Army, acting through the Chief of Engineers is authorized to undertake, in connection with such project, such emergency interim measures as may be necessary to prevent the breaching of Ediz Hook prior to construction of the authorized project.

Port Angeles,
Wash., project.

SEC. 5. The project for flood control, water supply, and related purposes, in the Pocatalico River Basin, West Virginia, is hereby authorized substantially in accordance with the recommendations contained in the Pocatalico River Basin joint study interim report prepared by the Corps of Engineers and the Soil Conservation Service, at an estimated cost of \$3,568,900, with the funds to be appropriated for use by the Secretary of Agriculture, contingent upon project approval by the President.

Pocatalico
River Basin,
W. Va., project.

SEC. 6. Section 103 of the River and Harbor Act of 1970 is amended to read as follows:

84 Stat. 1819.

"SEC. 103. The cost of operation and maintenance of the general navigation features of small boat harbor projects shall be borne by the United States. This section shall apply to any such project authorized (A) under section 201 of the Flood Control Act of 1965, (B) under section 107 of the River and Harbor Act of 1960, (C) between January 1, 1970, and December 31, 1970, under authority of this Act, and to projects heretofore authorized in accordance with the policy set forth in the preceding sentence and to such projects authorized in this Act or which are hereafter authorized."

42 USC 1962d-5.
33 USC 577.

SEC. 7. (a) Section 116(a) of the River and Harbor Act of 1970 (Public Law 91-611) is amended by inserting before the period the following: "and thereafter to maintain such channel free of such trees, roots, debris, and objects".

Chicago River,
Ill., channel
clearance.
84 Stat. 1822.

(b) Section 116(c) of the River and Harbor Act of 1970 (Public Law 91-611) is amended by inserting before the period the following: "to clear the channel, and not to exceed \$150,000 each fiscal year thereafter to maintain such channel".

84 Stat. 1822.

(c) Section 116(b) of the River and Harbor Act of 1970 (Public Law 91-611) is amended by adding at the end thereof the following: "Non-Federal interests shall pay 25 per centum of the cost of maintaining the channel free of trees, roots, debris, and objects."

San Francisco
Bay-Delta Model,
Calif., operation.

SEC. 8. The Secretary of the Army, acting through the Chief of Engineers, is authorized to operate and maintain the San Francisco Bay-Delta Model in Sausalito, California, for the purpose of testing proposals affecting the environmental quality of the region, including, but not limited to, salinity intrusion, dispersion of pollutants, water quality, improvements for navigation, dredging, bay fill, physical structures, and other shoreline changes which might affect the regimen of the bay-delta waters.

42 USC 1962d-15.

SEC. 9. The requirement in any water resources development project under the jurisdiction of the Secretary of the Army, that non-Federal interests hold and save the United States free from damages due to the construction, operation, and maintenance of the project, does not include damages due to the fault or negligence of the United States or its contractors.

McClellan-Kerr
Arkansas River
navigation system.

SEC. 10. The McClellan-Kerr Arkansas River navigation system, authorized by the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1215), as amended and supplemented, is hereby further modified to include alteration at Federal expense of the municipal water supply facilities of the city of Conway, Arkansas, by the construction of water supply impoundment facilities at a location outside the flat flood plain of Cadron Creek, together with interconnecting pipeline and other appurtenant work, so that the water supply capacity of the resultant municipal facilities is approximately equivalent to that existing prior to construction of the navigation system.

Surveys.

SEC. 11. (a) The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following locations for flood control and allied purposes, and subject to all applicable provisions of section 217 of the Flood Control Act of 1970 (Public Law 91-611):

84 Stat. 1830.

San Luis Obispo County, California.

Buffalo River Basin, New York (wastewater management study).

Palo Blanco Creek and Cibolo Creek, at and in the vicinity of Falfurrias, Texas.

(b) The Secretary of the Army is hereby authorized and directed to cause surveys to be made at the following locations and subject to all applicable provisions of section 110 of the River and Harbor Act of 1950:

64 Stat. 168.

Miami River, Florida, with a view to determining the feasibility and advisability of dredging the river in the interest of water quality.

Port Las Mareas, Puerto Rico, with a view to determining the feasibility and advisability of assumption of maintenance of the project by the United States.

Saint Marys River at, and in the vicinity of, Sault Sainte Marie, Michigan, with a view to determining the advisability of developing a deep draft navigation harbor and international port.

East Two Rivers between Tower, Minnesota, and Vermilion Lake.

Project review.
List, submittal
to Congress.
33 USC 579.

SEC. 12. (a) As soon as practicable after the date of enactment of this section and at least once each year thereafter, the Secretary of the Army, acting through the Chief of Engineers, shall review and submit to Congress a list of those authorized projects for works of

improvement of rivers and harbors and other waterways for navigation, beach erosion, flood control, and other purposes which have been authorized for a period of at least eight years without any Congressional appropriations within the last eight years and which he determines, after appropriate review, should no longer be authorized. Each project so listed shall be accompanied by the recommendation of the Chief of Engineers together with his reasons for such recommendation. Prior to the submission of such list to the Congress, the Secretary of the Army, acting through the Chief of Engineers, shall obtain the views of interested Federal departments, agencies, and instrumentalities, and of the Governor of each State wherein such project would be located, which views shall be furnished within sixty days after being requested by the Secretary and which shall accompany the list submitted to Congress. Prior to the submission of such list to Congress the Secretary of the Army, acting through the Chief of Engineers, shall notify each Senator in whose State, and each Member of the House of Representatives in whose district, a project (including any part thereof) on such list would be located.

(b) Such list shall be delivered to both Houses on the same day and to each House while it is in session. A project on such list shall not be authorized at the end of the first period of one hundred and eighty calendar days of continuous session of Congress after the date such list is delivered to it unless between the date of delivery and the end of such one hundred and eighty-day period, either the Committee on Public Works of the House of Representatives or the Committee on Public Works of the Senate adopts a resolution stating that such project shall continue to be an authorized project. For the purposes of this section continuity of session is broken only by an adjournment of Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the one hundred and eighty-day period. The provisions of this section shall not apply to any project contained in a list of projects submitted to the Congress within one hundred and eighty days preceding the date of adjournment sine die of any session of Congress.

(c) Nothing in this section shall be construed so as to preclude the Secretary from withdrawing any project or projects from such list at any time prior to the final day of the period provided for in subsection (b).

(d) This section shall not be applicable to any project which has been included in a resolution adopted pursuant to subsection (b).

(e) The Secretary of the Army, acting through the Chief of Engineers, shall, on request by resolution of the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, review authorized projects for inclusion in the list of projects provided for in subsection (a) of this section. If any project so reviewed is not included in any of the first three lists submitted to the Congress after the date of the resolution directing the review of the project, a report on the review together with the reasons for not recommending deauthorization, shall be submitted to the Committees on Public Works of the Senate and House of Representatives not later than the date of the third list submitted to Congress after the date of such resolution.

Report, sub-
mittal to congres-
sional committees.

SEC. 13. Section 207(c) of the Flood Control Act of 1960 (33 U.S.C. 701r-1(c)) is hereby amended to read as follows:

“(c) For water resources projects to be constructed in the future, when the taking by the Federal Government of an existing public road necessitates replacement, the substitute provided will, as nearly as

practicable, serve in the same manner and reasonably as well as the existing road. The head of the agency concerned is authorized to construct such substitute roads to the design standards which the State or owning political division would use in constructing a new road under similar conditions of geography and under similar traffic loads (present and projected). In any case where a State or political subdivision thereof requests that such a substitute road be constructed to a higher standard than that provided for in the preceding provisions of this subsection, and pays, prior to commencement of such construction, the additional costs involved due to such higher standard, such agency head is authorized to construct such road to such higher standard. Federal costs under the provisions of this subsection shall be part of the nonreimbursable project costs."

Sandridge Dam
and Reservoir,
N.Y., project
modification.
84 Stat. 1824.

SEC. 14. The project for the Sandridge Dam and Reservoir, Ellicott Creek, New York, for flood protection and other purposes as authorized by the Flood Control Act of 1970, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake remedial flood control measures to alleviate flooding in the reach between Stahl Road and Niagara Falls Boulevard that are compatible with the diversion channel plan contained in the report of the district engineer, United States Army Engineer District, Buffalo, dated August 1973, such work to be subject to the items of local cooperation required for similar projects and such work to be limited to areas downstream from Sweethome Road in the town of Amherst, New York, and such other areas as the Secretary may deem necessary. The work authorized by this section shall be compatible with the authorized project and any alternatives currently under study pursuant to the Flood Control Act of 1970.

Little River
Inlet, S.C., navi-
gation project
modification.
42 USC 1962d-5.

SEC. 15. The project for navigation at Little River Inlet, South Carolina, authorized under provisions of section 201 of the Flood Control Act of October 27, 1965 (Public Law 89-298), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to perform such emergency dredging operations as the Chief of Engineers determines necessary to maintain channel depths sufficient to permit free and safe movement of vessels until such time as the authorized project is constructed.

White River
Basin, project
modification.

SEC. 16. (a) The comprehensive plan for flood control and other purposes in the White River Basin, as authorized by the Act of June 28, 1938 (52 Stat. 1215), and as modified and amended by subsequent Acts, is further modified to provide for a free highway bridge built to modern standards over the Norfolk Reservoir at an appropriate location in the area where United States Highway 62 and Arkansas State Highway 101 were inundated as a result of the construction of the Norfolk Dam and Reservoir. Such bridge shall be constructed by the Chief of Engineers in accordance with such plans as are determined to be satisfactory by the Secretary of the Army to provide adequate crossing facilities. Prior to construction the Secretary of the Army, acting through the Chief of Engineers, shall enter into an agreement with appropriate non-Federal interests as determined by him, which shall provide that after construction such non-Federal interests shall own, operate, and maintain such bridges and approach facilities free to the public.

(b) The cost of constructing such bridge shall be borne by the United States except that the State of Arkansas shall, upon completion of such bridge, reimburse the United States the sum of \$1,342,000 plus interest, compounded annually, for the period from May 29, 1943, to the date of enactment of this Act. Such interest shall be computed at rates determined by the Secretary of the Treasury to be equal to

the average annual rates payable on all interest-bearing obligations of the United States forming a part of the public debt for each year during this period, and adjusted to the nearest one-eighth of 1 per centum.

SEC. 17. The projects for Melvern Lake and Pomona Lake, Kansas, authorized as units of the comprehensive plan for flood control and other purposes, Missouri River Basin, by the Flood Control Act approved September 3, 1954, are hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to improve surface roads in the vicinity of such projects which he determines to be necessary for appropriate utilization of such projects. The Federal share of the work performed under this section shall not exceed 70 per centum of the costs of such work. There is authorized to be appropriated to the Secretary not to exceed \$500,000 to carry out this section.

Melvorn and
Pomona Lakes,
Kansas, project
modification.
68 Stat. 1261.

Appropriation.

SEC. 18. The project for Tuttle Creek Reservoir, Big Blue River, Kansas, authorized as a unit of the comprehensive plan for flood control and other purposes, Missouri River Basin, by the Flood Control Act approved June 28, 1938, as modified, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, in his discretion to improve that portion of FAS 1208 extending from the intersection with Kansas State Highway 13 in section 5, township 9 south, range 8 east, thence north and west to the intersection with country road in section 14, township 8 south, range 7 east, approximately 5.78 miles. The Federal share of the work performed under this section shall not exceed 70 per centum of the costs of such work. There is authorized to be appropriated to the Secretary not to exceed \$500,000 to carry out this section.

Tuttle Creek
Reservoir, Big
Blue River, Kans.

52 Stat. 1218.

Appropriation.

SEC. 19. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to convey to the Andrew Jackson Lodge Numbered 5, Fraternal Order of Police, of Nashville, Tennessee (hereafter in this section referred to as the "lodge"), all right, title, and interest of the United States in and to that real property consisting of thirty-eight acres, more or less, which is located within the Old Hickory lock and dam project and which is presently leased to the lodge under lease numbered AA-40058-CIVENG-60-431, dated December 1, 1959.

Fraternal Order
of Police, Nash-
ville, Tenn., land
conveyance.

(b) The cost of any surveys necessary as an incident of the conveyance authorized by this section shall be borne by the lodge.

Surveys, costs.

(c) Title to the property authorized to be conveyed by this section shall revert to the United States, which shall have the right of immediate entry thereon, if the lodge shall ever use, or permit to be used, any part of such property for any purpose other than as a youth camp facility.

(d) The conveyance authorized by this section shall be made upon payment by the lodge to the Secretary of the Army of an amount of money equal to the fair market value of the property. The fair market value of such property shall be determined by an independent qualified appraiser acceptable to both the Secretary of the Army and the lodge. No conveyance may be made pursuant to this section after the close of the twelfth month after the month in which this section is enacted.

Payment.

SEC. 20. Section 213 of the Flood Control Act of 1970 (84 Stat. 1824, 1829) is hereby amended by (1) inserting before the period at the end of the first sentence the following: "at an estimated cost of \$11,400,000" and (2) striking out the last sentence.

SEC. 21. The project for flood protection on the Minnesota River at Mankato-North Mankato, Minnesota, authorized by the Flood Control Act of 1958 and modified by section 207 of the Flood Control

Minnesota
River, Mankato-
North Mankato,
Minn., project
modification.

72 Stat. 310;
79 Stat. 1085.

Act of 1965, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse the city of Mankato for local costs incurred in relocating that portion of the existing Mankato interceptor sewer extending approximately one thousand six hundred feet upstream and one thousand five hundred feet downstream of the Warren Creek Pumping Station, provided the relocated interceptor sewer is designed and constructed in a manner which the Secretary of the Army determines is fully adequate to serve the project purpose.

Water conserva-
tion plans.
42 USC 1962d-
16.

Reports to
Congress.

Appropriation.

SEC. 22. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with any State in the preparation of comprehensive plans for the development, utilization, and conservation of the water and related resources of drainage basins located within the boundaries of such State and to submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out such plans.

(b) There is authorized to be appropriated not to exceed \$2,000,000 annually to carry out the provisions of this section except that not more than \$200,000 shall be expended in any one year in any one State.

33 USC 1165a.

SEC. 23. Section 123 of the River and Harbor Act of 1970 (84 Stat. 1818, 1823) is hereby amended by adding at the end of subsection (d) of such section the following: "In the event such findings occur after the appropriate non-Federal interest or interests have entered into the agreement required by subsection (c), any payments due after the date of such findings as part of the required local contribution of 25 per centum of the construction costs shall be waived by the Secretary of the Army."

Local cooper-
ation, study.
42 USC 1962d-5
note.

Report to
Congress.

SEC. 24. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a complete study of the items of local cooperation involving hold and save harmless provisions which have been required for water resources development projects under his jurisdiction, and his reasons for such requirements, and to report thereon to the Congress not later than June 30, 1975, together with recommendations as to those items of local cooperation which should appropriately be required for various types of water resources development projects.

Land and water
use, study.
42 USC 1962d-5
note.

Report to
Congress.

SEC. 25. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study land use practices and recreational uses at water resource development projects under his jurisdiction, and to report thereon to the Congress not later than June 30, 1975, with recommendations as to the best use of such lands for outdoor recreation, fish and wildlife enhancement, and related purposes.

33 USC 701g.

SEC. 26. Section 208 of the Flood Control Act of 1954 (68 Stat. 1256, 1266) is hereby amended by striking out "\$2,000,000" and inserting in lieu thereof "\$5,000,000", and by striking out "\$100,000" and inserting in lieu thereof "\$250,000".

33 USC 701r.

SEC. 27. Section 14 of the Act approved July 24, 1946 (60 Stat. 653), is hereby amended by striking out "\$1,000,000" and inserting in lieu thereof "\$10,000,000", by inserting after the words "public works," "churches, hospitals, schools, and other nonprofit public services," by striking out "\$50,000" and inserting in lieu thereof "\$250,000" and by striking out "of emergency bank-protection works to prevent flood" and inserting in lieu thereof "repair, restoration, and modification of emergency streambank and shoreline protection works to prevent".

Lake Texoma,
Tex. and Okla.,
access improve-
ments.

SEC. 28. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to improve perimeter access at

Lake Texoma, Texas and Oklahoma, utilizing existing roads to the extent feasible. There is authorized to be appropriated not to exceed \$3,000,000 to carry out this section.

SEC. 29. The Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110), is amended—

Rock Island,
Ill., toll bridge.

(1) by inserting after "to reconstruct, enlarge, and extend the approaches" in subsection (b) of the first section the following: "(including the eastern approach in Rock Island, Illinois)",

(2) by inserting after "approaches" in subsection (c) of the first section the following: "(other than the eastern approach in Rock Island, Illinois)", and

(3) by inserting at the end of subsection (c) of the first section the following: "The reconstruction, enlargement, and extension of the eastern approach in Rock Island, Illinois, to such bridge pursuant to subsection (b) of this section shall be commenced not later than December 1, 1974, and shall be completed before December 1, 1977."

SEC. 30. The project for enlargement of Lavon Reservoir on the East Fork of the Trinity River, Texas, authorized by the Flood Control Act of 1962, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide a crossing and approaches at Tickey Creek and suitable surfacing to permit all-weather use of Collin County Road 115, at a cost not to exceed \$800,000.

Lavon Reser-
voir, Trinity
River, Tex.,
project modifica-
tion.
76 Stat. 1185.

SEC. 31. The project for the Atlantic coast of Long Island, Fire Island Inlet to Montauk Point, New York, authorized in section 101 of the River and Harbor Act of 1960, is hereby modified to provide that non-Federal interests shall (1) contribute 30 per centum of the first cost of the project, including the value of lands, easements, and rights-of-way; (2) hold and save the United States free from damages due to the construction works; and (3) maintain and operate the improvements in accordance with regulations prescribed by the Secretary of the Army.

Long Island,
N.Y., project
modification.
74 Stat. 480.

SEC. 32. (a) This section may be cited as the "Streambank Erosion Control Evaluation and Demonstration Act of 1974".

Streambank
Erosion Control
Evaluation and
Demonstration Act
of 1974.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to establish and conduct for a period of five fiscal years a national streambank erosion prevention and control demonstration program. The program shall consist of (1) an evaluation of the extent of streambank erosion on navigable rivers and their tributaries; (2) development of new methods and techniques for bank protection, research on soil stability, and identification of the causes of erosion; (3) a report to the Congress on the results of such studies and the recommendations of the Secretary of the Army on means for the prevention and correction of streambank erosion; and (4) demonstration projects, including bank protection works.

National stream-
bank erosion pre-
vention and con-
trol demonstration
program.
42 USC 1962d-5
note.

Report to
Congress.

(c) Demonstration projects authorized by this section shall be undertaken on streams selected to reflect a variety of geographical and environmental conditions, including streams with naturally occurring erosion problems and streams with erosion caused or increased by man-made structures or activities. At a minimum, demonstration projects shall be conducted at multiple sites on—

Project sites.

(1) the Ohio River;

(2) that reach of the Missouri River between Fort Randall Dam, South Dakota, and Sioux City, Iowa;

(3) that reach of the Missouri River in North Dakota at or below the Garrison Dam; and

(4) the delta and hill areas of the Yazoo River Basin generally in accordance with the recommendations of the Chief of Engineers in his report dated September 23, 1972.

Non-Federal
interests, require-
ments.

(d) Prior to construction of any projects under this section, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction and subsequent operation of the projects; hold and save the United States free from damages due to construction, operation, and maintenance of the projects; and operate and maintain the projects upon completion.

Appropriation.

(e) There is authorized to be appropriated for the five-fiscal-year period ending June 30, 1978, not to exceed \$25,000,000 to carry out subsections (b), (c), and (d) of this section.

Scioto River,
Ohio, project
modification.
76 Stat. 1188.

SEC. 33. The flood control project for the Scioto River, Ohio authorized by section 203 of the Flood Control Act of 1962, as modified, is hereby further modified (1) to permit the construction of local protection works at Chillicothe, Ohio, prior to commencement of construction of the Mill Creek Reservoir, and (2) to permit the plan for such works to be revised by the Chief of Engineers so as to provide a degree of protection substantially equivalent to that provided by the project as originally authorized.

Ohio River,
Newburgh, Ind.,
bank protection
works.
35 Stat. 818.
33 USC 5.

SEC. 34. The project for Newburgh lock and dam, authorized under authority of section 6 of the River and Harbor Act approved March 3, 1909, is hereby modified to direct the Secretary of the Army, acting through the Chief of Engineers, to perform bank protection works along the Ohio River at Newburgh, Indiana. Prior to construction, non-Federal interests shall agree that they will provide without cost to the United States lands, easements, and rights-of-way necessary for construction and subsequent operation of the works; hold and save the United States free from damages due to construction, operation, and maintenance of the works, and operate and maintain the works upon completion.

Aleutian Is-
lands, Alaska,
study.

SEC. 35. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a detailed study of such plans as he may deem feasible and appropriate for the removal and disposal of debris and obsolete buildings remaining as a result of military construction in World War II in the vicinities of Port Heiden, Cold Bay, Unalaska, and Unmak Island, in the Aleutian Islands, Alaska. Such study shall include an analysis of appropriate measures to restore these areas to their natural condition. The Secretary of the Army, acting through the Chief of Engineers, is directed to report the findings of such study to Congress within one year after the date of enactment of this section.

Report to
Congress.

American River
Calif., road,
bridges.
84 Stat. 1831.

SEC. 36. Section 222 of the Flood Control Act of 1970 (Public Law 91-611) is amended by inserting at the end thereof the following: "The Secretary may also provide for the cost of construction of a two-lane, all-weather paved road (including appropriate two-lane bridges) extending from Old United States Highway 40, near Weimar across the North Fork and Middle Fork of the American River to the Eldorado County Road near Spanish Dry Diggings, substantially in accordance with the report of the Secretary entitled 'Replacement Alternative Upstream Road System, Auburn Reservoir—June 1970'."

Santa Cruz
Harbor project,
Santa Cruz, Calif.

SEC. 37. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to review the requirements of local cooperation for the Santa Cruz Harbor project, Santa Cruz, California, authorized by the River and Harbor Act of 1958, with particu-

72 Stat. 299.

lar reference to Federal and non-Federal cost sharing, and to report the findings of such review to Congress within one year after the date of enactment of this section.

SEC. 38. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to review the requirements of local cooperation for the project for Anaheim Bay, California, authorized by the River and Harbor Act of 1954 for Seal Beach, California, with particular reference to Federal and non-Federal cost sharing, and to report the findings of such review to Congress within one year after the date of enactment of this section.

SEC. 39. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake such emergency bank stabilization works as are necessary to protect the Sacred Heart Hospital in Yankton, South Dakota, from damages caused by bank erosion downstream of Gavins Point Dam, Missouri River.

SEC. 40. (a) In connection with any water resource development project, heretofore, herein, or hereafter authorized to be undertaken by the Secretary of the Army, the construction of which has not been initiated as of the date of the enactment of this section, where authorization requires that non-Federal public bodies make an agreed-upon cash contribution as part of their reimbursement to the Federal Government for construction costs, or a specific portion of the construction costs, and where there exists no other provision of law which would permit extended repayment for the construction costs or such specific portion of the construction costs involved, such non-Federal public bodies may make such repayment in annual installments during the period of construction.

(b) Upon the request of affected non-Federal public bodies, the Secretary of the Army is authorized to modify existing cost sharing agreements in order to effectuate the provisions of subsection (a) of this section.

SEC. 41. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make a detailed study and report of the total benefits and costs attributable to the water resources development projects undertaken in the Ohio River Basin by the Corps of Engineers. The evaluation of benefits and costs attributable to such projects shall include consideration of the enhancement of regional economic development, quality of the total environment, the well-being of the people, and the national economic development.

(b) The Secretary, acting through the Chief of Engineers, shall report the finding of such study to Congress within two years after funds are made available to initiate the study.

(c) There is authorized to be appropriated to the Secretary not to exceed \$2,000,000 to carry out this section.

SEC. 42. The project for flood control and improvement of the lower Mississippi River (adopted by the Act of May 15, 1928 (45 Stat. 534)), as amended and modified is further amended and modified so as to provide that in the case of lands which were authorized to be acquired for the purpose of mitigating losses to wildlife resulting from Federal improvements which have not been acquired and which are no longer suitable for such purpose, the Secretary of the Army, acting through the Chief of Engineers, may, to the extent justified, acquire substitute lands, not to exceed the acreages previously authorized for such purpose, in the same or adjacent subbasins of the project area.

SEC. 43. Any proposed road to the Zilpo Recreation Area shall not be constructed under the Cave Run Lake project in Kentucky authorized by the Flood Control Acts approved June 22, 1936, and June 28,

Report to Congress.

Anaheim Bay, Calif.

68 Stat. 1254.

Report to Congress.

Yankton, S. Dak., emergency bank stabilization works.

Non-Federal public bodies, construction costs reimbursement.
42 USC 1962d-5c.

Cost sharing agreements, modification.

Ohio River Basin, water resources development projects, study.

Report to Congress.

Appropriation.

Lower Mississippi River project modification.

Cave Run Lake project, Ky., road construction.
49 Stat. 1570.

52 Stat. 1215.
Public review
and comment.

Mountrail
County Park
Commission,
N. Dak., land
conveyance.

1938, until there is a full opportunity for public review and comment on the environmental impact statement pertaining to any such proposed road.

SEC. 44. (a) Subject to the provisions of subsection (b) of this section, the Secretary of the Army is authorized and directed to convey to the Mountrail County Park Commission of Mountrail County, North Dakota, all rights, title, and interest of the United States in and to the following described tracts of land:

TRACT NUMBER 1

All of the land which lies landward of a line, which line is 300 feet above and measured horizontally from contour elevation 1,850 mean sea level of old Van Hook Village in the northwest quarter of section 32, township 152, range 91 west of the fifth guide meridian.

TRACT NUMBER 2

All of the land which lies landward of a line which line is 300 feet above and measured horizontally from contour elevation 1,850 mean sea level of Olson's first addition, part of the southwest quarter of section 29, township 152, range 91 west of the fifth guide meridian.

TRACT NUMBER 3

Hodge's first addition, part of the northeast quarter of section 32, township 152, range 91, west of the fifth guide meridian.

(b) (1) The conveyance of such portion of the lands described in subsection (a) as is being used by the North Dakota State Game and Fish Department for wildlife management purposes shall not become effective until the termination of the license granted to such department for such use either in accordance with its original terms on October 31, 1980, or at any time prior thereto.

(2) The lands conveyed pursuant to this section shall be used by the Mountrail County Park Commission, Mountrail County, North Dakota, solely for public park and recreational purposes, and if such lands are ever used for any other purpose, title thereto shall revert to, and become the property of, the United States which shall have the right of immediate entry thereof.

(3) The conveyance authorized by this section shall be subject to such other terms and conditions as the Secretary of the Army deems to be in the public interest.

Surveys, costs.

(c) The Mountrail County Park Commission shall pay the costs of such surveys as may be necessary to determine the exact legal description of the lands to be conveyed and such sums as may be fixed by the Secretary of the Army to compensate the United States for its administrative expenses in connection with the conveyance of such lands, which sum shall be covered into the Treasury into miscellaneous expenses.

42 USC 4482.

SEC. 45. (a) Section 252 of the Disaster Relief Act of 1970 (Public Law 91-606, 84 Stat. 1757) is amended by adding at the end thereof the following:

"Net cost" and
"net costs."

"(d) For the purposes of this section, 'net cost' and 'net costs' of repairing, restoring, reconstructing, or replacing any such facility shall include the costs actually incurred in replacing the facility's services with services from other sources during the period of repair, restoration, reconstruction, or replacement of such facility, to the extent such costs exceed the costs which would have been incurred in providing such services but for the disaster."

(b) The amendment made by section (a) of this section shall take effect as of August 1, 1969.

SEC. 46. The Secretary of the Army, acting through the Chief of Engineers, is authorized to amend the contract between the city of Aberdeen, Washington, and the United States for use of storage space in the Wynoochee Dam and Lake on the Wynoochee River, Washington, for municipal and industrial water supply purposes. Such amended contract shall provide that the costs allocated to present demand water supply, shall be repaid over a period of fifty years after the project is first used for the storage of water for water supply purposes. The first annual payment shall be a minimum of 0.1 per centum of the total amount to be repaid. The annual payments shall be increased by 0.1 per centum each year until the tenth year at which time the payment shall be 1 per centum of the total principal amount to be repaid. Subsequent annual payments for the balance of forty years shall be one-fortieth of the balance remaining after the tenth annual payment (including interest over such fifty year period).

SEC. 47. The project for Wynoochee Dam and Lake, Wynoochee River, Washington, authorized by the Flood Control Act approved October 23, 1962 (76 Stat. 1193), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to transfer to the State of Washington, as a part of project costs, an amount not to exceed \$696,000 for construction of fish hatchery facilities for prevention of losses of natural spawning areas for anadromous trout occasioned by project construction.

SEC. 48. Section 7 of the River Basin Monetary Authorization and Miscellaneous Civil Works Amendment Act of 1970 (84 Stat. 310) is hereby amended to read as follows:

"SEC. 7. That the project for Libby Dam, Kootenai River, Montana, is hereby modified to provide that an amount not to exceed \$4,000,000 may be used for the construction of fish production measures in compensation for fish losses attributed to the project, and for the acquisition of necessary real estate, construction of access roads and utilities, and performance of services related thereto, as deemed appropriate by the Secretary of the Army, acting through the Chief of Engineers."

SEC. 49. (a) The project for Libby Dam, Kootenai River, Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to acquire not more than twelve thousand acres of land for the prevention of wildlife grazing losses caused by the project.

(b) The Secretary is further authorized and directed to convey without monetary consideration, to the State of Montana all right, title, and interest of the United States in the land acquired under subsection (a), for use for wildlife grazing purposes. The deed of conveyance shall provide that the land shall revert to the United States in the event it ever ceases to be used for wildlife grazing purposes.

(c) There is authorized to be appropriated not to exceed \$2,000,000 to carry out the provisions of this section.

SEC. 50. The project for Libby Dam (Lake Koocanusa), Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to reimburse Boundary County, Idaho, for the cost incurred to elevate, relocate, or reconstruct the bridge, located at the mouth of Deep Creek as it joins the Kootenai River, made necessary by the duration of higher flows during drawdown operations at Libby Dam. There is authorized to be appropriated not to exceed \$350,000 for the purposes of this section.

Effective date.
42 USC 4482
note.

Aberdeen,
Wash., contract
amendment.

Wynoochee
River, Wash.,
project modifica-
tion.

Libby Dam
project, Kootenai
River, Mont.,
modification.

Land acquisi-
tion.

State of Mon-
tana, land convey-
ance.

Appropriation.

Libby Dam
project, modifi-
cation.

Appropriation.

East River,
N.Y.
33 USC 59c-2.

42 USC 4321
note.

Reimbursement
to Federal agen-
cies.

Cape Fear,
N.C., project
modification.

42 USC 1962d-
5a.

Grand River,
Mo.-Iowa, project
modification.
79 Stat. 1080.

Report to
Congress.

Shoreline
Erosion Control
Act of 1974.
42 USC 1962d-5
note.

SEC. 51. If the Secretary of the Army, acting through the Chief of Engineers, finds that the proposed project to be erected at the location to be declared non-navigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of the bulkheading and filling and permanent pile-supported structures in order to preserve and maintain the remaining navigable waterway and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then those portions of the East River in New York County, State of New York, bounded and described as follows are hereby declared to be not navigable waters of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given to the filling in of all or any part thereof or the erection of permanent pile-supported structures thereon: That portion of the East River in New York County, State of New York, lying shoreward of a line with the United States pierhead line as it exists on the date of the enactment of this Act, bounded on the north by the south side of Rutgers Slip extended easterly, and bounded on the south by the southeasterly border of Battery Park at a point adjacent to the westerly end of South Street extended south by southwest, is hereby declared to be non-navigable waters of the United States. This declaration shall apply only to portions of the above-described area which are bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

SEC. 52. The project for hurricane-flood control protection from Cape Fear to the North Carolina-South Carolina State line, North Carolina, authorized by the Flood Control Act of 1966 (80 Stat. 1418, 1419) is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, may enter into an agreement with non-Federal public bodies to provide for reimbursement of installation costs incurred by such bodies, or an equivalent reduction in the contributions they are otherwise required to make, or a combination thereof, in an amount not to exceed \$2,000,000 for work to be performed in the project, subject to the provisions of subsections (b) through (e) of section 215 of the Flood Control Act of 1968.

SEC. 53. The project for flood protection on the Grand River and tributaries, Missouri and Iowa, authorized by the Flood Control Act of 1965 is hereby modified to authorize and direct the Chief of Engineers to proceed immediately with the engineering and design of the Pattonsburg Lake project as presently authorized subject to such modifications as are determined desirable by the Chief of Engineers on the basis of results of a review of the authorized Grand River Basin plan of development including consideration of the current justification and feasibility of advance Federal participation in construction of the I-35 highway crossing of the river and of including power facilities during the project construction. Such inclusion of power facilities shall be subject to submission of a feasibility report to the Congress and subsequent congressional action thereon.

SEC. 54. (a) This section may be cited as the "Shoreline Erosion Control Demonstration Act of 1974".

(b) The Congress finds that because of the importance and increasing interest in the coastal and estuarine zone of the United States, the deterioration of the shoreline within this zone due to erosion, the harm to water quality and marine life from shoreline erosion, the loss of recreational potential due to such erosion, the financial loss to private

and public landowners resulting from shoreline erosion, and the inability of such landowners to obtain satisfactory financial and technical assistance to combat such erosion, it is essential to develop, demonstrate, and disseminate information about low-cost means to prevent and control shoreline erosion. It is therefore the purpose of this section to authorize a program to develop and demonstrate such means to combat shoreline erosion.

(c)(1) The Secretary of the Army, acting through the Chief of Engineers, shall establish and conduct for a period of five fiscal years a national shoreline erosion control development and demonstration program. The program shall consist of planning, constructing, operating, evaluating, and demonstrating prototype shoreline erosion control devices, both engineered and vegetative.

National shoreline erosion control development and demonstration program.

(2) The program shall be carried out in cooperation with the Secretary of Agriculture, particularly with respect to vegetative means of preventing and controlling shoreline erosion, and in cooperation with Federal, State, and local agencies, private organizations, and the Shoreline Erosion Advisory Panel established pursuant to subsection (d).

(3) Demonstration projects established pursuant to this section shall emphasize the development of low-cost shoreline erosion control devices located on sheltered or inland waters. Such projects shall be undertaken at no less than two sites each on the shorelines of the Atlantic, Gulf and Pacific coasts, the Great Lakes, and the State of Alaska, and at locations of serious erosion along the shores of Delaware Bay, particularly at those reaches known as Pickering Beach, Kitts Hummock, Bowers, Slaughter Beach, Broadkill Beach, and Lewes in the State of Delaware. Sites selected should, to the extent possible, reflect a variety of geographical and climatic conditions.

(4) Such demonstration projects may be carried out on private or public lands except that no funds appropriated for the purpose of this section may be expended for the acquisition of privately owned lands. In the case of sites located on private or non-Federal public lands, the demonstration projects shall be undertaken in cooperation with a non-Federal sponsor or sponsors who shall pay at least 25 per centum of construction costs at each site and assume operation and maintenance costs upon completion of the project.

(d)(1) No later than one hundred and twenty days after the date of enactment of this section the Chief of Engineers shall establish a Shoreline Erosion Advisory Panel. The Chief of Engineers shall appoint fifteen members to such Panel from among individuals who are knowledgeable with respect to various aspects of shoreline erosion, with representatives from various geographical areas, institutions of higher education, professional organizations, State and local agencies, and private organizations, except that such individuals shall not be regular full-time employees of the United States. The Panel shall meet and organize within ninety days from the date of its establishment, and shall select a Chairman from among its members. The Panel shall then meet at least once each six months thereafter and shall expire ninety days after termination of the five-year program established pursuant to subsection (c).

Shoreline Erosion Advisory Panel.
Establishment.

(2) The Panel shall—

Functions.

(A) advise the Chief of Engineers generally in carrying out provisions of this section;

(B) recommend criteria for the selection of development and demonstration sites;

(C) recommend alternative institutional, legal, and financial arrangements necessary to effect agreements with non-Federal sponsors of project sites;

(D) make periodic reviews of the progress of the program pursuant to this section;

(E) recommend means by which the knowledge obtained from the project may be made readily available to the public; and

(F) perform such functions as the Chief of Engineers may designate.

Compensation.

(3) Members of the Panel shall, while serving on business of the Panel, be entitled to receive compensation at rates fixed by the Chief of Engineers, but not in excess of the maximum rate of pay for grade GS-18, as provided in the General Schedule under section 5332 of title 5 of the United States Code, including traveltime and while away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b-2) for persons in Government service employed intermittently.

5 USC 5332
note.

5 USC 5703.

Technical as-
sistance.

(4) The Panel is authorized, without regard to the civil service laws, to engage such technical and other assistance as may be required to carry out its functions.

Reports to
congressional
committees.

(e) The Secretary of the Army, acting through the Chief of Engineers, shall prepare and submit annually a program progress report, including therein contributions of the Shoreline Erosion Advisory Panel, to the Committees on Public Works of the Senate and House of Representatives. The fifth and final report shall be submitted sixty days after the fifth fiscal year of funding and shall include a comprehensive evaluation of the national shoreline erosion control development and demonstration program.

Appropriation.

(f) There is authorized to be appropriated for the first fiscal year following enactment of this section, and the succeeding four fiscal years, a total of not to exceed \$8,000,000 to carry out the provisions of this section.

Technical and
engineering as-
sistance.
42 USC 1962d-5
note.

SEC. 55. The Secretary of the Army, acting through the Chief of Engineers, is authorized to provide technical and engineering assistance to non-Federal public interests in developing structural and non-structural methods of preventing damages attributable to shore and streambank erosion.

Libby Dam,
Mont., project
modification.

SEC. 56. The project for Libby Dam (Lake Koocanusa), Montana, authorized by the Flood Control Act approved May 17, 1950 (64 Stat. 170), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to compensate the drainage districts and owners of leveed and unleveed tracts, in Kootenai Flats, Boundary County, Idaho, for modification to facilities including gravity drains, structures, pumps, and additional pumping operational costs made necessary by, and crop and other damages resulting from, the duration of higher flows during drawdown operations at Libby Dam, except that the total of all such compensation shall not exceed \$1,500,000.

Presque Isle
Peninsula, Pa.,
project extension.

SEC. 57. The authorization for the beach erosion control project for Presque Isle Peninsula, Erie, Pennsylvania, as provided in section 101 of the River and Harbor Act of 1960 (74 Stat. 480) is reinstated and extended under the terms existing immediately prior to the termination of such authorization, for a period of five years from the date of enactment of this Act, or if the review study of such project being carried out by the Secretary of the Army is not completed prior to the end of such period, until such study is completed and a report thereon submitted to the Congress. There is authorized to be appropriated not to exceed \$3,500,000 to carry out this section.

Report to
Congress.
Appropriation.

Atchafalaya
River, La., proj-
ect modification.

SEC. 58. (a) The project for navigation in the Atchafalaya River and Bayous Chene, Boeuf, and Black, Louisiana, authorized by the River and Harbor Act of 1968 (82 Stat. 731) is hereby modified to

provide that the non-Federal interests shall contribute 25 per centum of the costs of areas required for initial and subsequent disposal of spoil, and of necessary retaining dikes, bulkheads, and embankments therefor.

(b) The requirements for appropriate non-Federal interest or interests to furnish an agreement to contribute 25 per centum of the construction costs as set forth in subsection (a) shall be waived by the Secretary of the Army upon a finding by the Administrator of the Environmental Protection Agency that for the area to which such construction applies, the State or States involved, interstate agency, municipality, and other appropriate political subdivisions of the State and industrial concerns are participating in and in compliance with an approved plan for the general geographical area of the dredging activity for construction, modification, expansion, or rehabilitation of waste treatment facilities and the Administrator has found that applicable water quality standards are not being violated.

SEC. 59. Notwithstanding any other provision of law, the States of Illinois and Iowa, which are connected at Keokuk, Iowa, by the bridge constructed by the Keokuk and Hamilton Bridge Company pursuant to Public Law 342 of the Sixty-third Congress and at Burlington, Iowa, by the bridge constructed by the Citizens' Bridge Company, pursuant to Public Law 1 of the Sixty-fourth Congress are authorized to contract individually or jointly with either or both of the cities of Keokuk, Iowa, and Burlington, Iowa, on or before June 1, 1974, to assume responsibility for the operation, maintenance, and repair of the bridges at Keokuk and Burlington and the approaches thereto and for lawful expenses incurred in connection therewith. When either or both States have entered into such an agreement any outstanding principal and interest indebtedness on account of a bridge shall be paid from reserve funds accumulated for that purpose and the balance of such funds, if any, shall be used to defray costs of operating and maintaining the bridge. After such an agreement is entered into with respect to a bridge that bridge shall thereafter be free of tolls.

SEC. 60. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to perform channel cleanout operations and snagging and clearing for selected streams where chronic and persistent flood conditions exist in the lower Guyandot River Basin, West Virginia, for the purpose of improving channel capacities, visual environment, and human well-being all in the interest of flood control. Such operations shall be performed as an interim measure pending completion of the R. D. Bailey Lake project at a total cost not to exceed \$2,000,000. Appropriate non-Federal interests as determined by the Secretary of the Army, acting through the Chief of Engineers, shall, prior to initiation of remedial operations, agree in accordance with the provisions of section 221 of the Flood Control Act of 1970 that they will furnish the necessary lands, disposal areas, easements, and rights-of-way, and hold and save the United States free from damages due to the cleanout operations.

SEC. 61. Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended—

(1) by striking out "\$25,000,000" and inserting in lieu thereof "\$30,000,000".

(2) by striking out "advisable:" and all that follows down through and including the period at the end of such section and insert in lieu thereof the following: "advisable. The amount allotted for a project shall be sufficient to complete Federal participation in the project. Not more than \$1,000,000 shall be allotted under this section for a project at any single locality, except that

Waiver.

Keokuk, Iowa,
bridge.

38 Stat. 1220.

39 Stat. 1.

Guyandot River
Basin, W. Va.,
channel clearance.

42 USC 1962d-
5b.

42 USC 4401
note.

33 USC 701c.

Big Sandy
River, Ky.-W. Va.,
dam repair.

Appropriation.

Texas City,
Tex., project modi-
fication.
82 Stat. 742.

Reservoir proj-
ects, water stor-
age.

33 USC 1252a.

33 USC 1252.

Modification
restrictions.

Little Calumet
River, Ill., chan-
nel debris re-
moval.

not more than \$2,000,000 shall be allotted under this section for a project at a single locality if such project protects an area which has been declared to be a major disaster area pursuant to the Disaster Relief Act of 1966 or the Disaster Relief Act of 1970 in the five-year period immediately preceding the date the Chief of Engineers deems such work advisable. The provisions of local cooperation specified in section 3 of the Flood Control Act of June 22, 1936, as amended, shall apply. The work shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports."

SEC. 62. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to perform such work as may be necessary to provide for the repair and conversion to a fixed-type structure of dam numbered 3 on the Big Sandy River, Kentucky and West Virginia.

(b) The work authorized by this section shall have no effect on the condition that local interests shall own, operate, and maintain the structure and related properties as required by the Act of August 6, 1956 (70 Stat. 1062).

(c) There is authorized to be appropriated not to exceed \$330,000 to carry out this section.

SEC. 63. The project for hurricane-flood control at Texas City and vicinity, Texas, authorized by the Flood Control Act approved August 13, 1968, is hereby modified to provide that the non-Federal interests shall have until July 1, 1974, to provide the assurances of local cooperation required in accordance with the recommendations of the Chief of Engineers in House Document Numbered 187, Ninetieth Congress.

SEC. 64. Subsection (b) of section 206 of the Flood Control Act of 1960, as amended (33 U.S.C. 709a), is further amended by striking out "\$11,000,000" and inserting in lieu thereof "\$15,000,000".

SEC. 65. In the case of any reservoir project authorized for construction by the Corps of Engineers, Bureau of Reclamation, or other Federal agency when the Administrator of the Environmental Protection Agency determines pursuant to section 102(b) of the Federal Water Pollution Control Act that any storage in such project for regulation of streamflow for water quality is not needed, or is needed in a different amount, such project may be modified accordingly by the head of the appropriate agency, and any storage no longer required for water quality may be utilized for other authorized purposes of the project when, in the opinion of the head of such agency, such use is justified. Any such modification of a project where the benefits attributable to water quality are 15 per centum or more but not greater than 25 per centum of the total project benefits shall take effect only upon the adoption of resolutions approving such modification by the appropriate committees of the Senate and House of Representatives. The provisions of the section shall not apply to any project where the benefits attributable to water quality exceed 25 per centum of the total project benefits.

SEC. 66. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake measures to clear the channel of the main channel of the Little Calumet River, Illinois, from its confluence with the Calumet-Sag channel eastward to Indiana State line, of fallen trees, roots, silt, and other debris and objects which contribute to flooding, unsightliness, and pollution of the river.

(b) Prior to initiation of measures authorized by this section, such non-Federal interests as the Secretary of the Army, acting through the Chief of Engineers, may require shall agree to such conditions of cooperation as the Secretary of the Army, acting through the Chief of Engineers, determines appropriate, except that such conditions shall be similar to those required for similar project purposes in other Federal waste resources projects.

SEC. 67. The project for navigation at Murrells Inlet, South Carolina, authorized under provisions of section 201 of the Flood Control Act of October 27, 1965 (Public Law 89-298), is hereby modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to perform such emergency dredging operations as the Chief of Engineers determines necessary to maintain channel depths sufficient to permit free and safe movement of vessels until such time as the authorized project is constructed.

Murrells Inlet,
S.C., project
modification.
42 USC 1962d-5.

SEC. 68. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to undertake the phase 1 design memorandum stage of advanced engineering and design of the project involving the Willacy-Hidalgo Floodwater Bypass, the Laguna Madre Floodwater Channel, and the North Floodway Channel in the Lower Rio Grande Basin, in Willacy, Hidalgo, and Cameron Counties, Texas, substantially in accordance with the recommendations for phase I contained in the comprehensive study and plan of development, Lower Rio Grande Basin, Texas, dated July 1969, prepared by the United States Department of Agriculture in cooperation with the Texas Water Development Board, the Texas State Soil and Water Conservation Board, and the Texas Water Rights Commission, at an estimated Federal cost of \$600,000.

Lower Rio
Grande Basin,
Tex.

(b) The Secretary of the Army, in cooperation with the Secretary of Agriculture, shall seek reasonable assurances that an adequate land treatment program satisfactory to the Secretary of Agriculture will be installed to provide necessary protection to the watershed lands and planned structural measures; that non-Federal entities will acquire all land rights needed in connection with the construction of the works of improvement authorized by this section; and that such entities will operate and maintain any upstream structural works of improvement on non-Federal lands.

(c) Notwithstanding any other provision of law or regulation, the draft environmental impact statement prepared on such works of improvement by the Soil Conservation Service pursuant to section 102 (2) (C) of the National Environmental Policy Act shall constitute the draft environmental impact statement on such works as authorized by this section, and such draft statement shall be circulated to Federal agencies and other appropriate parties at such time as the Secretary of the Army directs.

Draft environ-
mental impact
statement.

42 USC 4332.

SEC. 69. The project for beach erosion control and hurricane (tidal flooding) protection in Dade County, Florida, authorized by section 203 of the Flood Control Act of August 13, 1968 (Public Law 90-483), is hereby modified to provide for initial construction by non-Federal interests, and for subsequent future nourishment by Federal or non-Federal interests, of the 0.85-mile project segment immediately south of Baker's Haulover Inlet, and for reimbursement of the applicable Federal share of those project costs as originally authorized. Federal reimbursement shall be contingent upon approval by the Chief of Engineers, prior to commencement of the work, of the detailed plans and specifications for accomplishing the work as being in accordance with the authorized project.

Dade County,
Fla., project
modification.
82 Stat. 740.

SEC. 70. Section 107(b) of the River and Harbor Act of 1970 (84 Stat. 1818, 1820) is hereby amended by deleting "July 30, 1974" and inserting in lieu thereof "December 31, 1976", and deleting "\$6,500,000" and inserting in lieu thereof "\$9,500,000".

Corpus Christi,
Tex., ship chan-
nel.
Report to
Congress.

SEC. 71. The Secretary of the Army, acting through the Chief of Engineers, shall submit to the Congress not later than June 30, 1974, the survey report authorized by resolution of the Committee on Public Works, House of Representatives, dated October 12, 1972, concerning a modification of the Corpus Christi ship channel, Texas, project to provide increased depths and widths in the entrance channels from the Gulf of Mexico to a deeper draft inshore port in the vicinity of Harbor Island, Texas, and shall complete the advanced engineering and design for such modification by June 30, 1975. Such advanced engineering and design may be accomplished prior to authorization of the modification. The Secretary of the Army, acting through the Chief of Engineers, is authorized to accept funds made available by non-Federal interests and to expend such funds for the preparation of the survey report and accomplishment of the advanced engineering and design authorized and directed by this section. Such funds shall be repaid to such non-Federal interests out of moneys appropriated for construction of the modification.

East Rockaway
Inlet, N.Y., proj-
ect modification.

SEC. 72. The project for hurricane-flood protection and beach erosion control at East Rockaway Inlet to Rockaway Inlet and Jamaica Bay, New York, authorized by the Flood Control Act of 1965 (79 Stat. 1073), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to commence work on the beach erosion control aspect of the project, independently of the hurricane-flood protection aspect of the project. Construction of the beach erosion control aspect of the project may commence following the completion of environmental studies regarding that aspect, conducted pursuant to the National Environmental Policy Act of 1969. Nothing herein shall increase or reduce the percentage of total costs of the entire project to be contributed by the affected non-Federal interests.

42 USC 4321
note.

Flood protection
projects, non-
structural alter-
natives.
33 USC 701b-11.

SEC. 73. (a) In the survey, planning, or design by any Federal agency of any project involving flood protection, consideration shall be given to nonstructural alternatives to prevent or reduce flood damages including, but not limited to, floodproofing of structures; flood plain regulation; acquisition of flood plain lands for recreational, fish and wildlife, and other public purposes; and relocation with a view toward formulating the most economically, socially, and environmentally acceptable means of reducing or preventing flood damages.

33 USC 701c.

(b) Where a nonstructural alternative is recommended, non-Federal participation shall be comparable to the value of lands, easements, and rights-of-way which would have been required of non-Federal interests under section 3 of the Act of June 27, 1936 (Public Law Numbered 738, Seventy-fourth Congress), for structural protection measures, but in no event shall exceed 20 per centum of the project costs.

Arkansas-Red
River Basin, proj-
ect modification.
80 Stat. 1420.
84 Stat. 1825.

SEC. 74. The project for water quality control in the Arkansas-Red River Basin, Texas, Oklahoma, and Kansas, authorized by the Flood Control Acts of 1966 and 1970, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers to initiate construction of the area VIII feature of the project, consisting of a low-flow dam, pumping station and pipeline, and a brine dam, prior to the approval required by section 201 of the Flood Control Act of 1970.

Visitor protec-
tion services,
study.
42 USC 1962d-5
note.

SEC. 75. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study the need for and means of providing visitor protection services at water resources develop-

ment projects under the jurisdiction of the Department of the Army, and to report thereon to the Congress, with his recommendations, not later than December 31, 1974.

SEC. 76. The paragraph of section 209 of the Flood Control Act of 1966, Public Law 89-789, authorizing and directing the Secretary of the Army, acting through the Chief of Engineers, to conduct a survey of the Great South Bay, New York, is amended to read as follows:

"Great South Bay, New York, including the waters of adjoining lesser bays and inlets with respect to water utilization and control. Such investigations and study shall include, but not be limited to, navigation, fisheries, flood control, control of noxious weeds, water pollution, water quality control, beach erosion, and recreation. Such survey shall be provided to the Congress by July 31, 1975, and shall include the use of a comprehensive computer model."

SEC. 77. (a) The Federal Water Project Recreation Act (79 Stat. 213) is hereby amended as follows:

(1) Strike out "and to bear not less than one-half the separable costs of the project allocated to either or both of said purposes, as the case may be" in section 2(a) and insert in lieu thereof "and to bear not less than one-half the separable costs of the project allocated to recreation, and to bear one-quarter of such costs allocated to fish and wildlife enhancement".

(2) Strike out "not more than one-half the separable costs" in section 2(a)(3) and insert in lieu thereof "not more than one-half the separable costs of the project allocated to recreation and exactly three-quarters of such costs allocated to fish and wildlife enhancement".

(3) Strike out "bear not less than one-half the costs of lands, facilities, and project modifications provided for either or both of those purposes, as the case may be" in section 3(b)(1) and insert in lieu thereof "bear not less than one-half the costs of lands, facilities, and project modifications provided for recreation, and will bear one-quarter of such costs for fish and wildlife enhancement".

(b) The amendments made by this section shall apply to all projects the construction of which is not substantially completed on the date of enactment of this Act.

(c) In the case of any project (1) authorized subject to specific cost-sharing requirements which were based on the same percentages as those established in the Federal Water Project Recreation Act, and (2) construction of which is not substantially completed on the date of enactment of this Act, the cost-sharing requirements for such project shall be the same percentages as are established by the amendments made by subsection (a) of this section for projects which are subject to the Federal Water Project Recreation Act.

SEC. 78. The project for flood protection on Indian Bend Wash, Maricopa County, Arizona, authorized by the Flood Control Act of 1965 (79 Stat. 1083) is hereby modified to provide that all costs of the siphon system from the Arizona Canal, required to be provided in connection with the relocation of irrigation facilities shall be paid by the United States.

SEC. 79. The multi-purpose plan for the improvement of the Arkansas River and tributaries, authorized by the River and Harbor Act of July 24, 1946, as amended and modified, is hereby further amended to authorize the Secretary of the Army, acting through the Chief of Engineers, to reassign the storage provided in the Oologah Reservoir for hydroelectric power production to municipal and industrial water supply and to make such storage available for such purposes under the Water Supply Act of 1958, as amended.

Report to Congress.

Great South Bay, N.Y.
80 Stat. 1424.

Survey, report to Congress.

16 USC 460l-12.

16 USC 460l-13.

16 USC 460l-14.

16 USC 460l-13 note.

Cost-sharing requirements.

16 USC 460l-13 note.

Indian Bend Wash, Maricopa Co., Ariz., project modification.

Arkansas River and tributaries.

60 Stat. 640.

43 USC 390b note.

Interest rate
formula.
42 USC 1962d-
17.

SEC. 80. (a) The interest rate formula to be used in plan formulation and evaluation for discounting future benefits and computing costs by Federal officers, employees, departments, agencies, and instrumentalities in the preparation of comprehensive regional or river basin plans and the formulation and evaluation of Federal water and related land resources projects shall be the formula set forth in the "Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources" approved by the President on May 15, 1962, and published as Senate Document 97 of the Eighty-seventh Congress on May 29, 1962, as amended by the regulation issued by the Water Resources Council and published in the Federal Register on December 24, 1968 (33 F.R. 19170; 18 C.F.R. 704.39), until otherwise provided by a statute enacted after the date of enactment of this Act. Every provision of law and every administrative action in conflict with this section is hereby repealed to the extent of such conflict.

Repeals.

Certain projects
non-Federal pay-
ments, discount
rate.

(b) In the case of any project authorized before January 3, 1969, if the appropriate non-Federal interests have, prior to December 31, 1969, given satisfactory assurances to pay the required non-Federal share of project costs, the discount rate to be used in the computation of benefits and costs for such project shall be the rate in effect immediately prior to December 24, 1968, and that rate shall continue to be used for such project until construction has been completed, unless otherwise provided by a statute enacted after the date of enactment of this Act.

Water and re-
lated resources
projects, Presi-
dential study.

(c) The President shall make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects. Such investigation and study shall include, but not be limited to, consideration of enhancing regional economic development, the quality of the total environment including its protection and improvement, the well-being of the people of the United States, and the national economic development, as objectives to be included in federally-financed water and related resources projects and in the evaluation of costs and benefits attributable to such projects, as intended in section 209 of the Flood Control Act of 1970 (84 Stat. 1818, 1829), the interest rate formula to be used in evaluating and discounting future benefits for such projects, and appropriate Federal and non-Federal cost sharing for such projects. He shall report the results of such investigation and study, together with his recommendations, to Congress not later than one year after funds are first appropriated to carry out this subsection.

42 USC 1962-2.

Report to
Congress.

Duluth, Minn.,
Great Lakes
model.

SEC. 81. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to study the feasibility and practicality of constructing, operating, and maintaining in the vicinity of Duluth, Minnesota, a hydraulic model of all or a part of the Great Lakes and their connecting channels and an associated technical center, and to report thereon to Congress with recommendations not later than June 30, 1976.

Report to
Congress.

SEC. 82. Section 5 of the Flood Control Act approved August 18, 1941, as amended (33 U.S.C. 701n), is amended as follows:

(1) The first sentence is amended by striking out "in the amount of \$15,000,000".

Clean drinking
water, emergency
supplies.

(2) By inserting immediately after the first sentence the following new sentence: "The Chief of Engineers, in the exercise of his discretion, is further authorized to provide emergency supplies of clean drinking water, on such terms as he determines to be advisable, to any locality which he finds is confronted with a source of contaminated drinking water causing or likely to cause a substantial threat to the public health and welfare of the inhabitants of the locality."

(3) The proviso in the next to the last sentence is amended by striking out "of said sum," and inserting in lieu thereof the following: "of sums to such emergency fund."

SEC. 83. (a) The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 30, 1935 (49 Stat. 1028) and the Act of August 20, 1937 (50 Stat. 731) is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, in connection with the construction of the Bonneville second powerhouse, to relocate the town of North Bonneville, Washington, to a new townsite.

Bonneville Lock
and Dam, Colum-
bia River, Oreg.
and Wash.
33 USC 540
note.
16 USC 832.

(b) As part of such relocation, the Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate in the planning of a new town with other Federal agencies and appropriate non-Federal interests; to acquire lands necessary for the new town and to convey title to said lands to individuals, business or other entities, and to the town as appropriate; and to construct a central sewage collection and treatment facility and other necessary municipal facilities.

North Bonne-
ville, Wash.,
relocation.

(c) The compensation paid to any individual or entity for the taking of property under this section shall be the amount due such individual or entity under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 less the fair market value of the real property conveyed to such individual or entity in the new town. Municipal facilities provided under the authority of this section shall be substitute facilities which serve reasonably as well as those in the existing town of North Bonneville except that they shall be constructed to such higher standards as may be necessary to comply with applicable Federal and State laws. Additional facilities may be constructed, or higher standards utilized, only at the expense of appropriate non-Federal interests.

42 USC 4601
note.

(d) Before the Secretary of the Army acquires any real property for the new townsite appropriate non-Federal interests shall furnish binding contractual commitments that all lots in the new townsite will be either occupied when available, will be replacements for open space and vacant lots in the existing town, or will be purchased by non-Federal interests at the fair market value.

SEC. 84. (a) The project for flood protection on Fourmile Run, city of Alexandria and Arlington County, Virginia, approved by resolutions of the Committees on Public Works of the United States Senate and House of Representatives, dated June 25, 1970, and July 14, 1970, respectively, in accordance with the provisions of section 201 of the Flood Control Act of 1965 (Public Law 84-298), is hereby modified to incorporate the following:

Fourmile Run,
Va., flood pro-
tection.

42 USC 1962d-5.

(1) A channel capacity sufficient to accommodate flood flows of twenty-seven thousand cubic feet per second;

(2) An increase in channel bottom widths along Fourmile Run from one hundred seventy-five to two hundred feet from Mount Vernon Avenue to Long Branch and from one hundred fifty to one hundred seventy-five feet above Long Branch, and, along Long Branch, from forty to sixty feet.

(3) The deletion of the pumping stations, ponding areas, and levees, except for a short levee on Long Branch, and the substitution therefor of bank retention structures, including walls where required due to space limitations, and flood proofing by non-Federal interests of existing and future structures as necessary to provide protection against a one hundred-year flood;

(4) The addition of recreation as a project feature, including pedestrian and bicycle trails, active and passive recreation areas, picnic areas, and protection of existing marshland area.

(b) Prior to initiation of construction of this project, appropriate non-Federal interests shall agree to—

(1) provide without cost to the United States all lands, easement, and rights-of-way necessary for construction of the project;

(2) accomplish without cost to the United States all relocations and alterations to existing improvements, other than railroads and the George Washington Memorial Parkway Bridge, which may be required by the construction works, including the reconstruction of the existing United States Route 1 highway bridge with its approach ramps;

(3) hold and save the United States free from damages due to the construction works;

(4) maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of the Army;

(5) prevent encroachment on the project flood channels that would decrease the effectiveness of the flood control improvement;

(6) provide at their own expense flood proofing of existing and future building and other measures as necessary to provide flood protection against a one hundred-year flood;

(7) develop a land management planning process acceptable to the Secretary of the Army for the entire watershed, including Arlington and Fairfax Counties and the cities of Alexandria and Falls Church, to insure that future development in the basin will not result in increased runoff which would impair the effectiveness of the flood control improvement;

(8) develop a land use management planning process satisfactory to the Secretary of the Army for the area protected by the project and other areas within the jurisdiction of the non-Federal interest or interests furnishing the cooperation for the project, which will insure, among other things, that future development will not be permitted in flood prone areas unless suitable structural or non-structural flood control measures are first undertaken by non-Federal public or private interests at no expense to the Federal Government;

(9) contribute in cash toward construction of the project a sum estimated at \$2,439,000, as follows:

(A) city of Alexandria—one-half of the cost of construction of the channels and floodwalls between Commonwealth Avenue and Interstate 95, in the city of Alexandria, or \$1,500,000, whichever is greater,

(B) Arlington County—\$500,000,

(C) Richmond, Fredericksburg, and Potomac Railroad Company—\$439,000;

(10) pay 50 per centum of the separable costs of the project allocated to recreation, consistent with the Federal Water Project Recreation Act (Public Law 89-72).

(c) There is authorized to be appropriated to the Secretary of the Army for construction of the Fourmile Run project not to exceed \$29,981,000, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in the cost of construction as indicated by engineering cost indexes applicable to the type of construction involved.

SEC. 85. (a) The projects for Verona Dam and Lake, Virginia, and for Sixes Bridge Dam and Lake, Maryland, are hereby authorized substantially in accordance with the recommendations of the Secretary of the Army in House Document Numbered 91-343 as modified by the

16 USC 460l-12
note.
Appropriation.

Verona Dam and
Lake, Va., and
Sixes Bridge Dam
and Lake, Md.,
project modifica-
tion.

42 USC 1962d-7
note.

recommendations of the Chief of Engineers in his report dated July 13, 1973, except that such authorization shall be limited to the phase I design memorandum of advanced engineering and design, at an estimated cost of \$1,400,000.

(b) (1) Prior to any further authorization of such Sixes Bridge Dam Project, the Secretary of the Army, acting through the Chief of Engineers shall (A) make a full and complete investigation and study of the future water resources needs of the Washington metropolitan area, including but not limited to the adequacy of present water supply, nature of present and future uses, the effect water pricing policies and use restrictions may have on future demand, the feasibility of utilizing water from the Potomac estuary, all possible water impoundment sites, natural and recharged ground water supply, wastewater reclamation, and the effect such projects will have on fish, wildlife, and present beneficial uses, and shall provide recommendations based on such investigation and study for supplying such needs, and (B) report to the Congress the results of such investigation and study together with such recommendations. The study of measures to meet the water supply needs of the Washington metropolitan area shall be coordinated with the Northeastern United States water supply study authorized by the Act of October 27, 1965 (79 Stat. 1073).

Washington metropolitan area, future water needs, study.

Report to Congress.

42 USC 1962d-4.

(2) The Secretary of the Army, acting through the Chief of Engineers, shall undertake an investigation and study of the use of estuary waters to determine the feasibility of using such waters as a source of water supply and is authorized to construct, operate, and evaluate a pilot project on the Potomac estuary for the treatment of such waters at an estimated cost of \$6,000,000. The Secretary of the Army, acting through the Chief of Engineers, shall report to the Congress on the results of such project within three years after commencement of operation of such project and such report shall include the results of two years testing at the pilot project for the treatment of water from the Potomac estuary.

Report to Congress.

(3) The Secretary of the Army, acting through the Chief of Engineers, shall request the National Academy of Sciences-National Academy of Engineering to review and by written report comment upon the scientific basis for the conclusions reached by the investigation and study of the future water resource needs of the Washington metropolitan area and the pilot project for the treatment of water from the Potomac estuary. Such review and written report shall be completed and submitted to the Congress within one year following the completion of both the Corps of Engineers report on the future water resource needs of the Washington metropolitan area and the report on the results derived from the pilot project for the treatment of water from the Potomac estuary. Completion of such review and written report by the National Academy of Sciences-National Academy of Engineering shall be a condition of further authorization of such Sixes Bridge Dam Project.

Review and report.

Report to Congress.

(4) The Secretary of the Army is authorized to enter into appropriate arrangements with the National Academy of Sciences-National Academy of Engineering for the purpose of this subsection.

(c) There is authorized \$1,000,000 for the purposes of carrying out the provisions contained in paragraph (3) of subsection (b).

Appropriation.

Sec. 86. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to assist the National Park Service in the National Park Service's program to plan for, design, and implement restoration of the historical and ecological values of Dyke Marsh on the Potomac River. Such assistance may include, but need not be

Dyke Marsh, Potomac River, restoration.

limited to, furnishing suitable fill material obtained from the Potomac River or its tributaries, its placement, upon request, and engineering and technical services.

Potomac River
basin study,
transmittal to
Congress.

(b) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to make an investigation and study of the siltation and sedimentation problems of the Potomac River basin with particular emphasis on these problems as they exist in the Washington metropolitan area of the basin. This study is to be made in consultation with the Departments of Interior and Agriculture, the Environmental Protection Agency, and other interested Federal, State, and local entities and is to include, but need not be limited to, a description of the extent of such problems together with the Chief of Engineers' recommendations on feasible and environmentally sound methods of removing polluted river bed materials to enhance water quality, recreation use, fish and wildlife, navigation, and the esthetics of the basin, as well as his recommendations on alternative methods and sites for the proper disposal of such materials. The Secretary of the Army shall transmit this study and the Chief of Engineers' recommendations to the Congress no later than three years from the date of enactment of this Act.

Study, trans-
mittal to Con-
gress.

Mississippi
River and tribu-
taries, project
modification.
49 Stat. 1575,
1580.

SEC. 87. The comprehensive plan for flood control and other purposes for the Mississippi River and tributaries, approved by the Flood Control Act of June 15, 1936, as amended, is hereby modified to provide that the channel of Bayou Courtableau be enlarged from Washington to the west protection levee in lieu of the authorized Washington to Courtableau diversion, and that the right-of-way and spoil areas therefor be provided at Federal expense. Further, that additional culverts through the west protection levee be provided as necessary for the increased flow.

Chatfield Dam,
South Platte
River, Colo.,
project modifica-
tion.

SEC. 88. (a) The project for flood control below Chatfield Dam on the South Platte River, Colorado, authorized by the Flood Control Act of 1950 (64 Stat. 175), is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to participate with non-Federal interests in the acquisition of lands and interests therein and in the development of recreational facilities immediately downstream of the Chatfield Dam, in lieu of a portion of the authorized channel improvement, for the purpose of flood control and recreation.

(b) Such participation shall (1) consist of the amount of savings realized by the United States, as determined by the Secretary of the Army, acting through the Chief of Engineers, in not constructing that portion of the authorized channel improvement below the dam, together with such share of any land acquisition and recreation development costs, over and above that amount, that the Secretary of the Army determines is comparable to the share available under similar Federal programs providing financial assistance for recreation and open spaces, (2) in the instance of the aforementioned land acquisition, be restricted to those lands deemed necessary by the Secretary of the Army for flood control purposes, and (3) not otherwise reduce the local cooperation required under the project.

(c) Prior to the furnishing of the participation authorized by this Act, non-Federal interests shall enter into a binding written agreement with the Secretary of the Army to prevent any encroachments in needed flood plain detention areas which would reduce their capability for flood detention and recreation.

Rogue River
Basin, Oreg. and
Calif., project
modification.
76 Stat. 1192.

SEC. 89. The project for the Rogue River Basin, Oregon and California, as authorized in section 203 of the Flood Control Act of 1962 (Public Law 87-874) is modified to provide that construction of the Applegate Lake, Oregon project may commence prior to non-Federal interests making necessary arrangements with the Secretary of the

Interior for repayment in accordance with Federal reclamation laws. The Applegate project shall not be operated for irrigation purposes until such time as the Secretary of the Interior makes the necessary arrangements with non-Federal interests to recover the costs, in accordance with Federal reclamation laws, which are allocated to the irrigation purpose.

SEC. 90. The plan for flood protection in the Big Sandy River Basin, Kentucky, West Virginia, and Virginia included in the comprehensive plan for flood control in the Ohio River Basin, authorized by the Flood Control Act, approved June 22, 1936 (49 Stat. 1570), as amended and modified, is hereby further modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to provide all communities in the Tug Fork Valley of the Big Sandy River Basin, Kentucky, Virginia, and West Virginia, with comprehensive flood protection by a combination of local flood protection works and residential flood proofing similar to the measures described by the Chief of Engineers in the "Report on Tug Fork, July 1970", except that such authorization shall be limited to the phase I design memorandum stage of advanced engineering and design at an estimated cost of \$1,290,000.

Big Sandy River Basin, flood plan.

SEC. 91. The New York Harbor collection and removal of drift project is hereby modified in accordance with the recommendations contained in "Survey Report on Review of Project, New York Harbor Collection and Removal of Drift," dated June 1968, revised March 1969, and April 1971, on file in the Office, Chief of Engineers. There is authorized to be appropriated not to exceed \$14,000,000 to carry out the modification authorized by this section.

New York Harbor, project modification.

Appropriation.

SEC. 92. (a) The hurricane-flood protection project on Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89-298) is hereby modified to provide that non-Federal public bodies may agree to pay the unpaid balance of the cash payment due, with interest, in yearly installments. The yearly installments will be initiated when the Secretary determines that the project is complete but in no case shall the initial installment be delayed more than ten years after the initiation of project construction. Each installment shall not be less than one twenty-fifth of the remaining unpaid balance plus interest on such balance, and the total of such installments shall be sufficient to achieve full payment, including interest, within twenty-five years of the initiation of project construction.

Lake Pontchartrain, La., project modification.
79 Stat. 1077.

(b) The rate of interest on the unpaid balance shall be that specified in section 301(b) of the Water Supply Act of 1958 (Public Law 85-500).

72 Stat. 319.

(c) Any payment agreement pursuant to the provisions of this Act shall be in writing, and the provisions of subsections (b), (c), and (e) of section 221 of the Flood Control Act of 1970 (Public Law 91-611) shall be applicable to such written agreement.

42 USC 1962d-5b.

SEC. 93. Section 107 of the River and Harbor Act of 1948 (62 Stat. 1174) is amended by striking out "\$22,000" and inserting in lieu thereof "\$45,000".

22 USC 275a.

SEC. 94. (a) The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed, in coordination with the State of Kentucky and appropriate local agencies, (1) to repair existing flood damage to River Road at Rabbit Hash, Boone County, Kentucky, or, as appropriate, to relocate River Road, (2) to repair existing flood damage to Huff Road (also known as Ryle Road) at Hamilton Landing, Boone County, Kentucky, or, as appropriate, to relocate Huff Road, and (3) to construct needed streambank protection works to prevent future erosion damage to public and private facilities at and near Boone County, Kentucky.

Boone County, Ky., flood damage.

Appropriation.

(b) There is authorized to be appropriated not to exceed \$375,000 for the roadwork authorized by this section and not to exceed \$600,000 to construct the bank protection works.

Russian River,
Calif., project
modification.
80 Stat. 1428.

SEC. 95. The project for Russian River, Dry Creek, California, as authorized in section 203 of the Flood Control Act of 1962 (76 Stat. 1173), as modified, is further modified to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to compensate for fish losses on the Russian River which may be attributed to the operation of the Coyote Dam component of the project through measures such as possible expansion of the capacity of the fish hatchery at the Warm Springs Dam component of the project.

Kehoe Lake,
Ky., study.

SEC. 96. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to investigate and study the feasibility of acquiring, as a part of the project for Kehoe Lake, Kentucky, authorized by the Flood Control Act of 1966, an area consisting of approximately 4,000 acres for maintenance in its natural state and for the purpose of environmental investigations.

Salisbury, Md.

SEC. 97. (a) If the Secretary of the Army acting through the Chief of Engineers, finds that the proposed project in Salisbury, Maryland, to be undertaken at the locations to be declared nonnavigable under this section is in the public interest, on the basis of engineering studies to determine the location and structural stability of any bulkheading and filling and permanent pile-supported structures, in order to preserve and maintain the remaining navigable waterway and on the basis of environmental studies conducted pursuant to the National Environmental Policy Act of 1969, then those portions of the South Prong of the Wicomico River in Wicomico County, State of Maryland, bounded and described as follows, are declared to be not a navigable water of the United States within the meaning of the laws of the United States, and the consent of Congress is hereby given, consistent with subsection (b) of this section, to the filling in of a part thereof or the erection of permanent pile-supported structures thereon: That portion of the South Prong of the Wicomico River in Salisbury, Maryland, bounded on the east by the west side of United States Route 13; on the west by the west side of the Mill Street Bridge; on the south by a line five feet landward from the present water's edge at high tide extending the entire length of the South Prong from the east boundary at United States Route 13 to the west boundary at the Mill Street Bridge; and on the north by a line five feet landward from the present water's edge at high tide extending the entire length of the South Prong from the east boundary at United States Route 13 to the west boundary at the Mill Street Bridge.

42 USC 4321
note.

(b) This declaration shall apply only to the portions of the areas described in subsection (a) which are bulkheaded and filled or occupied by permanent pile-supported structures. Plans for bulkheading and filling and permanent pile-supported structures shall be approved by the Secretary of the Army, acting through the Chief of Engineers. Such bulkheaded and filled areas or areas occupied by permanent pile-supported structures shall not reduce the existing width of the Wicomico River to less than sixty feet and a minimum depth of five feet shall be maintained within such sixty-foot width of the Wicomico River. Local interests shall reimburse the Federal Government for engineering and all other costs incurred under this section.

Broadway Lake,
S.C., demonstra-
tion project.

SEC. 98. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a demonstration project for the removal of silt and aquatic growth from Broadway Lake, Anderson County, South Carolina, at an estimated cost of \$400,000. The Secretary shall report to the Administrator of the

Environmental Protection Agency the plans for and the results of such project together with such recommendations as he determines necessary to assist in carrying out the program for fresh water lakes under section 314 of the Federal Water Pollution Control Act.

SEC. 99. The Cache River Basin Project Feature Mississippi River and Tributaries Project, Arkansas, authorized by the Flood Control Act approved May 17, 1950, is hereby modified to provide for acquisition by fee or easements, of not more than seventy thousand acres of land for fish and wildlife management, recreation, and environmental purposes, of which not less than thirty thousand acres shall be available for public use in accordance with the recommendations of the Chief of Engineers in House Document Numbered 92-366. The total Federal expenditure for this acquisition shall not exceed \$7,000,000 and local interests shall contribute 50 per centum of any cost in excess of \$6,000,000. No action may be initiated for any taking of prospective mitigation lands until an offer has first been made to the landowner thereof to take only an environmental easement. Easement-taking offers shall allow the landowner the choice of either keeping access subject to private control or allowing public access. Easements for environmental purposes on lands not cleared at the time of taking shall prevent clearing of the land for commercial agricultural purposes or any other purpose inconsistent with wildlife habitat but shall allow any landowners to manage the lands to provide a perpetual, regularly harvested hardwood forest, which may be harvested in such a manner as to provide food and habitat for a variety of wildlife. Selection of areas and designation of use shall be within the discretion of the Chief of Engineers. Section 401 of the Act of June 15, 1935 (16 U.S.C. 715s), pertaining to the distribution of revenues, is hereby extended and made applicable to those lands acquired hereunder by the Department of the Army, Corps of Engineers, for mitigation purposes upon their transfer to the Department of the Interior, or any other governmental agency. No less than 20 per centum of the funds appropriated each fiscal year for the Cache River project shall be appropriated to implement mitigation until the full mitigation amount has been appropriated.

SEC. 100. The Knife River Harbor project on Lake Superior, Minnesota, is hereby modified to require the Secretary of the Army, acting through the Chief of Engineers, to construct such measures as the Chief of Engineers determines necessary to correct the design deficiency which results in unsatisfactory entrance and mooring conditions at such harbor, at an estimated cost of \$850,000.

SEC. 101. The project for flood protection on the Rahway River, New Jersey, authorized by the Flood Control Act of 1965 is hereby modified to provide that the costs of relocations of utilities within the channel walls shall be borne by the United States.

SEC. 102. The project for flood protection on the Chariton River, Iowa and Missouri, as authorized by the Flood Control Act of 1954 (68 Stat. 1262) is modified to authorize and direct the Secretary of the Army to make a payment of \$700,000 to the Iowa Conservation Commission toward the cost of construction by such Commission of the fish hatchery planned to be constructed for the purpose of restoring fish losses resulting from the construction of Rathbun, Saylorville, Coralville, and Red Rock Dam and Lake in the State of Iowa. No such payment shall be made until the Secretary of the Army, acting through the Chief of Engineers, shall have approved the plans for such fish hatchery.

SEC. 103. The project for the Kansas River, Kansas, Nebraska, and Colorado, authorized by the Flood Control Act of 1962 (76 Stat. 1180, 1187) is hereby modified to provide that the Secretary of the Army,

86 Stat. 875.

Cache River
Basin, Ark., land
acquisition.
64 Stat. 172.

Knife River
Harbor, Minn.,
project modifica-
tion.

Rahway River,
N.J.
79 Stat. 1075.

Chariton River,
Iowa and Mo.,
project modifica-
tion.

Kansas River,
project modifica-
tion.

acting through the Chief of Engineers, is authorized to relocate the existing FAS 1343 crossing over the Vermilion Creek, as required for the Onaga Lake project, in advance of construction of such project.

Stonewall Jackson Lake, W. Va.
42 USC 1962d-5b.

80 Stat. 1421.

SEC. 104. The requirements of section 221 of the Flood Control Act of 1970 (Public Law 91-611) shall not apply to any agreements, to include agreements on recreational development, between the Federal Government and the State of West Virginia for local cooperation as a condition for the construction of the project for Stonewall Jackson Lake, West Fork River, West Virginia, authorized by section 203 of the Flood Control Act of 1966 (Public Law 89-789). The Secretary of the Army, acting through the Chief of Engineers, is authorized to contract with the State of West Virginia on the items of local cooperation for the Stonewall Jackson Lake project, which are to be assumed by the State, notwithstanding that the State may elect to make its performance of any obligation contingent upon the State legislature making the necessary appropriations and funds being allocated for the same or subject to the availability of funds on the part of the State.

Souris River,
N. Dak., flood
protection.

33 USC 701c
note.

SEC. 105. The project for flood protection on the Souris River at Minot, North Dakota, approved by resolutions of the Committees on Public Works of the Senate and House of Representatives under the authority of section 201 of the Flood Control Act of 1968, is hereby modified to authorize the Secretary of the Army, acting through the Chief of Engineers, to reimburse the designated non-Federal public bodies for the estimated additional cost being incurred by them for lands and relocations in the proposed channel realignment at the Third Avenue N.E. Bridge in Minot. The amount of reimbursable costs shall not exceed \$200,000.

Chester Bridge,
Ill. and Mo.

54 Stat. 765.

72 Stat. 355.

SEC. 106. Notwithstanding section 105 of the River and Harbor Act of 1966 (80 Stat. 1406) or any other provision of the law, the States of Illinois and Missouri, which are connected by the bridge constructed by the city of Chester, Illinois, pursuant to Public Law 76-751 and Public Law 85-512, are authorized to contract individually or jointly with the city of Chester, Illinois, on or before June 1, 1974, to assume responsibility for the operation, maintenance, and repair of the Chester Bridge and the approaches thereto and lawful expenses incurred in connection therewith (exclusive of principal, interest, and financing charges on the outstanding indebtedness on such bridge and approaches). When either or both States enter into such an agreement, all tolls thereafter charged for transit over such bridge shall, except as provided in the last two sentences of this Act, be used exclusively (A) to retire outstanding indebtedness (including reasonable interest and financing charges) on the bridge and approaches thereto and (B) credited into a sinking fund established for such bridge. No tolls shall be charged for transit over such bridge after the outstanding indebtedness on the bridge and approaches (including reasonable interest and financing charges) has been retired, or sufficient funds are available through the sinking fund to pay off all outstanding indebtedness (including reasonable interest and financing charges) on such bridge and approaches. If a State declines or is unable to participate in the agreement authorized by this Act, the other State may assume the responsibilities such State would have assumed under such an agreement. In that event, the assuming State shall be entitled to receive from toll revenues, after provision is made for principal and interest payments on any indebtedness then outstanding on the bridge and its approaches, as reimbursement, an amount of money (no less often than annually) which is equal to the nonparticipating State's fair share of the operating, maintenance, repair, and other lawful costs incurred in connection with the bridge and its approaches.

SEC. 107. If the Secretary of the Army, acting through the Chief of Engineers and in consultation with the Administrator of the Environmental Protection Agency and affected non-Federal interests, determines that environmental, engineering, and economic considerations make it advisable to utilize the services of a regional or municipal sewage treatment plant for the treatment of sewage resulting from the operating of recreation and other facilities at Corps of Engineers water resources development projects, then the Secretary is authorized to include as part of the reasonable service charges contemplated by section 313 of the Federal Water Pollution Control Act payment, in whole or in part, for that portion of the costs of constructing the sewage treatment plant which is attributable to the purpose of treating the sewage resulting from the operation of such Corps facilities. Payment for such construction cost may be either in lump sum or on an installment basis.

33 USC 1323.

SEC. 108. (a) As used in this section the term "Secretary" shall mean the Secretary of the Army, acting through the Chief of Engineers. The Secretary, in accordance with the national recreation area concept included in the interagency report prepared pursuant to section 218 of the Flood Control Act of 1968 (Public Law 90-483) by the Corps of Engineers, the Department of the Interior, and the Department of Agriculture, as modified by this section, is authorized and directed to establish on the Big South Fork of the Cumberland River in Kentucky and Tennessee the Big South Fork National River and Recreation Area (hereafter in this section referred to as the "National Area") for the purposes of conserving and interpreting an area containing unique cultural, historic, geologic, fish and wildlife, archeologic, scenic, and recreational values, preserving as a natural, free-flowing stream the Big South Fork of the Cumberland River, major portions of its Clear Fork and New River stems, and portions of their various tributaries for the benefit and enjoyment of present and future generations, the preservation of the natural integrity of the scenic gorges and valleys, and the development of the area's potential for healthful outdoor recreation. The boundaries shall be as generally depicted on the drawing prepared by the Corps of Engineers and entitled "Big South Fork National River and Recreation Area" identified as map number BSF-NRRA(1)(A) and dated October 1972, which shall be on file and available for public inspection in the office of the District Engineer, U.S. Army Engineer District, Nashville, Tennessee.

"Secretary."

16 USC 460ee.

Big South Fork
National River
and Recreation
Area.
Establishment.

Boundaries.

(b) The Secretary shall establish the National Area by publication of notice thereof in the Federal Register when he determines that the United States has acquired an acreage within the boundaries of the National Area that is efficiently administrable for the purposes of this section. After publication of notice, and after he has completed the construction of necessary access roads, day-use facilities, campground facilities, lodges, and administrative buildings, the Secretary shall transfer the jurisdiction of the National Area to the Secretary of the Interior who shall administer the National Area in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), as amended and supplemented. In the administration of the National Area the Secretary may utilize such statutory authority available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this section. The Secretary of the Interior may, after transfer to him, revise the boundaries from time to time, but the total acreage within such boundaries shall not exceed one hundred and twenty-five

Publication in
the Federal
Register.

thousand acres. Following such transfer the authorities available to the Secretary in subsection (c) of this section shall likewise be available to the Secretary of the Interior. The Secretary may, prior to the transfer to the Secretary of the Interior, revise the boundaries from time to time, but the total acreage within such boundaries shall not exceed one hundred and twenty-five thousand acres.

Land, waters,
acquisition.

(c) (1) Within the boundaries of the National Area, the Secretary may acquire lands and waters or interests therein by donation, purchase with donated or appropriated funds, or exchange or otherwise, except that lands (other than roads and rights-of-way for roads) owned by the States of Kentucky and Tennessee or any political subdivisions thereof may be acquired only by donation. When an individual tract of land is only partly within the boundaries of the National Area, the Secretary may acquire all of the tract by any of the above methods in order to avoid the payment of severance costs. Land so acquired outside of the boundaries of the National Area may be exchanged by the Secretary for non-Federal lands within the National Area boundaries, and any portion of the land not utilized for such exchanges may be disposed of in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377; 40 U.S.C. 471 et seq.), as amended. Notwithstanding any other provision of law, any Federal property within the boundaries of the National Area shall be transferred without consideration to the administrative jurisdiction of the Secretary for the purposes of this section.

Federal prop-
erty, transfer.

Residential
property, right of
use and occu-
pancy.

(2) With the exception of property or any interest in property that the Secretary determines is necessary for purposes of administration, preservation, or public use, any owner or owners (hereafter in this section referred to as "owner") of improved property used solely for noncommercial residential purposes on the date of its acquisition by the Secretary may retain the right of use and occupancy of such property for such purposes for a term, as the owner may elect, ending either (A) upon the death of the owner or his spouse, whichever occurs later, or (B) not more than twenty-five years from the date of acquisition. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition, less the fair market value on such date of the term retained by the owner. Such right: shall be subject to such terms and conditions as the Secretary deems appropriate to assure that the property is used in accordance with the purposes of this section; may be transferred or assigned; and may be terminated with respect to the entire property by the Secretary upon his determination that the property or any portion thereof has ceased to be used for noncommercial residential purposes, and upon tender to the holder of the right an amount equal to the fair market value, as of the date of the tender, of that portion of the right which remains unexpired on the date of termination. Any person residing upon improved property, subject to the right of acquisition by the Secretary as a tenant or by the sufferance of the owner or owners of the property may be allowed to continue in such residence for the lifetime of such person or his spouse, whichever occurs later, subject to the same restrictions as applicable to owners residing upon such property and provided that any obligation or rental incurred as consideration for such tenancy shall accrue during such term to the United States to be used in the administration of this section.

"Improved
property."

(3) As used in this section the term "improved property" means a detached year-round one-family dwelling which serves as the owner's

permanent place of abode at the time of acquisition, and construction of which was begun before January 1, 1974, together with so much of the land on which the dwelling is situated, such land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, except that the Secretary may exclude from any improved property any waters or land fronting thereon, together with so much of the land adjoining such waters or land as he deems necessary for public access thereto.

(4) In any case where the Secretary determines that underlying minerals are removable consistent with the provisions of subsection (e) (3) of this section, the owner of the minerals underlying property acquired for the purposes of this section may retain such interest. The Secretary shall reserve the right to inspect and regulate the extraction of such minerals to insure that the values enumerated in subsection (a) are not reduced and that the purposes declared in subsection (e) (1) are not interfered with.

Mineral rights.

(d) The Secretary, and the Secretary of the Interior after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the boundaries of the National Area in accordance with applicable Federal and State laws, except that he may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. Except in emergencies, any rules and regulations of the Secretary or the Secretary of the Interior pursuant to this subsection shall be put into effect only after consultation with the appropriate State agency responsible for hunting, fishing, and trapping activities.

Hunting, fishing,
trapping.

(e) (1) The National Area shall be established and managed for the purposes of preserving and interpreting the scenic, biological, archeological, and historical resources of the river gorge areas and developing the natural recreational potential of the area for the enjoyment of the public and for the benefit of the economy of the region. The area within the boundary of the National Area shall be divided into two categories; namely, the gorge areas and adjacent areas as hereinafter defined.

(2) (A) Within the gorge area, no extraction of, or prospecting for minerals, petroleum products, or gas shall be permitted. No timber shall be cut within the gorge area except for limited clearing necessary for establishment of day-use facilities, historical sites, primitive campgrounds, and access roads. No structures shall be constructed within the gorge except for reconstruction and improvement of the historical sites specified in paragraphs (5) and (6) of this subsection and except for necessary day-use facilities along the primary and secondary access routes specified herein and within five hundred feet of such roads, and except for primitive campgrounds accessible only by water or on foot. No motorized transportation shall be allowed in the gorge area except on designated access routes.

Gorge area,
restrictions.

(B) Primary access routes into the gorge area may be constructed or improved upon the general route of the following designated roads: Tennessee Highway Numbered 52, FAS 2451 (Leatherwood Ford Road), the road into the Blue Heron Community, and Kentucky Highway Numbered 92.

Access routes.

(C) Secondary access roads in the gorge area may be constructed or improved upon the following routes: the roads from Smith Town, Kentucky, to Worley, Kentucky, the road crossing the Clear Fork at Burnt Mill Bridge, the road from Goad, Tennessee, to Zenith, Tennessee, the road from Co-Operative, Kentucky, to Kentucky Highway Numbered 92, the road entering the gorge across from the mouth of Alum Creek in Kentucky, the road crossing the Clear Fork at Peters Bridge.

(D) All other existing roads in the gorge area shall be maintained for nonvehicular traffic only, except that nothing in this section shall abrogate the right of ingress and egress of those who remain in occupancy under subsection (c) (1) of this section.

(E) Road improvement or maintenance and any construction of roads or facilities in the gorge area as permitted by this section shall be accomplished by the Secretary in a manner that will protect the declared values of this unique natural scenic resource.

Adjacent areas,
restrictions.

Regulations.

(3) In adjacent areas: the removal of timber shall be permitted only where required for the development or maintenance of public use and for administrative sites and shall be accomplished with careful regard for scenic and environmental values; prospecting for minerals and the extraction of minerals from the adjacent areas shall be permitted only where the adit to any such mine can be located outside the boundary of the National Area; no surface mining or strip mining shall be permitted; prospecting and drilling for petroleum products and natural gas shall be permitted in the adjacent area under such regulations as the Secretary or the Secretary of the Interior, after jurisdiction over the national river and recreation area has been transferred to him under subsection (b) of this section, may prescribe to minimize detrimental environment impact, such regulations shall provide among other things for an area limitation for each such operation, zones where operations will not be permitted, and safeguards to prevent air and water pollution; no storage facilities for petroleum products or natural gas shall be located within the boundary of the National Area except as necessary and incidental to production; the Secretary is authorized to construct two lodges with recreational facilities within the adjacent areas so as to maximize and enhance public use and enjoyment of the National Area; construction of all roads and facilities in the adjacent areas shall be undertaken with careful regard for the maintenance of the scenic and esthetic values of the gorge area and the adjacent areas.

Boundaries.

(4) The gorge area as set out in paragraphs (1) and (2) of this subsection shall consist of all lands and waters of the Big South Fork, Clear Fork, and New River which lie between the gorge or valley rim on either side (where the rim is not clearly defined by topography, the gorge boundary shall be established at an elevation no lower than that of the nearest clearly demarked rim on the same side of the valley), and those portions of the main tributaries and streams in the watersheds of the Big South Fork, Clear Fork, and New River that lie within a gorge or valley rim on either side, except that no lands or waters north of Kentucky Highway Numbered 92 shall be included. The designated adjacent areas shall consist of the balance of the National Area.

(5) The Secretary, and the Secretary of the Interior, shall consult and cooperate with the Tennessee Historical Commission and the Rugby Restoration Association and with other involved agencies and

associations, both public and private, concerning the development and management of the National Area in the area adjacent to Rugby, Tennessee. Development within the area adjacent to Rugby, Tennessee, shall be designed toward preserving and enhancing the historical integrity of the community and any historical sites within the boundary of the National Area.

(6) The Secretary, or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, shall provide for the restoration of the Blue Heron Mine community in a manner which will preserve and enhance the historical integrity of the community and will contribute to the public's understanding and enjoyment of its historical value. To that end the Secretary, or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, may construct and improve structures within and may construct and improve a road into this community.

Blue Heron
Mine community,
restoration.

(7) The Secretary shall study the desirability and feasibility of reestablishing rail transportation on the abandoned O&W railbed or an alternative mode of transportation within the National Area upon the O&W roadbed, and shall report to Congress his recommendation with regard to development of this facility.

Rail transpor-
tation, study.

Report to
Congress.

(f) The Federal Power Commission shall not license the construction of any dam, water conduit, reservoir, powerhouse, transmission line, or other project works under the Federal Power Act (41 Stat. 1063) as amended (16 U.S.C. 791a et seq.), within or directly affecting the National Area and no department or agency of the United States shall assist by loan, grant, license, or otherwise in the construction of any water resources project that would have a direct and adverse effect on the values for which the National Area was established. Nothing contained in the preceding sentence shall preclude licensing of, or assistance to, developments below or above the National Area or on any stream tributary thereto which will not invade the National Area or unreasonably diminish the scenic, recreation, and fish and wildlife values present in the area on the date of enactment of this section. No department or agency of the United States shall recommend authorization of any water resources project that would have a direct and adverse effect on the values for which the National Area was established, or request appropriations to begin construction of any such project, whether heretofore or hereafter authorized, without advising the Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, in writing of its intention so to do at least sixty days in advance, and without specifically reporting to the Congress in writing at the time it makes its recommendations or request in what respect construction of such project would be in conflict with the purposes of this section and would affect the National Area and the values to be protected under this section.

(g) The Secretary shall study transportation facilities in the region served by the National Area and shall establish transportation facilities to enhance public access to the National Area. In this connection the Secretary is authorized to acquire and maintain public roads, other than State highways, necessary to serve the public use facilities within the National Area, and to establish and maintain, at Federal cost an interior and circulating road system sufficient to meet the purposes of this section. Any existing public road, which at the time of its acquisition continues to be a necessary and essential part of the county

Transportation
facilities, study
and establish-
ment.

highway system, may, upon mutual agreement between the Secretary and the owner of such road, be relocated outside of the National Area and if not so relocated such road shall be maintained at Federal expense and kept open at all times for general travel purposes. Nothing in this subsection shall abrogate the right of egress and ingress of those persons who may remain in occupancy under subsection (c) of this section. Nothing in this subsection shall preclude the adjustment, relocation, reconstruction, or abandonment of State highways situated in the National Area, with the concurrence of the agency having the custody of such highways upon entering into such arrangements as the Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this section, deems appropriate and in the best interest of the general welfare.

New River,
Tenn., compre-
hensive plan.

Plan, transmit-
tal to Congress.

Water quality,
protection.

(h) In furtherance of the purpose of this subsection the Secretary in cooperation with the Secretary of Agriculture, the heads of other Federal departments and agencies involved, and the State of Tennessee and its political subdivisions, shall formulate a comprehensive plan for that portion of the New River that lies upstream from United States Highway Numbered 27. Such plan shall include, among other things, programs to enhance the environment and conserve and develop natural resources, and to minimize siltation and acid mine drainage. Such plan, with recommendations, including those as to costs and administrative responsibilities, shall be completed and transmitted to the Congress within one year from the date of enactment of this section.

(i) The Secretary or the Secretary of the Interior, after jurisdiction over the National Area has been transferred to him under subsection (b) of this subsection, shall consult and cooperate with other departments and agencies of the United States and the States of Tennessee and Kentucky in the development of measures and programs to protect and enhance water quality within the National Area and to insure that such programs for the protection and enhancement of water quality do not diminish other values that are to be protected under this section.

(j) (1) Until such time as the transfer of jurisdiction to the Secretary of the Interior authorized by subsection (b) of this section shall take place, for the purpose of financially assisting the States of Tennessee and Kentucky, McCreary County, Kentucky, and Scott, Morgan, Pickett, and Fentress Counties in Tennessee, because of losses which these jurisdictions will sustain by reason of the fact that certain lands and other property within their boundaries may be included within the National Area established by this section and thereafter will no longer be subject to real and personal property taxes levied or imposed by them, payments shall be made to them on an annual basis in an amount equal to those taxes levied or imposed on such property for the last taxable year immediately preceding the date of enactment of this section.

Appropriations.

(2) For the purpose of enabling the Secretary to make such payments during the fiscal years ending June 30, 1975, June 30, 1976, June 30, 1977, June 30, 1978, and June 30, 1979, there are authorized to be appropriated such sums as may be necessary.

(k) There are authorized to be appropriated \$32,850,000 to carry out the provisions of this section, other than subsection (j) of this section. No moneys shall be appropriated from the Land and Water Conservation Fund to carry out the purposes of this section.

Public Law 93-253

AN ACT

March 16, 1974
[H. R. 8245]

To amend Reorganization Plan Numbered 2 of 1973, and for other purposes.

Reorganization
Plan No. 2 of
1973, amend-
ments.
5 USC app. II.
Repeals.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Reorganization Plan Numbered 2 of 1973 is amended by—

(1) repealing section 2;

(2) repealing section 6(b) and redesignating section 6(a) as section 6; and

(3) striking “and to the Secretary of the Treasury”, and “and to the Department of the Treasury, respectively,” from section 8.

Effective date.

(b) The repeals and amendments made by subsection (a) shall be effective as of July 1, 1973.

SEC. 2. Section 2680(h) of title 28, United States Code, is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: “*Provided, That, with regard to acts or omissions of investigative or law enforcement officers of the United States Government, the provisions of this chapter and section 1346(b) of this title shall apply to any claim arising, on or after the date of the enactment of this proviso, out of assault, battery, false imprisonment, false arrest, abuse of process, or malicious prosecution. For the purpose of this subsection, ‘investigative or law enforcement officer’ means any officer of the United States who is empowered by law to execute searches, to seize evidence, or to make arrests for violations of Federal law.*”.

Approved March 16, 1974.

Public Law 93-254

AN ACT

March 22, 1974
[H. R. 5450]

To amend the Marine Protection, Research, and Sanctuaries Act of 1972, in order to implement the provisions of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, and for other purposes.

Marine Protec-
tion, Research,
and Sanctuaries
Act of 1972,
amendments.
33 USC 1401.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Marine Protection, Research, and Sanctuaries Act of 1972 (86 Stat. 1052) is amended as follows:

(1) Section 2 is amended by deleting the last sentence thereof and by adding a new subsection to read as follows:

“(c) It is the purpose of this Act to regulate (1) the transportation by any person of material from the United States and, in the case of United States vessels, aircraft, or agencies, the transportation of material from a location outside the United States, when in either case the transportation is for the purpose of dumping the material into ocean waters, and (2) the dumping of material transported by any person from a location outside the United States, if the dumping occurs in the territorial sea or the contiguous zone of the United States.”.

33 USC 1402.

(2) Section 3 is amended—

(A) in subsection (c), by deleting “oil within the meaning of section 11 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1161), and does not mean sewage from vessels within the meaning of section 13 of such Act (33 U.S.C. 1163).”, and inserting in lieu thereof “sewage from vessels within the meaning of section 312 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1322). Oil within the meaning of

section 311 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321), shall be included only to the extent that such oil is taken on board a vessel or aircraft for the purpose of dumping.”;

(B) in subsection (f), by deleting “(33 U.S.C. 1151–1175)”, and inserting in lieu thereof “(33 U.S.C. 1251–1376)”; and

(C) by adding a new subsection to read as follows:

“(1) ‘Convention’ means the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter.”.

“Convention.”

(3) Section 101 is amended to read as follows:

“(a) Except as may be authorized by a permit issued pursuant to section 102 or section 103 of this title, and subject to regulations issued pursuant to section 108 of this title,

Prohibited acts.
33 USC 1411.

33 USC 1412,
1413.
33 USC 1418.

“(1) no person shall transport from the United States, and

“(2) in the case of a vessel or aircraft registered in the United States or flying the United States flag or in the case of a United States department, agency, or instrumentality, no person shall transport from any location

any material for the purpose of dumping it into ocean waters.

“(b) Except as may be authorized by a permit issued pursuant to section 102 of this title, and subject to regulations issued pursuant to section 108 of this title, no person shall dump any material transported from a location outside the United States (1) into the territorial sea of the United States, or (2) into a zone contiguous to the territorial sea of the United States, extending to a line twelve nautical miles seaward from the base line from which the breadth of the territorial sea is measured, to the extent that it may affect the territorial sea or the territory of the United States.”.

(4) Section 102 is amended—

33 USC 1412.

(A) in subsection (a)—

(i) by deleting the words “as provided for in section 101 of this title,” and inserting in lieu thereof the words “for which no permit may be issued,”;

(ii) by adding, after the phrase “instrumentality of the United States,” the words “or in the case of a vessel or aircraft registered in the United States or flying the United States flag,”; and

(iii) by adding at the end of the subsection the following sentence: “To the extent that he may do so without relaxing the requirements of this title, the Administrator, in establishing or revising such criteria, shall apply the standards and criteria binding upon the United States under the Convention, including its Annexes.”

(B) by adding a new subsection to read as follows:

“(e) In the case of transportation of material, by a vessel or aircraft registered in the United States or flying the United States flag, from a location in a foreign State Party to the Convention, a permit issued pursuant to the authority of that foreign State Party, in accordance with Convention requirements, and which otherwise could have been issued pursuant to subsection (a) hereof, shall be accepted, for the purposes of this title, as if it were issued by the Administrator under the authority of this section.”.

SEC. 2. The amendments made by subparagraph 1(4)(A)(iii) and paragraph 1(4)(B) of this Act shall become effective on the date that the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matters enters into force for the United States. In all other respects, this Act shall become effective on the date of enactment.

Effective dates.
33 USC 1412
note.
33 USC 1401
note.

Approved March 22, 1974.

Public Law 93-255

March 27, 1974
[S. 2315]

AN ACT

To amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes.

Senate commit-
tee employees.
Compensation.
2 USC 61-1,
60a.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 105 (e) of the Legislative Branch Appropriation Act, 1968, as amended and as modified by the Order of the President pro tempore of the Senate of October 4, 1973, is amended as follows:

(1) In paragraph (1), strike out "ranging from \$18,525 to" and insert in lieu thereof "at not to exceed".

(2) In paragraph (2) (A), strike out "\$8,265 to" each place it appears therein and insert in lieu thereof "not to exceed".

(3) In paragraph (2) (B), strike out "\$18,240 to", "\$14,250 to", and "\$8,265 to" and insert in lieu thereof in each place "not to exceed".

Congress,
franked mail.

SEC. 2. (a) Section 3216 of title 39, United States Code, is amended by striking out ", and the printed words 'Postage paid by Congress'".

(b) Section 733 of title 44, United States Code, is amended by striking out "Postage paid by Congress."

(c) Section 907 of title 44, United States Code, is amended by striking out "Postage paid by Congress".

2 USC 501.

SEC. 3. (a) Section 5(d) of the Act of December 18, 1973 (87 Stat. 742; Public Law 93-191), is amended by striking out "or 3218" and inserting in lieu thereof "3218, or 3219".

2 USC 502.

(b) Section 6(a) of the Act of December 18, 1973 (87 Stat. 744; Public Law 93-191), is amended by striking out "or 3218" and inserting in lieu thereof "3218, or 3219".

Approved March 27, 1974.

Public Law 93-256

March 28, 1974
[H. R. 13025]

AN ACT

To increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that Act, and for other purposes.

Presumptive
disability bene-
fits.
Time extension.
42 USC 1382c.
42 USC 1383.
42 USC 1381.
42 USC 1382
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any individual who would be considered disabled under section 1614(a) (3) (E) of the Social Security Act except that he did not receive aid under the appropriate State plan for at least one month prior to July 1973 may be considered to be presumptively disabled under section 1631(a) (4) (B) of that Act and may be paid supplemental security income benefits under title XVI of that Act on the basis of such presumptive disability, and State supplementary payments under section 212 of Public Law 93-66 as though he had been determined to be disabled within the meaning of section 1614(a) (3) of the Social Security Act, for any month in calendar year 1974 for which it has been determined that he is otherwise eligible for such benefits, without regard to the three-month limitation in section 1631(a) (4) (B) of that Act on the period for which benefits may be paid to presumptively disabled individuals, except that no such benefits may be paid on the basis of such presumptive disability for any month after the month in which the Secretary of Health, Edu-

cation, and Welfare has made a determination as to whether such individual is disabled, as defined in section 1614(a)(3)(A) of that Act.

SEC. 2. The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

26 USC 3304
note.

Approved March 28, 1974.

Public Law 93-257

AN ACT

To provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

March 29, 1974
[S. 3228]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Funeral Transportation and Living Expense Benefits Act of 1974".

Funeral Transportation and Living Expense Benefits Act of 1974.

37 USC 406
note.

FINDINGS

SEC. 2. (a) The United States did in 1973 provide transportation and other amenities to families of five hundred and fifty-six returned prisoners of war for reunions upon these men's arrival in the continental United States after release from imprisonment by the government of the Democratic Republic of Vietnam and did in 1973 also provide transportation and other amenities to these returned prisoners of war and their families to attend ceremonies in their honor in Washington, District of Columbia.

(b) The remains of other prisoners of war, having died in captivity in Southeast Asia, are now being returned to the United States for burial.

(c) The United States owes no lesser degree of respect, honor or solicitude to the memories of the men who died in captivity and their families than in the cases of those who survived and returned alive to the United States.

(d) It is fitting and proper, therefore, as a mark of respect to those men who died in captivity while serving in the Armed Forces of the United States, that comparable courtesies and amenities be extended to the families of these deceased military personnel.

BENEFITS

SEC. 3. (a) The Secretary of Defense is authorized to provide funeral transportation and living expenses benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict and whose remains shall have been returned to the United States after January 27, 1973.

Deceased Vietnam POW's and MIA's.

(b) Such benefits shall include transportation roundtrip from such family members' places of residence to the place of burial for such deceased member of the Armed Forces, living expenses and other such allowances as the Secretary shall deem appropriate.

Eligible family
members.

(c) Eligible family members shall include the deceased's widow, children, stepchildren, mother, father, stepfather and stepmother, or if none of these shall desire to be granted such benefits, the deceased's brothers, sisters, halfbrothers and halvesisters.

Approved March 29, 1974.

Public Law 93-258

April 2, 1974
[H. R. 5236]

AN ACT

To provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

Utah County,
Utah.
Certain mineral
interests, con-
veyance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall convey to those persons who, on the date of enactment of this Act, are the record owners of the surface rights thereof, or to the heirs, successors, or assigns of such person or persons, all mineral interests reserved to the United States in and to the real property consisting of twenty acres and more particularly described in section 2 of this Act.

Boundaries.

SEC. 2. The real property referred to in the first section of this Act is situated in Utah County, Utah, and is more particularly described as follows:

Beginning at a point south 151.8 feet and west 0.27 feet from the north quarter corner of section 17, township 5 south, range 2 east, Salt Lake base and meridian, and running thence south 89 degrees 54 minutes east 62.0 feet; thence north 0 degree 06 minutes east 152.1 feet; thence north 89 degrees 29 minutes 44 seconds east 70 feet; thence south 0 degree 06 minutes west 165.62 feet; thence south 89 degrees 54 minutes east 164.97 feet; thence north 0 degree 06 minutes east 137 feet; thence north 89 degrees 51 minutes east 16.5 feet; thence south 0 degree 06 minutes west 137 feet; thence south 39 degrees 20 minutes west 135 feet; thence south 51 degrees 07 minutes east 660 feet; thence north 88 degrees 40 minutes west 268.8 feet; thence south 0 degree 28 minutes 30 seconds west 1262.9 feet along a fence line; thence north 89 degrees 46 minutes west 364.2 feet; thence south 89 degrees 06 minutes 30 seconds west 133.2 feet; thence north 1 degree 17 minutes 30 seconds east 1323.2 feet; thence east 4.34 feet; thence north 0 degree 06 minutes east 466.7 feet, more or less to the point of beginning.

Administrative
costs.

SEC. 3. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

Application.

SEC. 4. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

SEC. 5. The term “administrative costs” as used in this Act includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the mineral deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance. “Administrative costs.”

SEC. 6. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

Approved April 2, 1974.

Public Law 93-259

AN ACT

To amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes.

April 8, 1974
[S. 2747]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Fair Labor
Standards Amend-
ments of 1974.

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the “Fair Labor Standards Amendments of 1974”.

29 USC 201
note.

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201-219).

INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a) (1) is amended to read as follows:

29 USC 206.

“(1) not less than \$2 an hour during the period ending December 31, 1974, not less than \$2.10 an hour during the year beginning January 1, 1975, and not less than \$2.30 an hour after December 31, 1975, except as otherwise provided in this section;”.

INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1974

SEC. 3. Section 6(b) is amended (1) by inserting “, title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974” after “1966”, and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

29 USC 1681.

“(1) not less than \$1.90 an hour during the period ending December 31, 1974,

“(2) not less than \$2 an hour during the year beginning January 1, 1975,

“(3) not less than \$2.20 an hour during the year beginning January 1, 1976, and

“(4) not less than \$2.30 an hour after December 31, 1976.”

INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

29 USC 206.

SEC. 4. Section 6(a)(5) is amended to read as follows:

- “(5) if such employee is employed in agriculture, not less than—
- “(A) \$1.60 an hour during the period ending December 31, 1974,
- “(B) \$1.80 an hour during the year beginning January 1, 1975,
- “(C) \$2 an hour during the year beginning January 1, 1976,
- “(D) \$2.20 an hour during the year beginning January 1, 1977, and
- “(E) \$2.30 an hour after December 31, 1977.”

INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

29 USC 205.

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

Infra.

29 USC 208.

“(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term ‘State’ does not include a territory or possession of the United States.”

29 USC 206.

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

“(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

“(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

“(i) if such rate is under \$1.40 an hour, be increased by \$0.12 an hour, and

“(ii) if such rate is \$1.40 or more an hour, be increased by \$0.15 an hour.

“(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the date before such first day shall—

“(i) if such rate is under \$1.40 an hour, be increased by \$0.12 an hour, and

“(ii) if such rate is \$1.40 or more an hour, be increased by \$0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a) (5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

Ante, p. 56.

“(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or \$1.00 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2) (B).

“(4) (A) Notwithstanding paragraph (2) (A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2) (A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or \$1.00, whichever is higher.

“(B) Notwithstanding paragraph (2) (B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (B), shall, on and after the effective date of the first wage increase under paragraph (2) (B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or \$1.00, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section 8) fixing a higher minimum wage rate."

Infra.

29 USC 208.

Ante, p. 55.

Ante, p. 56.

(c) (1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

29 USC 210.

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

FEDERAL AND STATE EMPLOYEES

"Employer."
29 USC 203.

SEC. 6. (a) (1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

"Employee."

(2) Section 3(e) is amended to read as follows:

"(e) (1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

“(2) In the case of an individual employed by a public agency, such term means—

“(A) any individual employed by the Government of the United States—

“(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

“(ii) in any executive agency (as defined in section 105 of such title),

“(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

“(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

“(v) in the Library of Congress;

“(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

“(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

“(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

“(ii) who—

“(I) holds a public elective office of that State, political subdivision, or agency,

“(II) is selected by the holder of such an office to be a member of his personal staff,

“(III) is appointed by such an officeholder to serve on a policymaking level, or

“(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

“(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family.”

(3) Section 3(h) is amended to read as follows:

“(h) ‘Industry’ means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed.”

(4) Section 3(r) is amended by inserting “or” at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

“(3) in connection with the activities of a public agency.”

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1)

“including employees handling, selling, or otherwise working on goods” and inserting in lieu thereof “or employees handling, selling, or otherwise working on goods or materials”,

“Industry.”
29 USC 203.

29 USC 203.

(B) by striking out “or” at the end of paragraph (3),
 (C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof “; or”,
 (D) by adding after paragraph (4) the following new paragraph:

“(5) is an activity of a public agency.”, and

(E) by adding after the last sentence the following new sentence: “The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce.”

“Public
 agency.”
 29 USC 203.

(6) Section 3 is amended by adding after subsection (w) the following:

“(x) ‘Public agency’ means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency.”

29 USC 204.

(b) Section 4 is amended by adding at the end thereof the following new subsection:

“(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to individuals employed in the Library of Congress to provide for the carrying out of the Secretary’s functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, Postal Rate Commission, or the Tennessee Valley Authority). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.”

29 USC 216.

29 USC 207.

(c) (1) (A) Effective January 1, 1975, section 7 is amended by adding at the end thereof the following new subsection:

“(k) No public agency shall be deemed to have violated subsection (a) with respect to the employment of any employee in fire protection activities or any employee in law enforcement activities (including security personnel in correctional institutions) if—

“(1) in a work period of 28 consecutive days the employee receives for tours of duty which in the aggregate exceed 240 hours; or

“(2) in the case of such an employee to whom a work period of at least 7 but less than 28 days applies, in his work period the employee receives for tours of duty which in the aggregate exceed a number of hours which bears the same ratio to the number of consecutive days in his work period as 240 hours bears to 28 days,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.”

Effective date.
Supra.

(B) Effective January 1, 1976, section 7(k) is amended by striking out “240 hours” each place it occurs and inserting in lieu thereof “232 hours”.

Effective date.

(C) Effective January 1, 1977, such section is amended by striking out “232 hours” each place it occurs and inserting in lieu thereof “216 hours”.

(D) Effective January 1, 1978, such section is amended—

Effective date.
Ante, p. 60.

(i) by striking out “exceed 216 hours” in paragraph (1) and inserting in lieu thereof “exceed the lesser of (A) 216 hours, or (B) the average number of hours (as determined by the Secretary pursuant to section 6(c)(3) of the Fair Labor Standards Amendments of 1974) in tours of duty of employees engaged in such activities in work periods of 28 consecutive days in calendar year 1975”; and

Ante, p. 58.

(ii) by striking out “as 216 hours bears to 28 days” in paragraph (2) and inserting in lieu thereof “as 216 hours (or if lower, the number of hours referred to in clause (B) of paragraph (1)) bears to 28 days”.

(2) (A) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof “; or” and by adding after that paragraph the following new paragraph:

29 USC 213.

“(20) any employee of a public agency who is employed in fire protection or law enforcement activities (including security personnel in correctional institutions);”.

(B) Effective January 1, 1975, section 13(b) (20) is amended to read as follows:

Effective date.
29 USC 213
note.
Supra.

“(20) any employee of a public agency who in any workweek is employed in fire protection activities or any employee of a public agency who in any workweek is employed in law enforcement activities (including security personnel in correctional institutions), if the public agency employs during the workweek less than 5 employees in fire protection or law enforcement activities, as the case may be; or”.

(3) The Secretary of Labor shall in the calendar year beginning January 1, 1976, conduct (A) a study of the average number of hours in tours of duty in work periods in the preceding calendar year of employees (other than employees exempt from section 7 of the Fair Labor Standards Act of 1938 by section 13(b)(20) of such Act) of public agencies who are employed in fire protection activities, and (B) a study of the average number of hours in tours of duty in work periods in the preceding calendar year of employees (other than employees exempt from section 7 of the Fair Labor Standards Act of 1938 by section 13(b)(20) of such Act) of public agencies who are employed in law enforcement activities (including security personnel in correctional institutions). The Secretary shall publish the results of each such study in the Federal Register.

Studies.
29 USC 213
note.

Supra.

Publication in
Federal Register.

(d) (1) The second sentence of section 16(b) is amended to read as follows: “Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated.”.

29 USC 216.

(2) (A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

Statute of limitation, suspension.
29 USC 255.

“(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judg-

Supra.

ment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction.”.

29 USC 260.

(B) Section 11 of such Act is amended by striking out “(b)” after “section 16”.

DOMESTIC SERVICE WORKERS

29 USC 202.

SEC. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: “That Congress further finds that the employment of persons in domestic service in households affects commerce.”

29 USC 206.

(b) (1) Section 6 is amended by adding after subsection (e) the following new subsection:

“(f) Any employee—

42 USC 409.

42 USC 401.

“(1) who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee’s compensation for such service would not because of section 209(g) of the Social Security Act constitute wages for the purposes of title II of such Act, or

“(2) who in any workweek—

“(A) is employed in domestic service in one or more households, and

Ante, p. 55.

“(B) is so employed for more than 8 hours in the aggregate, shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under section 6(b).”

Ante, p. 60.

(2) Section 7 is amended by adding after the subsection added by section 6(c) of this Act the following new subsection:

“(1) No employer shall employ any employee in domestic service in one or more households for a workweek longer than forty hours unless such employee receives compensation for such employment in accordance with subsection (a).”

29 USC 213.

(3) Section 13(a) is amended by adding at the end the following new paragraph:

“(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary).”

Ante, p. 61.

(4) Section 13(b) is amended by adding after the paragraph added by section 6(c) the following new paragraph:

“(21) any employee who is employed in domestic service in a household and who resides in such household; or”.

RETAIL AND SERVICE ESTABLISHMENTS

Effective date.

SEC. 8. (a) Effective January 1, 1975, section 13(a) (2) (relating to employees of retail and service establishments) is amended by striking out “\$250,000” and inserting in lieu thereof “\$225,000”.

Effective date.

(b) Effective January 1, 1976, such section is amended by striking out “\$225,000” and inserting in lieu thereof “\$200,000”.

Effective date.

(c) Effective January 1, 1977, such section is amended by striking out “or such establishment has an annual dollar volume of sales which is less than \$200,000 (exclusive of excise taxes at the retail level which are separately stated)”

TOBACCO EMPLOYEES

Supra.

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b) (2) of this Act the following:

“(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

29 USC 207.

“(1) is employed by such employer—

“(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

“(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture), or

“(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

“(2) receives for—

“(A) such employment by such employer which is in excess of ten hours in any workday, and

“(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section.”

(b) (1) Section 13(a) (14) is repealed.

Repeal.
29 USC 213.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b) (4) of this Act the following new paragraph:

“(22) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or”.

TELEGRAPH AGENCY EMPLOYEES

SEC 10. (a) Section 13(a) (11) (relating to telegraph agency employees) is repealed.

Repeal.

(b) (1) Section 13(b) is amended by adding after the paragraph added by section 9(b) (2) of this Act the following new paragraph:

Supra.

“(23) any employee or proprietor in a retail or service establishment which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, who is engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed \$500 a month, and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or”.

Ante, pp. 55,
60.

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b) (23) is amended by striking out “forty-eight hours” and inserting in lieu thereof “forty-four hours”.

Effective date.
Supra.

Repeal; effective date.
Ante, p. 63.

(3) Effective two years after such date, section 13(b)(23) is repealed.

SEAFOOD CANNING AND PROCESSING EMPLOYEES

29 USC 213.

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

Effective date.

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

Repeal; effective date.

(c) Effective two years after such date, section 13(b)(4) is repealed.

NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

29 USC 207.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

Supra.

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who performs maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee of a hotel or motel who performs maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

Effective date.

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

Effective date.

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

Repeal; effective date.

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

29 USC 203.

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an

amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this subsection, and (2) all tips received by such employee have been retained by the employee, except that this subsection shall not be construed to prohibit the pooling of tips among employees who customarily and regularly receive tips.”

SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

29 USC 213.

“(10)(A) any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trucks, or farm implements, if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles or implements to ultimate purchasers; or

“(B) any salesman primarily engaged in selling trailers, boats, or aircraft, if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling trailers, boats, or aircraft to ultimate purchasers; or”.

FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: “and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed”.

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out “forty-eight hours” and inserting in lieu thereof “forty-four hours”.

Effective date.

(c) Effective two years after such date, such section is repealed.

Repeal; effective date.

BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out “forty-eight hours” and inserting in lieu thereof “forty-four hours”.

Effective date.

(b) Effective two years after such date, such section is repealed.

Repeal; effective date.

SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

Ante, p. 63.

“(24) any employee who is employed with his spouse by a non-profit educational institution to serve as the parents of children—

“(A) who are orphans or one of whose natural parents is deceased, or

“(B) who are enrolled in such institution and reside in residential facilities of the institution,

while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than \$10,000; or”.

EMPLOYEES OF CONGLOMERATES

29 USC 213.

SEC. 18. Section 13 is amended by adding at the end thereof the following:

Ante, p. 55.

“(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds \$10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by paragraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s).”.

Ante, p. 59.

SEASONAL INDUSTRY EMPLOYEES

29 USC 207.

SEC. 19. (a) Section 7(c) and 7(d) are each amended—

(1) by striking out “ten workweeks” and inserting in lieu thereof “seven workweeks”, and

(2) by striking out “fourteen workweeks” and inserting in lieu thereof “ten workweeks”.

(b) Section 7(c) is amended by striking out “fifty hours” and inserting in lieu thereof “forty-eight hours”.

Effective date.

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out “seven workweeks” and inserting in lieu thereof “five workweeks”, and

(2) by striking out “ten workweeks” and inserting in lieu thereof “seven workweeks”.

Effective date.

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out “five workweeks” and inserting in lieu thereof “three workweeks”, and

(2) by striking out “seven workweeks” and inserting in lieu thereof “five workweeks”.

Repeal; effective date.

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b) (15) is amended to read as follows:

“(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or syrup; or”.

Ante, p. 65.

(b) (1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

“(25) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

“(A) seventy-two hours in any workweek for not more than six workweeks in a year,

“(B) sixty-four hours in any workweek for not more than four workweeks in that year,

“(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

“(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or”.

(2) Effective January 1, 1975, section 13(b)(25) is amended—

Effective date.
Ante, p. 66.

(A) by striking out “seventy-two” and inserting in lieu thereof “sixty-six”;

(B) by striking out “sixty-four” and inserting in lieu thereof “sixty”;

(C) by striking out “fifty-four” and inserting in lieu thereof “fifty”;

(D) by striking out “and” at the end of subparagraph (C); and

(E) by striking out “forty-eight hours in any other workweek in that year,” and inserting in lieu thereof the following: “forty-six hours in any workweek for not more than two workweeks in that year, and

“(E) forty-four hours in any other workweek in that year.”.

(3) Effective January 1, 1976, section 13(b)(25) is amended—

Effective date.
Supra.

(A) by striking out “sixty-six” in subparagraph (A) and inserting in lieu thereof “sixty”;

(B) by striking out “sixty” in subparagraph (B) and inserting in lieu thereof “fifty-six”;

(C) by striking out “fifty” and inserting in lieu thereof “forty-eight”;

(D) by striking out “forty-six” and inserting in lieu thereof “forty-four”; and

(E) by striking out “forty-four” in subparagraph (E) and inserting in lieu thereof “forty”.

(c)(1) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

Ante, p. 66.

“(26) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugarcane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

“(A) seventy-two hours in any workweek for not more than six workweeks in a year,

“(B) sixty-four hours in any workweek for not more than four workweeks in that year,

“(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

“(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or”.

(2) Effective January 1, 1975, section 13(b)(26) is amended—

Effective date.
Supra.

(A) by striking out “seventy-two” and inserting in lieu thereof “sixty-six”;

(B) by striking out “sixty-four” and inserting in lieu thereof “sixty”;

(C) by striking out “fifty-four” and inserting in lieu thereof “fifty”;

(D) by striking out “and” at the end of subparagraph (C); and

Effective date.
Ante, p. 67.

- (E) by striking out "forty-eight hours in any other workweek in that year," and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and"
- "(E) forty-four hours in any other workweek in that year,".
- (3) Effective January 1, 1976, section 13(b)(26) is amended—
- (A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";
- (B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";
- (C) by striking out "fifty" and inserting in lieu thereof "forty-eight";
- (D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and
- (E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

LOCAL TRANSIT EMPLOYEES

Ante, p. 62.

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(n) In the case of an employee of an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

29 USC 213.

(b) (1) Section 13(b)(7) (relating to employees of street, suburban or interurban electric railways, or local trolley or motorbus carriers) is amended by striking out "if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

Effective date.

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

Repeal; effective date.

(3) Effective two years after such date, such section is repealed.

COTTON AND SUGAR SERVICES EMPLOYEES

Ante, p. 66.

SEC. 22. Section 13 is amended by adding after the subsection added by section 18 the following:

Supra.

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

“(B) exclusively to provide services necessary and incidental to the receiving, handling, and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

“(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing, and processing of cottonseed; or

“(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and

“(2) receives for—

“(A) such employment by such employer which is in excess of ten hours in any workday, and

“(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7.”.

Ante, p. 68.

OTHER EXEMPTIONS

SEC. 23. (a) (1) Section 13(a) (9) (relating to motion picture theater employees) is repealed.

Repeal.
29 USC 213.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

Ante, p. 67.

“(27) any employee employed by an establishment which is a motion picture theater; or”.

(b) (1) Section 13(a) (13) (relating to small logging crews) is repealed.

Repeal.

(2) Section 13(b) is amended by adding after paragraph (27) the following new paragraph:

“(28) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight.”.

(c) Section 13(b) (2) (insofar as it relates to pipeline employees) is amended by inserting after “employer” the following: “engaged in the operation of a common carrier by rail and”.

EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

29 USC 214.

“SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

Ante, p. 55.

“(b) (1) (A) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special

certificate issued under a regulation or order provide, in accordance with subparagraph (B), for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than \$1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

“(B) Except as provided in paragraph (4) (B), during any month in which full-time students are to be employed in any retail or service establishment under certificates issued under this subsection the proportion of student hours of employment to the total hours of employment of all employees in such establishment may not exceed—

“(i) in the case of a retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) were covered by this Act before the effective date of the Fair Labor Standards Amendments of 1974—

“(I) the proportion of student hours of employment to the total hours of employment of all employees in such establishment for the corresponding month of the immediately preceding twelve-month period,

“(II) the maximum proportion for any corresponding month of student hours of employment to the total hours of employment of all employees in such establishment applicable to the issuance of certificates under this section at any time before the effective date of the Fair Labor Standards Amendments of 1974 for the employment of students by such employer, or

“(III) a proportion equal to one-tenth of the total hours of employment of all employees in such establishment, whichever is greater;

“(ii) in the case of retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) are covered for the first time on or after the effective date of the Fair Labor Standards Amendments of 1974—

“(I) the proportion of hours of employment of students in such establishment to the total hours of employment of all employees in such establishment for the corresponding month of the twelve-month period immediately prior to the effective date of such Amendments,

“(II) the proportion of student hours of employment to the total hours of employment of all employees in such establishment for the corresponding month of the immediately preceding twelve-month period, or

“(III) a proportion equal to one-tenth of the total hours of employment of all employees in such establishment, whichever is greater; or

“(iii) in the case of a retail or service establishment for which records of student hours worked are not available, the proportion of student hours of employment to the total hours of employment of all employees based on the practice during the immediately preceding twelve-month period in (I) similar establishments of the same employer in the same general metropolitan area in which such establishment is located, (II) similar establishments of the same or nearby communities if such establish-

Ante, p. 55.

Ante, p. 56.

29 USC 206.

ment is not in a metropolitan area, or (III) other establishments of the same general character operating in the community or the nearest comparable community.

For purpose of clauses (i), (ii), and (iii) of this subparagraph, the term 'student hours of employment' means hours during which students are employed in a retail or service establishment under certificates issued under this subsection.

"Student hours of employment."

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a) (5) or not less than \$1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

Ante, p. 56.

29 USC 206.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than \$1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

Regulations.

"(4) (A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four—

"(i) the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection, and

"(ii) in the case of an employer which is a retail or service establishment, subparagraph (B) of paragraph (1) shall not apply with respect to the issuance of special certificates for such employer under such paragraph.

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

“(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate.”

Ante, p. 69.

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

Ante, pp. 60, 68.

“(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws.”

29 USC 204.

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: “Such report shall also include a summary of the special certificates issued under section 14(b).”

Ante, p. 69.

CHILD LABOR

29 USC 212.

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

“(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age.”

29 USC 213.

(b) Section 13(c)(1) (relating to child labor in agriculture) is amended to read as follows:

Supra.

“(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

“(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

Ante, p. 56.

“(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

“(C) is fourteen years of age or older.”

29 USC 216.

(c) Section 16 is amended by adding at the end thereof the following new subsection:

Penalty.

“(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed \$1,000 for each such violation. In determining the amount of such penalty, the appropriateness

of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

“(1) deducted from any sums owing by the United States to the person charged;

“(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

“(3) ordered by the court, in an action brought for a violation of section 15(a) (4), to be paid to the Secretary.

29 USC 215.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled ‘An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes’ (29 U.S.C. 9a).”

SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: “The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provisions of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary.”

29 USC 216.

Ante, pp. 55, 68.

ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting “(1)” immediately after “(d)”,

(2) inserting in the second sentence after “minimum wages” the following: “and overtime coverage”; and

(3) by adding at the end thereof the following new paragraphs:

“(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such

Ante, p. 72.

Ante, p. 72.

Ante, p. 66.

Report to
Congress.

employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976.

Reports to
Congress.

“(3) The Secretary shall conduct a continuing study on means to prevent curtailment of employment opportunities for manpower groups which have had historically high incidences of unemployment (such as disadvantaged minorities, youth, elderly, and such other groups as the Secretary may designate). The first report of the results of such study shall be transmitted to the Congress not later than one year after the effective date of the Fair Labor Standards Amendments of 1974. Subsequent reports on such study shall be transmitted to the Congress at two-year intervals after such effective date. Each such report shall include suggestions respecting the Secretary’s authority under section 14 of this Act.”

Ante, p. 69.

AGE DISCRIMINATION

SEC. 28. (a) (1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out “twenty-five” and inserting in lieu thereof “twenty”.

(2) The second sentence of section 11(b) of such Act is amended to read as follows: “The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.”

(3) Section 11(c) of such Act is amended by striking out “, or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance”.

“Employee.”

(4) Section 11(f) of such Act is amended to read as follows:

“(f) The term ‘employee’ means an individual employed by any employer except that the term ‘employee’ shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer’s personal staff, or an appointee on the policymaking level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision.”

29 USC 634.

(5) Section 16 of such Act is amended by striking out “\$3,000,000” and inserting in lieu thereof “\$5,000,000”.

29 USC 621
note, 634.

(b) (1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as sections 16 and 17, respectively.

29 USC 633.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

“NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

29 USC 633a.

“SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in

section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

“(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

Enforcement.

“(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each department, agency, or unit referred to in subsection (a);

Reports.

“(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

“(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

“(c) Any person aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

Civil actions.

“(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

“(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law.”

EFFECTIVE DATE

29 USC 202
note.

29 USC 202
note.

SEC. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on May 1, 1974.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Approved April 8, 1974.

Public Law 93-260

April 9, 1974
[S. 2174]

AN ACT

To amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes.

Civil Service
retirement sys-
tem.

Survivor annu-
ities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) clauses (1) (A) and (2) (A) of section 8341(a) of title 5, United States Code, are amended by striking out "2 years" wherever it appears and inserting in lieu thereof "1 year".

(b) The amendments made by subsection (a) of this section shall not apply in the cases of employees, Members, or annuitants who died before the date of enactment of this Act. The rights of such individuals and their survivors shall continue in the same manner and to the same extent as if such amendments had not been enacted.

Annuity compu-
tation.

SEC. 2. (a) Section 8339(f) (2) of title 5, United States Code, is amended—

(1) by deleting "greater" and inserting "greatest" in place thereof;

(2) by deleting the word "or" immediately after the semicolon at the end of clause (A);

(3) by redesignating clause (B) as clause (C); and

(4) by inserting immediately below clause (A) the following new clause (B):

"(B) the average pay of the Member; or".

Effective date.
5 USC 8339
note.

(b) The amendments made by subsection (a) of this section shall apply to annuities paid for months beginning after the date of enactment of this Act.

Approved April 9, 1974.

Public Law 93-261

April 11, 1974
[H. J. Res. 941]

JOINT RESOLUTION

Making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans Administration, and for other purposes.

Veterans Admin-
istration.
Supplemental
appropriation.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1974, namely:

VETERANS ADMINISTRATION

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$750,000,000, to remain available until expended.

Approved April 11, 1974.

Public Law 93-262

AN ACT

April 12, 1974
[S. 1341]

To provide for financing the economic development of Indians and Indian organizations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Indian Financing Act of 1974”.

Indian Financing Act of 1974.
25 USC 1451
note.

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to provide capital on a reimbursable basis to help develop and utilize Indian resources, both physical and human, to a point where the Indians will fully exercise responsibility for the utilization and management of their own resources and where they will enjoy a standard of living from their own productive efforts comparable to that enjoyed by non-Indians in neighboring communities.

25 USC 1451.

DEFINITIONS

SEC. 3. For the purpose of this Act, the term—

25 USC 1452.

(a) “Secretary” means the Secretary of the Interior.

(b) “Indian” means any person who is a member of any Indian tribe, band, group, pueblo, or community which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs and any “Native” as defined in the Alaska Native Claims Settlement Act (85 Stat. 688).

43 USC 1602.

(c) “Tribe” means any Indian tribe, band, group, pueblo, or community, including Native villages and Native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

(d) “Reservation” includes Indian reservations, public domain Indian allotments, former Indian reservations in Oklahoma, and land held by incorporated Native groups, regional corporations, and village corporations under the provisions of the Alaska Native Claims Settlement Act.

(e) “Economic enterprise” means any Indian-owned (as defined by the Secretary of the Interior) commercial, industrial, or business activity established or organized for the purpose of profit: *Provided*, That such Indian ownership shall constitute not less than 51 per centum of the enterprise.

(f) “Organization”, unless otherwise specified, shall be the governing body of any Indian tribe, as defined in subsection (c) hereof, or entity established or recognized by such governing body for the purpose of this Act.

(g) “Other organizations” means any non-Indian individual, firm, corporation, partnership, or association.

SEC. 4. No provision of this or any other Act shall be construed to terminate or otherwise curtail the assistance or activities of the Small Business Administration or any other Federal agency with respect to any Indian tribe, organization, or individual because of their eligibility for assistance under this Act.

25 USC 1453.

TITLE I—INDIAN REVOLVING LOAN FUND

25 USC 1461.

25 USC 470.

25 USC 506.

25 USC 634.

25 USC 442,
443.

SEC. 101. In order to provide credit that is not available from private money markets, all funds that are now or hereafter a part of the revolving fund authorized by the Act of June 18, 1934 (48 Stat. 986), the Act of June 26, 1936 (49 Stat. 1968), and the Act of April 19, 1950 (64 Stat. 44), as amended and supplemented, including sums received in settlement of debts of livestock pursuant to the Act of May 24, 1950 (64 Stat. 190), and sums collected in repayment of loans heretofore or hereafter made, and as interest or other charges on loans, shall hereafter be administered as a single Indian Revolving Loan Fund. The fund shall be available for loans to Indians having a form of organization that is satisfactory to the Secretary and for loans to individual Indians who are not members of or eligible for membership in an organization which is making loans to its members: *Provided*, That, where the Secretary determines a rejection of a loan application from a member of an organization making loans to its membership from moneys borrowed from the fund is unwarranted, he may, in his discretion, make a direct loan to such individual from the fund. The fund shall also be available for administrative expenses incurred in connection therewith.

Economic de-
velopment,
promotion.

25 USC 1462.

SEC. 102. Loans may be made for any purpose which will promote the economic development of (a) the individual Indian borrower, including loans for educational purposes, and (b) the Indian organization and its members including loans by such organizations to other organizations and investments in other organizations regardless of whether they are organizations of Indians: *Provided*, That not more than 50 per centum of loan made to an organization shall be used by such organization for the purpose of making loans to or investments in non-Indian organizations.

25 USC 1463.

SEC. 103. Loans may be made only when, in the judgment of the Secretary, there is a reasonable prospect of repayment, and only to applicants who in the opinion of the Secretary are unable to obtain financing from other sources on reasonable terms and conditions.

Interest rate.
25 USC 1464.

SEC. 104. Loans shall be for terms that do not exceed thirty years and shall bear interest at (a) a rate determined by the Secretary of the Treasury taking into consideration the market yield on municipal bonds: *Provided*, That in no event shall the rate be greater than the rate determined by the Secretary of the Treasury taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity, plus (b) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purpose: *Provided*, That educational loans may provide for interest to be deferred while the borrower is in school or in the military service.

25 USC 1465.

SEC. 105. The Secretary may cancel, adjust, compromise, or reduce the amount of any loan or any portion thereof heretofore or hereafter made from the revolving loan fund established by this title and its predecessor constituent funds which he determines to be uncollectable in whole or in part, or which is collectable only at an unreasonable cost, or when such action would, in his judgment, be in the best interests of the United States: *Provided*, That proceedings pursuant to this sentence shall be effective only after following the procedure prescribed by the Act of July 1, 1932 (47 Stat. 564, 25 U.S.C. 386a). He may also adjust, compromise, subordinate, or modify the terms of any mortgage, lease, assignment, contract, agreement, or other document taken to secure such loans.

Land title.
25 USC 1466.

SEC. 106. Title to any land purchased by a tribe or by an individual Indian with loans made from the revolving loan fund may be taken

in trust unless the land is located outside the boundaries of a reservation or a tribal consolidation area approved by the Secretary. Title to any land purchased by a tribe or an individual Indian which is outside the boundaries of the reservation or approved consolidation area may be taken in trust if the purchaser was the owner of trust or restricted interests in the land before the purchase, otherwise title shall be taken in the name of the purchasers without any restriction on alienation, control, or use. Title to any personal property purchased with a loan from the revolving loan fund shall be taken in the name of the purchaser.

SEC. 107. Any organization receiving a loan from the revolving loan fund shall be required to assign to the United States as security for the loan all securities acquired in connection with the loans made to its members from such funds unless the Secretary determines that the repayment of the loan to the United States is otherwise reasonably assured.

25 USC 1467.

SEC. 108. There is authorized to be appropriated, to provide capital and to restore any impairment of capital for the revolving loan fund \$50,000,000 exclusive of prior authorizations and appropriations.

Appropriation.
25 USC 1468.

SEC. 109. The Secretary shall promulgate rules and regulations to carry out the provisions of this title.

Rules and reg-
ulations.
25 USC 1469.

TITLE II—LOAN GUARANTY AND INSURANCE

SEC. 201. In order to provide access to private money sources which otherwise would not be available, the Secretary is authorized (a) to guarantee not to exceed 90 per centum of the unpaid principal and interest due on any loan made to any organization of Indians having a form or organization satisfactory to the Secretary, and to individual Indians who are not members of or eligible for membership in an organization which is making loans to its members; and (b) in lieu of such guaranty, to insure loans under an agreement approved by the Secretary whereby the lender will be reimbursed for losses in an amount not to exceed 15 per centum of the aggregate of such loans made by it, but not to exceed 90 per centum of the loss on any one loan.

25 USC 1481.

SEC. 202. The Secretary shall fix such premium charges for the insurance and guarantee of loans as are in his judgment adequate to cover expenses and probable losses, and deposit receipts from such charges in the Indian Loan Guaranty and Insurance Fund established pursuant to section 217(a) of this title.

Premium
charges.
25 USC 1482.

SEC. 203. Loans guaranteed or insured pursuant to this title shall bear interest (exclusive of premium charges for insurance, and service charge, if any) at rates not to exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable taking into consideration the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

Interest rate.
25 USC 1483.

SEC. 204. The application for a loan to be guaranteed hereunder shall be submitted to the Secretary for prior approval. Upon approval, the Secretary shall issue a certificate as evidence of the guaranty. Such certificate shall be issued only when, in the judgment of the Secretary, there is a reasonable prospect of repayment. No loan to an individual Indian may be guaranteed or insured which would cause the total unpaid principal indebtedness to exceed \$100,000. No loan to an economic enterprise (as defined in section 3) in excess of \$100,000, or such lower amount as the Secretary may determine to be appropriate, shall be insured unless prior approval of the loan is obtained from the Secretary.

Application.
25 USC 1484.

25 USC 1485.

SEC. 205. Any loan guaranteed hereunder, including the security given therefor, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the United States or of any State or the District of Columbia.

25 USC 1486.

SEC. 206. Loans made by any agency or instrumentality of the Federal Government, or by an organization of Indians from funds borrowed from the United States, and loans the interest on which is not included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954, as amended, shall not be eligible for guaranty or insurance hereunder.

26 USC 1 et seq.

25 USC 1487.

SEC. 207. Any loans insured hereunder shall be restricted to those made by a financial institution subject to examination and supervision by an agency of the United States, a State, or the District of Columbia, and to loans made by Indian organizations from their own funds to other tribes or organizations of Indians.

25 USC 1488.

SEC. 208. Loans guaranteed hereunder may be made by any lender satisfactory to the Secretary, except as provided in section 206. The liability under the guaranty shall decrease or increase pro rata with any decrease or increase in the unpaid portion of the obligation.

25 USC 1489.

SEC. 209. Any loan made by any national bank or Federal savings and loan association, or by any bank, trust company, building and loan association, or insurance company authorized to do business in the District of Columbia, at least 20 per centum of which is guaranteed hereunder, may be made without regard to the limitations and restrictions of any other Federal statute with respect to (a) ratio of amount of loan to the value of the property; (b) maturity of loans; (c) requirement of mortgage or other security; (d) priority of lien; or (e) percentage of assets which may be invested in real estate loans.

Loans, maturity.

25 USC 1490.

Defaults.

25 USC 1491.

SEC. 210. The maturity of any loan guaranteed or insured hereunder shall not exceed thirty years.

SEC. 211. In the event of a default of a loan guaranteed hereunder, the holder of the guaranty certificate may immediately notify the Secretary in writing of such default and the Secretary shall thereupon pay to such holder the pro rata portion of the amount guaranteed and shall be subrogated to the rights of the holder of the guaranty and receive an assignment of the obligation and security. The Secretary may cancel the uncollectable portion of any obligation, to which he has an assignment or a subrogated right under this section: *Provided*, That proceedings pursuant to this sentence shall be effective only after following the procedure prescribed by the Act of July 1, 1932 (47 Stat. 564, 25 U.S.C. 386a). Nothing in this section shall be construed to preclude any forbearance for the benefit of the borrower as may be agreed upon by the parties to the loan and approved by the Secretary. The Secretary may establish the date, not later than the date of judgment and decree of foreclosure or sale, upon which accrual of interest or charges shall cease.

Losses.

25 USC 1492.

SEC. 212. When a lender suffers a loss on a loan insured hereunder, including accrued interest, a claim therefor shall be submitted to the Secretary. If the Secretary finds that the loss has been suffered, he shall reimburse the lender therefor: *Provided*, That the amount payable to the lender for a loss on any one loan shall not exceed 90 per centum of such loss: *Provided further*, That no reimbursement may be made for losses in excess of 15 per centum of the aggregate of insured loans made by the lender: *Provided further*, That before any reimbursement is made, all reasonable collection efforts shall have been exhausted by the lender, and the security for the loan shall have been liquidated to the extent feasible, and the proceeds applied on the debt. Upon reimbursement, in whole or in part, to the lender, the note or judgment evidencing the debt shall be assigned to the United States,

and the lender shall have no further claim against the borrower or the United States. The Secretary shall then take such further collection action as may be warranted, or may cancel the uncollectable portion of any debt assigned pursuant hereto. The Secretary may establish a date upon which accrual of interest or charges shall cease.

SEC. 213. Whenever the Secretary finds that any lender or holder of a guaranty certificate fails to maintain adequate accounting records, or to demonstrate proper ability to service adequately loans guaranteed or insured, or to exercise proper credit judgment, or has willfully or negligently engaged in practices otherwise detrimental to the interests of a borrower or of the United States, he may refuse, either temporarily or permanently, to guarantee or insure any further loans made by such lender or holder, and may bar such lender or holder from acquiring additional loans guaranteed or insured hereunder: *Provided*, That the Secretary shall not refuse to pay a valid guaranty or insurance claim on loans previously made in good faith.

Loan refusal,
conditions.
25 USC 1493.

SEC. 214. Any evidence of guaranty or insurance issued by the Secretary shall be conclusive evidence of the eligibility of the loan for guaranty or insurance under the provisions of this Act and the amount of such guaranty or insurance: *Provided*, That nothing in this section shall preclude the Secretary from establishing, as against the original lender, defenses based on fraud or material misrepresentation or bar him from establishing, by regulations in force at the date of such issuance or disbursement, whichever is the earlier, partial defenses to the amount payable on the guaranty or insurance.

Eligibility.
25 USC 1494.

SEC. 215. Title to any land purchased by a tribe or by an individual Indian with loans guaranteed or insured pursuant to this title may be taken in trust, unless the land is located outside the boundaries of a reservation or a tribal consolidation area approved by the Secretary. Title to any land purchased by a tribe or an individual Indian which is outside the boundaries of the reservation or approved consolidation area may be taken in trust if the purchaser was the owner of trust or restricted interests in the land before the purchase, otherwise title shall be taken in the name of the purchaser without any restriction on alienation, control, or use. Title to any personal property purchased with loans guaranteed or insured hereunder shall be taken in the name of the purchaser.

Land titles.
25 USC 1495.

SEC. 216. The financial transactions of the Secretary incident to or arising out of the guarantee or insurance of loans, and the acquisition, management, and disposition of property, real, personal, or mixed, incident to such activities, shall be final and conclusive upon all officers of the Government. With respect to matters arising out of the guaranty or insurance program authorized by this title, and notwithstanding the provisions of any other laws, the Secretary may—

25 USC 1496.

(a) sue and be sued in his official capacity in any court of competent jurisdiction;

(b) subject to the specific limitations in this title, consent to the modification, with respect to the rate of interest, time of payment on principal or interest or any portion thereof, security, or any other provisions of any note, contract, mortgage, or other instrument securing a loan which has been guaranteed or insured hereunder;

(c) subject to the specific limitations in this title, pay, or compromise, any claim on, or arising because of any loan guaranty or insurance;

(d) subject to the specific limitations in this title, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including, but not limited to, any equity or right of redemption;

(e) purchase at any sale, public or private, upon such terms and for such prices as he determines to be reasonable, and take title to property, real, personal, or mixed; and similarly sell, at public or private sale, exchange, assign, convey, or otherwise dispose of such property; and

(f) complete, administer, operate, obtain, and pay for insurance on, and maintain, renovate, repair, modernize, lease, or otherwise deal with any property acquired or held pursuant to the guaranty or insurance program authorized by this title.

Indian Loan
Guaranty and
Insurance Fund.
25 USC 1497.

SEC. 217. (a) There is hereby created an Indian Loan Guaranty and Insurance Fund (hereinafter referred to as the "fund") which shall be available to the Secretary as a revolving fund without fiscal year limitation for carrying out the provisions of this title.

(b) The Secretary may use the fund for the purpose of fulfilling the obligations with respect to loans guaranteed or insured under this title, but the aggregate of such loans which are insured or guaranteed by the Secretary shall be limited to \$200,000,000.

(c) All funds, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and all collections and proceeds therefrom, shall constitute assets of the fund; and all liabilities and obligations of such assets shall be liabilities and obligations of the fund. The Secretary is authorized to make agreements with respect to servicing loans held, guaranteed, or insured by him under this title and purchasing such guaranteed or insured loans on such terms and conditions as he may prescribe.

(d) The Secretary may also utilize the fund to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed or insured under this title or held by the Secretary, to acquire such security property at foreclosure sale or otherwise, and to pay administrative expenses.

Rules and reg-
ulations.
25 USC 1498.

SEC. 218. The Secretary shall promulgate rules and regulations to carry out the provisions of this title.

TITLE III—INTEREST SUBSIDIES AND ADMINISTRATIVE EXPENSES

25 USC 1511.

SEC. 301. The Secretary is authorized under such rules and regulations as he may prescribe to pay as an interest subsidy on loans which are guaranteed or insured under the provisions of title II of this Act amounts which are necessary to reduce the rate payable by the borrower to the rate determined under section 104 of this Act.

Appropriation.
25 USC 1512.

SEC. 302. There are authorized to be appropriated to the Secretary (a) to carry out the provisions of sections 217 and 301 of this Act, such sums to remain available until expended, and (b) for administrative expenses under this Act not to exceed \$20,000,000 in each of the fiscal years 1975, 1976, and 1977.

TITLE IV—INDIAN BUSINESS GRANTS

Indian Busi-
ness Develop-
ment Program.
Establishment.
25 USC 1521.

SEC. 401. There is established within the Department of the Interior the Indian Business Development Program whose purpose is to stimulate and increase Indian entrepreneurship and employment by providing equity capital through nonreimbursable grants made by the Secretary of the Interior to Indians and Indian tribes to establish and expand profit-making Indian-owned economic enterprises on or near reservations.

SEC. 402. (a) No grant in excess of \$50,000, or such lower amount as the Secretary may determine to be appropriate, may be made to an Indian or Indian tribe.

Conditions.
25 USC 1522.

(b) A grant may be made only to an applicant who, in the opinion of the Secretary, is unable to obtain adequate financing for its economic enterprise from other sources: *Provided*, That prior to making any grant under this title, the Secretary shall assure that, where practical, the applicant has reasonably made available for the economic enterprise funds from the applicant's own financial resources.

(c) No grant may be made to an applicant who is unable to obtain at least 60 per centum of the necessary funds for the economic enterprise from other sources.

SEC. 403. There are authorized to be appropriated not to exceed the sum of \$10,000,000 for each of the fiscal years 1975, 1976, and 1977 for the purposes of this title.

Appropriation.
25 USC 1523.

SEC. 404. The Secretary of the Interior is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of this Act.

Rules and regulations.
25 USC 1524.

TITLE V

SEC. 501. Concurrent with the making or guaranteeing of any loan under titles I and II and with the making of a grant under title IV of this Act, the purpose of which is to fund the development of an economic enterprise, the Secretary shall insure that the loan or grant applicant shall be provided competent management and technical assistance consistent with the nature of the enterprise being funded.

25 USC 1541.

SEC. 502. For the purpose of providing the assistance required under section 501, the Secretary is authorized to cooperate with the Small Business Administration and ACTION and other Federal agencies in the use of existing programs of this character in those agencies. In addition, the Secretary is authorized to enter into contracts with private organizations for providing such services and assistance.

Agency cooperation.
25 USC 1542.

SEC. 503. For the purpose of entering into contracts pursuant to section 502 of this title, the Secretary is authorized to use not to exceed 5 per centum of any funds appropriated for any fiscal year pursuant to section 302 of this Act.

Funds, limitation.
25 USC 1543.

Approved April 12, 1974.

Public Law 93-263

AN ACT

To amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the fiscal year 1974.

April 12, 1974
[H. R. 12465]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (g) of section 4 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 295), is amended—

Foreign Service
Buildings Act,
1926, amend-
ments.

(1) by striking out “\$590,000” in subparagraph (1)(A) and inserting in lieu thereof “\$631,000”;

(2) by striking out “\$160,000” in subparagraph (1)(C) and inserting in lieu thereof “\$204,000”;

(3) by striking out “\$2,218,000” in subparagraph (1)(E) and inserting in lieu thereof “\$2,287,000”; and

(4) by striking out “\$45,800,000” and “\$21,700,000” in paragraph (2) and inserting in lieu thereof “\$48,532,000” and “\$23,066,000”, respectively.

Approved April 12, 1974.

Public Law 93-264

April 12, 1974
[H. R. 12341]

AN ACT

To authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University.

State Department.
Sale of property
to Wake Forest
University.

22 USC 300.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of State is hereby authorized to sell, by quitclaim deed, to Wake Forest University the former consulate office building and residence at Rio Torre-Selle and Canal Grande, in Venice, for the sum of \$250,000, subject to such terms and conditions as the Secretary shall prescribe not inconsistent with the provisions of the Foreign Service Buildings Act, 1926. Such \$250,000 shall be applied or held pursuant to section 9(b) of such Act of 1926.

(b) Wake Forest University shall not lease or otherwise alienate this property except in accordance with the terms of this Act.

(c) If the university determines that the property is no longer required and wishes to dispose of it, the university will offer the property, by quitclaim deed, to the Secretary of State at a price of \$250,000, granting a one-year option at that price, and may only dispose of the property to a third party after written notice from the Secretary of State that he does not wish to exercise the option, or after the expiration of the year's option without its being exercised by him. In the event the Secretary shall exercise the option, he shall have one year from the date of exercise in which to make settlement. If the university has made capital improvements to the property during its ownership, such improvements shall be evaluated by the Secretary, and paid to the university in addition to the \$250,000 price stated above in compensation therefor.

Federal employees, office
space, availability.

(d) Wake Forest University shall provide suitable office space for United States Government employees on official business in Venice at any time such space is requested by the American Embassy in Rome or the American Consulate in Milan, in accordance with arrangements to be determined by the parties prior to transfer of title under this Act.

Approved April 12, 1974.

Public Law 93-265

April 12, 1974
[S. 969]

AN ACT

Relating to the constitutional rights of Indians.

Indians.
Constitutional
rights, publication
of materials.
25 USC 1341.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of section 701 of title VII of the Act entitled "An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes", approved April 11, 1968, is amended to read as follows:

"(c) There is authorized to be appropriated for carrying out the provisions of this title such sum as may be necessary."

Approved April 12, 1974.

Public Law 93-266

AN ACT

To amend the Act entitled "An Act to incorporate the American Hospital of Paris", approved January 30, 1913 (37 Stat. 654).

April 12, 1974
[S. 1836]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4 of the Act entitled "An Act to incorporate the American Hospital of Paris", approved January 30, 1913 (37 Stat. 654), is amended by deleting "nor more than twenty".

American Hos-
pital of Paris.
Board of Gov-
ernors, member-
ship.

(b) Section 6 of such Act is amended by deleting "an equal number of" wherever it appears therein.

Approved April 12, 1974.

Public Law 93-267

AN ACT

To amend the Act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization.

April 12, 1974
[S. 2441]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7 of the Act entitled "An Act to incorporate the American War Mothers", approved February 24, 1925, as amended (36 U.S.C. 97), is amended by inserting after "her son or sons or daughter or daughters of her blood" the following: "her legally adopted son or sons or legally adopted daughter or daughters, or her stepson or stepsons or stepdaughter or stepdaughters".

American War
Mothers.
Membership,
extension.

Approved April 12, 1974.

Public Law 93-268

AN ACT

To amend the District of Columbia Revenue Act of 1947 regarding taxability of dividends received by a corporation from insurance companies, banks, and other savings institutions.

April 17, 1974
[H. R. 6186]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first proviso of section 1 of title X of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-1580) is amended to read as follows: "Provided, however, That, in the case of any corporation, the amount received as dividends from a corporation which is subject to taxation under this subchapter or under title II of the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937 (D.C. Code, secs. 47-1801-1808), and, in the case of a corporation not engaged in carrying on any trade or business within the District, interest received by it from a corporation which is subject to taxation under this article or under such title II of such Act shall not be considered as income from sources within the District for purposes of this subchapter; and in the case of any corporation organized as a bank holding company under

D.C.
Corporate tax-
ation.

12 USC 1841
note.
12 USC 1841
note.

the provisions of the Bank Holding Company Act of 1956 and the Bank Holding Company Act Amendments of 1970, the amount received as dividends from a corporation which is subject to taxation under this article or under the provisions of paragraph (5) or paragraph (7) of section 6 of the Act entitled "An Act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June thirtieth, nineteen hundred and three, and for other purposes", approved July 1, 1902 (D.C. Code, secs. 47-1701 and 47-1703), and in the case of any such bank holding company not engaged in carrying on any trade or business within the District, interest received by it from a corporation which is subject to taxation under such paragraphs, shall not be considered as income from sources within the District for purposes of this article."

Effective date.
D.C. Code 47-
1580 note.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to all taxable years ending after December 31, 1973.

87 Stat. 821.

SEC. 3. (a) Part C of title VII of the District of Columbia Self-Government and Governmental Reorganization Act is amended by inserting at the end thereof the following:

"POLITICAL PARTICIPATION IN CERTAIN ELECTIONS FIRST HELD UNDER THIS ACT

D.C. Code 1-
1101 note.

"SEC. 724. (a) In order to provide continuity in the government of the District of Columbia during the transition from the appointed government to the elected government provided for under this Act, no person employed by the United States or by the government of the District of Columbia shall be prohibited by reason of such employment—

"(1) from being a candidate in the first primary election and general election held under this Act for the office of Mayor or Chairman or member of the Council of the District of Columbia provided for under title IV of this Act, and

"(2) if such a candidate, from taking an active part in political management or political campaigns in any election referred to in paragraph (1) of this subsection.

"(b) Such candidacy shall be deemed to have commenced on the day such person obtains from the Board of Elections an official nominating petition with his name stamped thereon, and shall terminate—

"(1) in the case of such candidate who ceases to be eligible as a nominee for the office with respect to which such petition was obtained by reason of his inability or failure to qualify as a bona fide nominee prior to the expiration of the final date for filing such petition under the election laws of the District of Columbia, on the day following such expiration date;

"(2) in the case of such candidate who is elected to any such office with respect to which such nominating petition was obtained, on the day such candidate takes office following the election held with respect thereto;

"(3) in the case of such candidate who is defeated in a primary election held to nominate candidates for the office with respect to which such nominating petition was obtained, on the expiration of the thirty day period following the date of such primary election; and

"(4) in the case of such candidate who fails to be elected in a general election to any such office with respect to which such nominating petition was obtained, on the expiration of the thirty day period following the date of such election.

“(c) The provisions of this section shall terminate as of January 2, 1975.” Termination date.

(b) The table of contents for part C of title VII of such Act is amended by inserting at the end of that part the following new item:

“Sec. 724. Political participation in certain elections first held under this Act.”

(c) Section 771(e) of the District of Columbia Self-Government and Governmental Reorganization Act is amended by deleting “Part E” and inserting in lieu thereof “Section 724 and part E”. D.C. Code 121 note.

SEC. 4. (a) Section 7324(d)(4) of title 5, United States Code, is amended to read as follows:

“(4) the Mayor of the District of Columbia, the members of the Council of the District of Columbia, or the Chairman of the Council of the District of Columbia, as established by the District of Columbia Self-Government and Governmental Reorganization Act; or”.

(b) Notwithstanding any other provision of law, the provisions of section 7324(a)(2) of title 5, United States Code, shall not be applicable to the Commissioner of the District of Columbia or the members of the District of Columbia Council (including the Chairman and Vice Chairman), as established by Reorganization Plan Numbered 3 of 1967. 5 USC 7324 note.

(c) Section 741 of the District of Columbia Self-Government and Governmental Reorganization Act is repealed. 5 USC app. Repeal. 87 Stat. 831.

Approved April 17, 1974.

Public Law 93-269

AN ACT

To make certain appropriations available for obligation and expenditure until June 30, 1975, and for other purposes.

April 18, 1974
[H. R. 12253]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) as used in this section, the term “applicable program” means any program to which the General Education Provisions Act applies.

(b) (1) Notwithstanding any other provision of law, unless enacted in express and specific limitation of the provisions of this section—

(A) any funds appropriated to carry out any applicable program for the fiscal year 1973; and

(B) any funds appropriated to carry out any applicable program for fiscal year 1974;

shall remain available for obligation and expenditure until June 30, 1975.

(2) Nothing in this section shall be construed to approve of the withholding from expenditure or the delay in expenditure of any funds appropriated to carry out any applicable program for fiscal year 1973 beyond the period allowed for apportionment under subsection (d) of section 3679 of the Revised Statutes (31 U.S.C. 665).

SEC. 2. Paragraphs (2), (3), (4), and (5) of section 428(a) of the Higher Education Act of 1965, and all references thereto, are redesignated as paragraphs (3), (4), (5), and (6) thereof, respectively, and such section 428(a) is amended by striking out paragraph (1) thereof and inserting in lieu thereof the following:

“(1) Each student who has received a loan for study at an eligible institution—

“(A) which is insured by the Commissioner under this part;

Office of Education.
Funds, carry-over.
20 USC 1226 note.
Definition.
20 USC 1221 note.

Student loans, interest subsidy payments.

20 USC 1078.

“(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (5); or

“(C) which is insured under a program of a State or of a non-profit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (5), and which—

“(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

“(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b),

shall be entitled to have paid on his behalf and for his account to the holder of the loan a portion of the interest on such loan at the time of execution of the note or written agreement evidencing such loan under circumstances described in paragraph (2).

“(2) (A) Each student qualifying for a portion of an interest payment under paragraph (1) shall—

“(i) have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by such institution), which—

“(I) sets forth such student's estimated costs of attendance, and

“(II) sets forth such student's estimated financial assistance; and

“(ii) meet the requirements of subparagraph (B).

Qualifications.

“(B) For the purposes of clause (ii) of subparagraph (A), a student shall qualify for a portion of an interest payment under paragraph (1) if such student's adjusted family income—

“(i) is less than \$15,000, and—

“(I) the amount of such loan would not cause the total amount of the student's loans insured by the Commissioner under this part or by a State or nonprofit private institution or organization which has an agreement under subsection (b) to exceed \$2,000 in any academic year, or its equivalent, or

“(II) the amount of such loan would cause the total amounts of the loans described in clause (I) of this subparagraph of that student to exceed \$2,000 in any academic year or its equivalent, and the eligible institution has provided, with respect to the amount of such loans in excess of \$2,000, the lender with a statement recommending the amount of such excess; or

“(ii) is equal to or greater than \$15,000, and the eligible institution has provided the lender with a statement evidencing a determination of need and recommending a loan in the amount of such need.

Definitions.

“(C) For the purposes of paragraph (1) and this paragraph—

“(i) a student's estimated cost of attendance means, for the period for which the loan is sought, the tuition and fees appli-

cable to such student together with the institution's estimate of other expenses reasonably related to attendance at such institution, including, but not limited to, the cost of room and board, reasonable commuting costs, and costs for books;

"(ii) a student's estimated financial assistance means, for the period for which the loan is sought, the amount of assistance such student will receive under parts A, C, and E of this title, plus other scholarship, grant, or loan assistance;

20 USC 1070,
1087a, 1088.

"(iii) the term 'eligible institution' when used with respect to a student is the eligible institution at which the student has been accepted for enrollment or, in the case of a student who is in attendance at such an institution is in good standing (as determined by such institution);

"(iv) the determination of need and the amount of a loan recommended by an eligible institution under subparagraph (B) (ii) and the amount of loans in excess of \$2,000 recommended by an eligible institution under subparagraph (B) (i) (II) with respect to a student shall be determined by subtracting from the estimated cost of attendance at such institution the total of the expected family contribution with respect to such student (as determined by means other than one formulated by the Commissioner under subpart 1 of part A of this title) plus any other resources or student financial assistance reasonably available to such student.

"(D) In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (3) (B) of this subsection with respect to loans to any student without regard to the borrower's need. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the need of a student under this paragraph shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan."

Administrative
cost allowance.

SEC. 3. Section 428(a) of the Higher Education Act of 1965, as amended by this Act, is amended by adding at the end thereof the following new paragraph:

Students, financial
evaluation.
Ante, p. 87.

"(7) Nothing in this or any other Act shall be construed to prohibit or require unless otherwise specifically provided by law, a lender to evaluate the total financial situation of a student making application for a loan under this part, or to counsel a student with respect to any such loan, or to make a decision based on such evaluation and counseling with respect to the dollar amount of any such loan."

SEC. 4. Clause (H) of paragraph 428(b) (1) of the Higher Education Act of 1965 is amended to read as follows:

20 USC 1078.

"(H) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under section 428(a) (1) and (2) except in the case of loans made by an instrumentality of a State or eligible institution;"

SEC. 5. Section 2(a) (7) of the Emergency Insured Student Loan Act of 1969 is amended by striking out "July 1, 1974" and inserting in lieu thereof "July 1, 1975".

20 USC 1078a.

SEC. 6. The amendments made by section 2 shall be effective forty-five days after enactment of this Act and be applicable to a loan for which a guarantee commitment is made on or after that date.

Effective date.
20 USC 1078
note.

Approved April 18, 1974.

Public Law 93-270

April 22, 1974
[S. 1745]

AN ACT

To provide financial assistance for research activities for the study of sudden infant death syndrome, and for other purposes.

Sudden Infant
Death Syndrome
Act of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

42 USC 300c-11
note.

SECTION 1. This Act may be cited as the "Sudden Infant Death Syndrome Act of 1974".

SUDDEN INFANT DEATH SYNDROME RESEARCH

42 USC 289d.

SEC. 2. (a) Section 441 of the Public Health Service Act is amended by striking out "an institute" and inserting in lieu thereof "the National Institute of Child Health and Human Development".

(b)(1) Such section 441 is further amended by inserting "(a)" after "SEC. 441." and by adding at the end thereof the following:

42 USC 241.

"(b) The Secretary shall carry out through the National Institute of Child Health and Human Development the purposes of section 301 with respect to the conduct and support of research which specifically relates to sudden infant death syndrome."

42 USC 289g.

(2) Section 444 of such Act is amended (1) by striking out "The Surgeon General" each place it occurs and inserting in lieu thereof "The Secretary", and (2) by striking out "the Surgeon General shall, with the approval of the Secretary" in the first sentence and inserting in lieu thereof "the Secretary shall, in accordance with section 441(b),".

Reports to con-
gressional com-
mittees.
42 USC 289g
note.

(c)(1) Within ninety days following the close of the fiscal year ending June 30, 1975, and the close of each of the next two fiscal years, the Secretary shall report to the Committees on Appropriations of the Senate and the House of Representatives and to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives the following information for such fiscal year:

42 USC 201
note.

(A) The (i) number of applications approved by the Secretary in the fiscal year reported on for grants and contracts under the Public Health Service Act for research which relates specifically to sudden infant death syndrome, (ii) total amount requested under such applications, (iii) number of such applications for which funds were provided in such fiscal year, and (iv) total amount of such funds.

(B) The (i) number of applications approved by the Secretary in such fiscal year for grants and contracts under the Public Health Service Act for research which relates generally to sudden infant death syndrome, (ii) total amount requested under such applications, (iii) number of such applications for which funds were provided in such fiscal year, and (iv) total amount of such funds.

Each such report shall contain an estimate of the need for additional funds for grants or contracts under the Public Health Service Act for research which relates specifically to sudden infant death syndrome.

Funds, esti-
mate, transmittal
to congressional
committees.

(2) Within five days after the Budget is transmitted by the President to the Congress for the fiscal year ending June 30, 1976, and for each of the next two fiscal years, the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and

the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives an estimate of the amount requested for the National Institutes of Health for research relating to sudden infant death syndrome and a comparison of that amount with the amount requested for the preceding fiscal year.

COUNSELING, INFORMATION, EDUCATIONAL AND STATISTICAL PROGRAMS

SEC. 3. (a) Title XI of the Public Health Service Act is amended by adding at the end thereof the following new part: 42 USC 300b.

“PART C—SUDDEN INFANT DEATH SYNDROME

“SUDDEN INFANT DEATH SYNDROME COUNSELING, INFORMATION, EDUCATIONAL, AND STATISTICAL PROGRAMS

“SEC. 1121. (a) The Secretary, through the Assistant Secretary for Health, shall carry out a program to develop public information and professional educational materials relating to sudden infant death syndrome and to disseminate such information and materials to persons providing health care, to public safety officials, and to the public generally. 42 USC 300c-11.

“(b)(1) The Secretary may make grants to public and nonprofit private entities, and enter into contracts with public and private entities, for projects which include both— Grants.

“(A) the collection, analysis, and furnishing of information (derived from post mortem examinations and other means) relating to the causes of sudden infant death syndrome; and

“(B) the provision of information and counseling to families affected by sudden infant death syndrome.

“(2) No grant may be made or contract entered into under this subsection unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. Each application shall— Applications.

“(A) provide that the project for which assistance under this subsection is sought will be administered by or under supervision of the applicant;

“(B) provide for appropriate community representation in the development and operation of such project;

“(C) set forth such fiscal controls and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this subsection; and

“(D) provide for making such reports in such form and containing such information as the Secretary may reasonably require.

“(3) Payments under grants under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Payments.

“(4) Contracts under this subsection may be entered into without regard to sections 3648 through 3709 of the Revised Statutes (31 U.S.C. 529; 44 U.S.C. 5).

“(5) For the purpose of making payments pursuant to grants and contracts under this subsection, there are authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, \$3,000,000 for the fiscal year ending June 30, 1976, and \$4,000,000 for the fiscal year ending June 30, 1977. 41 USC 5. Appropriation.

Reports to congressional committees.

“(c) The Secretary shall submit, not later than January 1, 1976, a comprehensive report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives respecting the administration of this section and the results obtained from the programs authorized by it.”

(b) The title of such title XI is amended by adding at the end thereof “AND SUDDEN INFANT DEATH SYNDROME”.

Approved April 22, 1974.

Public Law 93-271

April 22, 1974
[H. R. 13542]

AN ACT

To abolish the position of Commissioner of Fish and Wildlife, and for other purposes.

Fish and Wildlife Act of 1956, amendments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742b) is amended—

(1) by striking out “, and the position of Commissioner of Fish and Wildlife” in the first sentence of subsection (a);

(2) by striking out all of that part of subsection (a) which follows the second sentence thereof; and

(3) by striking out subsections (b) through (f) and inserting in lieu thereof the following:

“(b) There is established within the Department of the Interior the United States Fish and Wildlife Service. The functions of the United States Fish and Wildlife Service shall be administered under the supervision of the Director, who shall be subject to the supervision of the Assistant Secretary for Fish and Wildlife. The Director of the United States Fish and Wildlife Service shall be appointed by the President, by and with the advice and consent of the Senate. No individual may be appointed as the Director unless he is, by reason of scientific education and experience, knowledgeable in the principles of fisheries and wildlife management.

“(c) The United States Fish and Wildlife Service established by subsection (b) shall succeed to and replace the United States Fish and Wildlife Service (as constituted on June 30, 1974) and the Bureau of Sport Fisheries and Wildlife (as constituted on such date). All laws and regulations in effect on June 30, 1974, which relate to matters administered by the Department of the Interior through the United States Fish and Wildlife Service (as constituted on such date) and the Bureau of Sport Fisheries and Wildlife (as constituted on such date) shall remain in effect.

“(d) All functions and responsibilities placed in the Department of the Interior or any official thereof by this Act shall be included among the functions and responsibilities of the Secretary of the Interior, as the head of the Department, and shall be carried out under his direction pursuant to such procedures or delegations of authority as he may deem advisable and in the public interest.”

SEC. 2. Paragraph (42) of section 5316 of title 5, United States Code, is amended by striking out “Commissioner of Fish and Wildlife” and inserting in lieu thereof “Director, United States Fish and Wildlife Service”.

SEC. 3. The amendments made by this Act shall take effect on July 1, 1974.

Approved April 22, 1974.

Effective date.
16 USC 742
note.

Public Law 93-272

AN ACT

To amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils.

April 24, 1974
[H. R. 12109]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first paragraph of the matter on the referendum ballot relating to the advisory neighborhood councils, appearing in section 703(a) of the District of Columbia Self-Government and Governmental Reorganization Act is amended to read as follows:

“In addition, the Act referred to above authorizes the establishment of advisory neighborhood councils if a majority of the registered qualified voters of the District voting on this issue in this referendum vote for the establishment of such councils.”

Approved April 24, 1974.

D.C.
Advisory neighborhood councils.
Referendum clarification.
D.C. Code 1-121 note.

Public Law 93-273

AN ACT

To provide increases in certain annuities payable under chapter 83 of title 5, United States Code, and for other purposes.

April 26, 1974
[S. 1866]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8345 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

“(f) (1) Notwithstanding any other provision of this subchapter, other than this subsection, the monthly rate of annuity payable under subsection (a) of this section shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act.

“(2) Notwithstanding any other provision of this subchapter, other than this subsection, the monthly rate of annuity payable under subsection (a) of this section to a surviving child shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act, or three times such primary insurance amount divided by the number of surviving children entitled to an annuity, whichever is the lesser.

“(3) The provisions of this subsection shall not apply to an annuitant or to a survivor who is or becomes entitled to receive from the United States an annuity or retired pay under any other civilian or military retirement system, benefits under title II of the Social Security Act, a pension, veterans' compensation, or any other periodic payment of a similar nature, when the monthly rate thereof, is equal to or greater than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act.”

SEC. 2. (a) An annuity payable from the Civil Service Retirement and Disability Fund to a former employee or Member, which is based on a separation occurring prior to October 20, 1969, is increased by \$240.

(b) In lieu of any increase based on an increase under subsection (a) of this section, an annuity payable from the Civil Service Retirement and Disability Fund to the surviving spouse of an employee,

Federal employees.
Annuity increases.

42 USC 401.

Separations prior to October 20, 1969.
5 USC 8339 note.
5 USC 8341 note.

Member, or annuitant, which is based on a separation occurring prior to October 20, 1969, shall be increased by \$132.

5 USC 8345
note.

(c) The monthly rate of an annuity resulting from an increase under this section shall be considered as the monthly rate of annuity payable under section 8345(a) of title 5, United States Code, for purposes of computing the minimum annuity under section 8345(f) of title 5, as added by the first section of this Act.

Effective date.
5 USC 8345
note.

SEC. 3. This Act shall become effective on the date of enactment. Annuity increases under this Act shall apply to annuities which commence before, on, or after the date of enactment of this Act, but no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the ninetieth day after the date of enactment of this Act, or the date on which the annuity commences, whichever is later.

Approved April 26, 1974.

Public Law 93-274

AN ACT

May 6, 1974
[S. 2770]

To amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to medical officers of the uniformed services.

Uniformed serv-
ices.
Medical offi-
cers, revised pay
structure.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302 is amended to read as follows and the item in the chapter analysis is amended to correspond with the revised catchline:

37 USC 302.

“§ 302. Special pay: physicians

“An officer of the Army or Navy in the Medical Corps, an officer of the Air Force who is designated as a medical officer, or a medical officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

“(1) \$100 a month for each month of active duty if he has not completed two years of active duty in a category named in this section; or

“(2) \$350 a month for each month of active duty if he has completed at least two years of active duty in a category named in this section.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.”.

(2) The following new section is added after section 302a and a corresponding item is inserted in the chapter analysis:

37 USC 302b.

“§ 302b. Special pay: dentists

“An officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service, who is on active duty for a period of at least one year is entitled, in addition to any other pay or allowances to which he is entitled, to special pay at the following rates—

“(1) \$100 a month for each month of active duty if he has not completed two years of active duty in the Dental Corps or as a dental officer;

“(2) \$150 a month for each month of active duty if he has completed at least two years of active duty in the Dental Corps or as a dental officer;

“(3) \$250 a month for each month of active duty if he has completed at least six years of active duty in the Dental Corps or as a dental officer; or

“(4) \$350 a month for each month of active duty if he has completed at least ten years of active duty in the Dental Corps or as a dental officer.

The amounts set forth in this section may not be included in computing the amount of an increase in pay authorized by any other provision of this title or in computing retired pay or severance pay.”.

(3) That portion of the first sentence of section 311(a) preceding clause (1) is amended to read as follows: 37 USC 311.

“(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O-6, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O-6, a medical officer of the Public Health Service above the pay grade of O-6, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service who—”.

(4) By adding the following new section after section 312a and by inserting a corresponding item in the chapter analysis:

“§ 313. Special pay: medical officers who execute active duty agreements

37 USC 313.

“(a) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, and approved by the President, an officer of the Army or Navy in the Medical Corps, an officer of the Air Force who is designated as a medical officer, or a medical officer of the Public Health Service, who—

“(1) is below the pay grade of O-7;

“(2) is designated as being qualified in a critical specialty by the Secretary concerned;

“(3) is determined by a board composed of officers in the medical profession under criteria prescribed by the Secretary concerned to be qualified to enter into an active duty agreement for a specified number of years;

“(4) is not serving an initial active duty obligation of four years or less or is not serving the first four years of an initial active duty obligation of more than four years;

“(5) is not undergoing intern or initial residency training; and

“(6) executes a written active duty agreement under which he will receive incentive pay for completing a specified number of years of continuous active duty subsequent to executing such an agreement;

may, upon acceptance of the written agreement by the Secretary concerned, or his designee, and in addition to any other pay or allowances to which he is entitled, be paid an amount not to exceed \$13,500 for each year of the active duty agreement. Upon acceptance of the agreement by the Secretary concerned, or his designee, and subject to subsections (b) and (c) of this section, the total amount payable becomes fixed and may be paid in annual, semiannual, or monthly installments, or in a lump sum after completion of the period of active duty specified in the agreement, as prescribed by the Secretary concerned.

Regulations.
Termination;
refunds.

“(b) Under regulations prescribed by the Secretary of Defense, the Secretary concerned, or his designee, may terminate, at any time, an officer’s entitlement to the special pay authorized by this section. In that event, the officer is entitled to be paid only for the fractional part of the period of active duty that he served, and he may be required to refund any amount he received in excess of that entitlement.

Regulations.

“(c) Under regulations prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer who has received payment under this section and who voluntarily, or because of his misconduct, fails to complete the total number of years of active duty specified in the written agreement shall be required to refund the amount received that exceeds his entitlement under those regulations. If an officer has received less incentive pay than he is entitled to under those regulations at the time of his separation from active duty, he shall be entitled to receive the additional amount due him.

“(d) This section does not alter or modify any other service obligation of an officer. Completion of the agreed period of active duty, or other termination of an agreement, under this section does not entitle an officer to be separated from the service, if he has any other service obligation.

Report to con-
gressional com-
mittees.

“(e) The Secretary of Defense and the Secretary of Health, Education, and Welfare shall each submit a written report each year to the Committees on Armed Services of the Senate and House of Representatives regarding the operation of the special pay program authorized by this section. The report shall be on a fiscal year basis and shall contain—

“(1) a review of the program for the fiscal year in which the report is submitted; and

“(2) the plan for the program for the succeeding fiscal year. This report shall be submitted not later than April 30 of each year, beginning in 1975.”.

Effective and
expiration dates.
37 USC 302
note.

SEC. 2. The amendments made by this Act become effective on the first day of the first calendar month following the date of enactment. Except for the provisions of section 313 of title 37, United States Code, as added by section 1(4) of this Act, which will expire on June 30, 1976, the authority for the special pay provided by this Act shall, unless otherwise extended by Congress, expire on June 30, 1977.

Approved May 6, 1974.

Public Law 93-275

May 7, 1974
[H. R. 11793]

AN ACT

To reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions.

Federal Energy
Administration
Act of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

15 USC 761
note.

SECTION 1. This Act may be cited as the “Federal Energy Administration Act of 1974”.

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby declares that the general welfare and the common defense and security require positive and effective action to conserve scarce energy supplies, to insure fair and efficient distribution of, and the maintenance of fair and reasonable consumer prices for, such supplies, to promote the expansion of readily usable energy sources, and to assist in developing policies and plans to meet the energy needs of the Nation.

15 USC 761.

(b) The Congress finds that to help achieve these objectives, and to assure a coordinated and effective approach to overcoming energy shortages, it is necessary to reorganize certain agencies and functions of the executive branch and to establish a Federal Energy Administration.

(c) The sole purpose of this Act is to create an administration in the executive branch, called the Federal Energy Administration, to vest in the Administration certain functions as provided in this Act, and to transfer to such Administration certain executive branch functions authorized by other laws, where such transfer is necessary on an interim basis to deal with the Nation's energy shortages.

ESTABLISHMENT

SEC. 3. There is hereby established an independent agency in the executive branch to be known as the Federal Energy Administration (hereinafter in this Act referred to as the "Administration").

15 USC 762.

OFFICERS

SEC. 4. (a) There shall be at the head of the Administration an Administrator (hereinafter in this Act referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate prescribed for offices and positions at level II of the Executive Schedule (5 U.S.C. 5313). The Administration shall be administered under the supervision and direction of the Administrator.

15 USC 763.

Compensation.

(b)(1) The functions and powers of the Administration shall be vested in and exercised by the Administrator.

Functions.

(2) The Administrator may, from time to time and to the extent permitted by law, consistent with the purposes of this Act, delegate such of his functions as he deems appropriate.

Delegation.

(c) There shall be in the Administration two Deputy Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level III of the Executive Schedule (5 U.S.C. 5314).

Deputy Administrators.

(d) There are authorized to be in the Administration six Assistant Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensa-

Assistant Administrators.

tion at the rate prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

General
Counsel.

(e) There shall be in the Administration a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate prescribed for offices and positions at level IV of the Executive Schedule (5 U.S.C. 5315).

(f) (1) There are authorized to be in the Administration not more than nine additional officers who shall be appointed by the Administrator and shall receive compensation at the rate prescribed for offices and positions at level V of the Executive Schedule (5 U.S.C. 5316).

(2) If any person, other than an officer within subsections (c), (d), or (e) of this section, is to be assigned principal responsibility for any program that shall be instituted in the Administration for either (i) allocation, (ii) pricing, (iii) rationing (if effected), or (iv) Federal and State coordination, he shall be one of the officers authorized by paragraph (1) of this subsection except that he shall be appointed by the President by and with the advice and consent of the Senate.

(3) Appointments to the positions described in this subsection may be made without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

5 USC 101
et seq.

(g) Subject to subsection (f) of this section, officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time.

(h) The Administrator shall designate the order in which the Deputy Administrators and other officials shall act for and perform the functions of the Administrator during his absence or disability or in the event of a vacancy in his office.

Conflict of
interest.

(i) (1) For the purposes of this Act, section 208(b) of title 18, United States Code, relating to conflicts of interest, can be invoked and implemented only by the Administrator personally. Such subsection shall not be invoked as to any person unless and until—

Report to
Congress.

(A) the Congress has received, ten days prior thereto, a written report containing notice of the Administrator's intention so to invoke such subsection, a detailed statement of the subject matter concerning which a conflict exists; and in the case of an exemption set forth in clause (1) of such subsection, the nature of an officer's or employee's financial interest; or in the case of an exemption set forth in clause (2) of such subsection, the name and statement of financial interest of each person who will come within such exemption; and

Publication in
Federal Register.

(B) such written report is published in the Federal Register.

(2) Nothing contained in this subsection shall affect in any way the applicability or operation of other laws relating to officers and employees of the United States Government.

(j) No individual holding any of the positions described in subsections (a), (c), (d), and (e) of this section may also hold any other position in the executive branch during the same period.

FUNCTIONS AND PURPOSES OF THE FEDERAL ENERGY ADMINISTRATION

15 USC 764.

SEC. 5. (a) Subject to the provisions and procedures set forth in this Act, the Administrator shall be responsible for such actions as are

taken to assure that adequate provision is made to meet the energy needs of the Nation. To that end, he shall make such plans and direct and conduct such programs related to the production, conservation, use, control, distribution, rationing, and allocation of all forms of energy as are appropriate in connection with only those authorities or functions—

(1) specifically transferred to or vested in him by or pursuant to this Act;

(2) delegated to him by the President pursuant to specific authority vested in the President by law; and

(3) otherwise specifically vested in the Administrator by the Congress.

(b) To the extent authorized by subsection (a) of this section, the Administrator shall—

(1) advise the President and the Congress with respect to the establishment of a comprehensive national energy policy in relation to the energy matters for which the Administration has responsibility, and, in coordination with the Secretary of State, the integration of domestic and foreign policies relating to energy resource management;

(2) assess the adequacy of energy resources to meet demands in the immediate and longer range future for all sectors of the economy and for the general public;

(3) develop effective arrangements for the participation of State and local governments in the resolution of energy problems;

(4) develop plans and programs for dealing with energy production shortages;

(5) promote stability in energy prices to the consumer, promote free and open competition in all aspects of the energy field, prevent unreasonable profits within the various segments of the energy industry, and promote free enterprise;

(6) assure that energy programs are designed and implemented in a fair and efficient manner so as to minimize hardship and inequity while assuring that the priority needs of the Nation are met;

(7) develop and oversee the implementation of equitable voluntary and mandatory energy conservation programs and promote efficiencies in the use of energy resources;

(8) develop and recommend policies on the import and export of energy resources;

(9) collect, evaluate, assemble, and analyze energy information on reserves, production, demand, and related economic data;

(10) work with business, labor, consumer and other interests and obtain their cooperation;

(11) in administering any pricing authority, provide by rule, for equitable allocation of all component costs of producing propane gas. Such rules may require that (a) only those costs directly related to the production of propane may be allocated by any producer to such gas for purposes of establishing any price for propane, and (b) prices for propane shall be based on the prices for propane in effect on May 15, 1973. The Administrator shall not allow costs attributable to changes in ownership and

Propane gas
prices.

movement of propane gas where, in the opinion of the Administrator, such changes in ownership and movement occur primarily for the purpose of establishing a higher price; and

(12) perform such other functions as may be prescribed by law.

TRANSFERS

Transfer of
functions.
15 USC 765.

SEC. 6. (a) There are hereby transferred to and vested in the Administrator all functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department—

(1) as relate to or are utilized by the Office of Petroleum Allocation;

(2) as relate to or are utilized by the Office of Energy Conservation;

(3) as relate to or are utilized by the Office of Energy Data and Analysis; and

(4) as relate to or are utilized by the Office of Oil and Gas.

(b) There are hereby transferred to and vested in the Administrator all functions of the Chairman of the Cost of Living Council, the Executive Director of the Cost of Living Council, and the Cost of Living Council, and officers and components thereof, as relate to or are utilized by the Energy Division of the Cost of Living Council.

ADMINISTRATIVE PROVISIONS

Attorneys.
15 USC 766.

SEC. 7. (a) (1) The Administrator may appoint, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him, and prescribe their authority and duties. In addition to the number of positions which may be placed in GS-16, 17, and 18 under existing law, not to exceed 91 positions may be placed in GS-16, 17, and 18 to carry out the functions under this Act: *Provided*, That the total number of positions within the Administration in GS-16, 17, 18 shall not exceed 105: *And provided further*, That, except as provided in paragraph (2) of this subsection, the authority under this subsection shall be subject to the standards and procedures prescribed under Chapter 51 of title 5, United States Code, and shall continue only for the duration of the exercise of functions under this Act.

5 USC 5101.

(2) Twenty-five of the GS-16, 17, and 18 positions authorized by paragraph (1) of this subsection may be filled without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service.

5 USC 101 et
seq.

Experts and
consultants.

(b) The Administrator may employ experts, expert witnesses, and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 of the United States Code for persons in Government service employed intermittently.

5 USC 5332
note.

Rules and
regulations.

(c) The Administrator may promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him: *Provided*, That:

Cost of Living
Council, notifica-
tion.

(1) The Administrator shall, before promulgating proposed rules, regulations, or policies relating to the cost or price of energy, transmit notice of such proposed action to the Cost of Living Council and provide a period, which shall not be less than five days from the receipt of such notice, for the Cost of Living Council to approve or disapprove such proposed action. If during the period provided, the Cost of Living Council—

(A) approves such proposed action, it may take effect;
 (B) disapproves such proposed action, it shall not take effect; or

(C) fails to either approve or disapprove such proposed action, it may take effect in the same manner as if the Cost of Living Council had given its approval.

(2) The Administrator shall, before promulgating proposed rules, regulations, or policies affecting the quality of the environment, provide a period of not less than five days from receipt of notice of the proposed action during which the Administrator of the Environmental Protection Agency may provide written comments concerning the impact of such rules, regulations, or policies on the quality of the environment. Such comments shall be published along with public notice of the proposed action.

The review required by paragraphs (1) and (2) of this subsection may be waived for a period of fourteen days if there is an emergency situation which, in the judgment of the Administrator, requires immediate action.

(d) The Administrator may utilize, with their consent, the services, personnel, equipment, and facilities of Federal, State, regional, and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act, to Federal, State, regional, and local public agencies and instrumentalities, as reimbursement for utilization of such services, personnel, equipment, and facilities.

(e) The Administrator shall cause a seal of office to be made for the Administration of such design as he shall approve, and judicial notice shall be taken of such seal.

(f) The Administrator may accept unconditional gifts or donations of money or property, real, personal, or mixed, tangible or intangible.

(g) The Administrator may enter into and perform contracts, leases, cooperative agreements, or other similar transactions with any public agency or instrumentality or with any person, firm, association, corporation, or institution.

(h) The Administrator may perform such other activities as may be necessary for the effective fulfillment of his administrative duties and functions.

(i) (1) (A) Subject to paragraphs (B), (C), and (D) of this subsection, the provisions of subchapter II of chapter 5 of title 5, United States Code, shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued pursuant to this Act, including any such rule, regulation, or order of a State or local government agency, or officer thereof, issued pursuant to authority delegated by the Administrator.

(B) Notice of any proposed rule, regulation, or order described in paragraph (A) shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order. In addition, public notice of all rules, regulations, or orders described in paragraph (A) which are promulgated

Comments.

Publication.

Review, waiver.

Interagency cooperation.

Seal.

Gifts, acceptance.

Contract authority.

5 USC 551.

Publication in Federal Register.

Comments.

Public notice, publication.

by officers of a State or local government agency shall to the maximum extent practicable be achieved by publication of such rules, regulations, or orders in a sufficient number of newspapers of statewide circulation calculated to receive widest possible notice.

Views, oral
presentation.

(C) In addition to the requirements of paragraph (B), if any rule, regulation, or order described in paragraph (A) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than forty-five days after the issuance of any such rule, regulation, or order. A transcript shall be kept of any oral presentation.

Review.

Hearing.

(D) Any officer or agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall provide for the making of such adjustments, consistent with the other purposes of this Act, as may be necessary to prevent special hardship, inequity, or unfair distribution of burdens and shall, by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, rescission of, exception to, or exemption from, such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with paragraph (2) of this subsection when such denial becomes final. The officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable by the officer or agency, for considering such requests for action under this paragraph.

Public infor-
mation.

(E) In addition to the requirements of section 552 of title 5, United States Code, any agency authorized to issue the rules, regulations, or orders described in paragraph (A) shall make available to the public all internal rules and guidelines which may form the basis, in whole or in part, for any such rule, regulation, or order with such modifications as are necessary to insure confidentiality protected under such section 552. Such agency shall, upon written request of a petitioner filed after any grant or denial of a request for exception or exemption from rules or orders, furnish the petitioner with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial. Such opinions shall be made available to the petitioner and the public within thirty days of such request, with such modifications as are necessary to insure confidentiality of information protected under such section 552.

Judicial review.

15 USC 751
note.

(2) (A) Judicial review of administrative rulemaking of general and national applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the District of Columbia within thirty days from the date of promulgation of any such rule, regulation, or order, and judicial review of administrative rulemaking of general, but less than national, applicability done under this Act, except that done pursuant to the Emergency Petroleum Allocation Act of 1973, may be obtained only by filing a petition for review in the United States Court of Appeals for the appropriate circuit within thirty days from the date of promulgation of any such rule, regulation, or order, the appropriate circuit being defined as the circuit which contains the area or the greater part of the area within which the rule, regulation, or order is to have effect.

(B) Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising under this Act, or under rules, regulations, or orders issued thereunder, except any actions taken to implement or enforce any rule, regulation, or order by any officer of a State or local government agency under this Act: *Provided*, That nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the unconstitutionality of this Act or the validity of action taken by any agency under this Act). If in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this Act or the validity of agency action under this Act, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code. Cases or controversies arising under any rule, regulation, or order of any officer of a State or local government agency may be heard in either (1) any appropriate State court, or (2) without regard to the amount in controversy, the district courts of the United States.

Jurisdiction.

28 USC 1441.

(3) The Administrator may by rule prescribe procedures for State or local government agencies authorized by the Administrator to carry out functions under this Act. Such procedures shall apply to such agencies in lieu of paragraph (1) of this subsection, and shall require that prior to taking any action, such agencies shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) at least ten days before taking the action.

(j) The Administration, in connection with the exercise of the authority under this Act, shall be considered an independent Federal regulatory agency for the purposes of sections 3502 and 3512 of title 44 of the United States Code.

TRANSITIONAL AND SAVINGS PROVISIONS

SEC. 8. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

15 USC 767.

(1) which have been issued, made, granted, or allowed to become effective by the President, by any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) This Act shall not affect any proceeding pending, at the time this Act takes effect, before any department or agency (or component thereof) regarding functions which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals (except as provided in section 7(i)(2) of this Act) shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall

be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions, and to the same extent, that such proceeding could have been discontinued if this Act had not been enacted.

(c) Except as provided in subsection (e) —

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

Litigation.

(d) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(e) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of such department, agency, or officer is transferred to the Administrator, or any other official, then such suit shall be continued as if this Act had not been enacted, with the Administrator, or other official as the case may be, substituted.

Judicial review.

(f) Final orders and actions of any official or component in the performance of functions transferred by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred or delegated by this Act shall apply to the performance of those functions by the Administrator, or any officer or component of the Administration. In the event of any inconsistency between the provisions of this subsection and section 7, the provisions of section 7 shall govern.

(g) With respect to any function transferred by this Act and performed after the effective date of this Act, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, Administrator, or other office or officers in which this Act vests such functions.

(h) Nothing contained in this Act shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this Act; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegations of functions.

(i) Any reference in this Act to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

INCIDENTAL TRANSFERS

SEC. 9. The Director of the Office of Management and Budget is authorized and directed to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with functions which are transferred by or which revert under this Act, as the Director deems necessary and appropriate to accomplish the intent and purpose of this Act.

15 USC 768.

DEFINITIONS

SEC. 10. As used in this Act—

15 USC 769.

(1) any reference to “function” or “functions” shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to “perform” or “performance”, when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.

APPOINTMENTS

SEC. 11 (a) Funds available to any department or agency (or any official or component thereof), and lawfully authorized for any of the specific functions which are transferred to the Administrator by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this Act until such times as funds for that purpose are otherwise available.

15 USC 770.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this Act, or any officer who was performing essentially the same functions immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act: *Provided*, That any officer acting pursuant to the provisions of this subsection may act no longer than a period of thirty days unless during such period his appointment as such an officer is submitted to the Senate for its advice and consent.

(c) Transfer of nontemporary personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation, except for cause, for one year after such transfer.

(d) Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment, shall continue to be compensated in his new position at not less than the rate provided for his previous position.

5 USC 5301.

ACCESS TO INFORMATION BY THE COMPTROLLER GENERAL

Duties,
15 USC 771.

Report to
Congress.

SEC. 12. (a) For the duration of this Act, the Comptroller General of the United States shall monitor and evaluate the operations of the Administration including its reporting activities. The Comptroller General shall (1) conduct studies of existing statutes and regulations governing the Administration's programs; (2) review the policies and practices of the Administration; (3) review and evaluate the procedures followed by the Administrator in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, supply, demand, industry structure, and environmental impacts; and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data within the possession or control of the Administration from any public or private source whatever, notwithstanding the provisions of any other law, as are necessary to carry out his responsibilities under this Act and shall report to the Congress at such times as he deems appropriate with respect to the Administration's programs, including his recommendations for modifications in existing laws, regulations, procedures, and practices.

(b) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section may request access to any books, documents, papers, statistics, data, records, and information of any person owning or operating facilities or business premises who is engaged in any phase of energy supply or major energy consumption, where such material relates to the purposes of this Act, including but not limited to energy costs, demand, supply, industry structure, and environmental impacts. The Comptroller General may request such person to submit in writing such energy information as the Comptroller General may prescribe.

(c) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access to and the right to examine any books, documents, papers, records, or other recorded information of any recipients of Federal funds or assistance under contracts, leases, cooperative agreements, or other transactions entered into pursuant to subsection (d) or (g) of section 7 of this Act which in the opinion of the Comptroller General may be related or pertinent to such contracts, leases, cooperative agreements, or similar transactions.

(d) To assist in carrying out his responsibilities under this section, the Comptroller General may, with the concurrence of a duly established committee of Congress having legislative or investigative jurisdiction over the subject matter and upon the adoption of a resolution by such a committee which sets forth specifically the scope and necessity therefor, and the specific identity of those persons from whom information is sought, sign and issue subpoenas requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section.

(e) In case of disobedience to a subpoena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, records, and information referred to in subsection (b) of this section. Any district court of the United States within the jurisdiction where such person is found or transacts business may, in case of contumacy or refusal to obey a

subpena issued by the Comptroller General, issue an order requiring such person to produce the books, documents, papers, statistics, data, records, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(f) Reports submitted by the Comptroller General to the Congress pursuant to this section shall be available to the public at reasonable cost and upon identifiable request. The Comptroller General may not disclose to the public any information which concerns or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, except that such information shall be disclosed by the Comptroller General or the Administrator, in a manner designed to preserve its confidentiality—

Reports, availability.

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress upon request; and

(3) to a court in any judicial proceeding under court order.

INFORMATION-GATHERING POWER

SEC. 13. (a) The Administrator shall collect, assemble, evaluate, and analyze energy information by categorical groupings, established by the Administrator, of sufficient comprehensiveness and particularity to permit fully informed monitoring and policy guidance with respect to the exercise of his functions under this Act.

15 USC 772.

(b) All persons owning or operating facilities or business premises who are engaged in any phase of energy supply or major energy consumption shall make available to the Administrator such information and periodic reports, records, documents, and other data, relating to the purposes of this Act, including full identification of all data and projections as to source, time, and methodology of development, as the Administrator may prescribe by regulation or order as necessary or appropriate for the proper exercise of functions under this Act.

(c) The Administrator may require, by general or special orders, any person engaged in any phase of energy supply or major energy consumption to file with the Administrator in such form as he may prescribe, reports or answers in writing to such specific questions, surveys, or questionnaires as may be necessary to enable the Administrator to carry out his functions under this Act. Such reports and answers shall be made under oath, or otherwise, as the Administrator may prescribe, and shall be filed with the Administrator within such reasonable period as he may prescribe.

(d) The Administrator, to verify the accuracy of information he has received or otherwise to obtain information necessary to perform his functions under this Act, is authorized to conduct investigations, and in connection therewith, to conduct, at reasonable times and in a reasonable manner, physical inspections at energy facilities and business premises, to inventory and sample any stock of fuels or energy sources therein, to inspect and copy records, reports, and documents from which energy information has been or is being compiled, and to question such persons as he may deem necessary.

Investigations.

(e)(1) The Administrator, or any of his duly authorized agents, shall have the power to require by subpena the attendance and testimony of witnesses, and the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence which the Administrator is authorized to obtain pursuant to this section.

Subpena.

(2) Any appropriate United States district court may, in case of contumacy or refusal to obey a subpoena issued pursuant to this section, issue an order requiring the party to whom such subpoena is directed to appear before the Administration and to give testimony touching on the matter in question, or to produce any matter described in paragraph (1) of this subsection, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

U.S. Government-owned lands.

(f) The Administrator shall collect from departments, agencies and instrumentalities of the executive branch of the Government (including independent agencies), and each such department, agency, and instrumentality is authorized and directed to furnish, upon his request, information concerning energy resources on lands owned by the Government of the United States. Such information shall include, but not be limited to, quantities of reserves, current or proposed leasing agreements, environmental considerations, and economic impact analyses.

PUBLIC DISCLOSURE OF INFORMATION

15 USC 773.

SEC. 14. (a) The Administrator shall make public, on a continuing basis, any statistical and economic analyses, data, information, and whatever reports and summaries are necessary to keep the public fully and currently informed as to the nature, extent, and projected duration of shortages of energy supplies, the impact of such shortages, and the steps being taken to minimize such impacts.

(b) Subject to the provisions of this Act, section 552 of title 5, United States Code, shall apply to public disclosure of information by the Administrator: *Provided*, That notwithstanding said section, the provisions of section 1905 of title 18, United States Code, or any other provision of law, (1) all matters reported to, or otherwise obtained by, any person exercising authority under this Act containing trade secrets or other matter referred to in section 1905 of title 18, United States Code, may be disclosed to other persons authorized to perform functions under this Act solely to carry out the purposes of the Act, or when relevant in any proceeding under this Act; and (2) the Administrator shall disclose to the public, at a reasonable cost, and upon a request which reasonably describes the matter sought, any matter of the type which could not be excluded from public annual reports to the Securities and Exchange Commission pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 by a business enterprise exclusively engaged in the manufacture or sale of a single product, unless such matter concerns or relates to the trade secrets, processes, operations, style of work, or apparatus of a business enterprise.

15 USC 78m,
78o.

Guidelines.

(c) To protect and assure privacy of individuals and confidentiality of personal information, the Administrator is directed to establish guidelines and procedures for handling any information which the Administration obtains pertaining to individuals. He shall provide, to the extent practicable, in such guidelines and procedures a method for allowing any such individual to gain access to such information pertaining to himself.

REPORTS AND RECOMMENDATIONS

Report to
Congress.
15 USC 774.

SEC. 15. (a) Six months before the expiration of this Act, the President shall transmit to Congress a full report together with his recommendations for—

- (1) disposition of the functions of the Administration upon its termination;
- (2) continuation of the Administration with its present functions; or
- (3) reorganization of the Administration; and
- (4) organization of the Federal Government for the management of energy and natural resources policies and programs.

(b) Not later than one year after the effective date of this Act, the Administrator shall submit a report to the President and Congress which will provide a complete and independent analysis of actual oil and gas reserves and resources in the United States and its Outer Continental Shelf, as well as of the existing productive capacity and the extent to which such capacity could be increased for crude oil and each major petroleum product each year for the next ten years through full utilization of available technology and capacity. The report shall also contain the Administration's recommendations for improving the utilization and effectiveness of Federal energy data and its manner of collection. The data collection and analysis portion of this report shall be prepared by the Federal Trade Commission for the Administration. Unless specifically prohibited by law, all Federal agencies shall make available estimates, statistics, data and other information in their files which, in the judgment of the Commission or Administration, are necessary for the purposes of this subsection.

Report to President and Congress.

(c) The Administrator shall prepare and submit directly to the Congress and the President every year after the date of enactment of this Act a report which shall include—

Report to President and Congress.

(1) a review and analysis of the major actions taken by the Administrator;

(2) an analysis of the impact these actions have had on the Nation's civilian requirements for energy supplies for materials and commodities;

(3) a projection of the energy supply for the midterm and long term for each of the major types of fuel and the potential size and impact of any anticipated shortages, including recommendations for measures to—

(A) minimize deficiencies of energy supplies in relation to needs;

(B) maintain the health and safety of citizens;

(C) maintain production and employment at the highest feasible level;

(D) equitably share the burden of shortages among individuals and business firms; and

(E) minimize any distortion of voluntary choices of individuals and firms;

(4) a summary listing of all recipients of funds and the amount thereof within the preceding period; and

(5) a summary listing of information-gathering activities conducted under section 13 of this Act.

(d) Not later than thirty days after the effective date of this Act, the Administrator shall issue preliminary summer guidelines for citizen fuel use.

Citizen fuel use, summer guidelines.

(e) The Administrator shall provide interim reports to the Congress from time to time and when requested by committees of Congress.

Interim reports to Congress.

SEX DISCRIMINATION

SEC. 16. No individual shall on the grounds of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal

15 USC 775.

42 USC 2000d.

assistance under this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or remove any other legal remedies available to any individual alleging discrimination.

ADVISORY COMMITTEES

15 USC 776.

SEC. 17. (a) Whenever the Administrator shall establish or utilize any board, task force, commission, committee, or similar group, not composed entirely of full-time Government employees, to advise with respect to, or to formulate or carry out, any agreement or plan of action affecting any industry or segment thereof, the Administrator shall endeavor to insure that each such group is reasonably representative of the various points of view and functions of the industry and users affected, including those of residential, commercial, and industrial consumers, and shall include, where appropriate, representation from both State and local governments, and from representatives of State regulatory utility commissions, selected after consultation with the respective national associations.

Meetings.

(b) Each meeting of such board, task force, commission, committee, or similar group, shall be open to the public, and interested persons shall be permitted to attend, appear before, and file statements with, such group, except that the Administrator may determine that such meeting shall be closed in the interest of national security. Such determination shall be in writing, shall contain a detailed explanation of reasons in justification of the determination, and shall be made available to the public.

Reports, availability.

(c) All records, reports, transcripts, memoranda, and other documents, which were prepared for or by such group, shall be available for public inspection and copying at a single location in the offices of the Administration.

5 USC app. I.

(d) Advisory committees established or utilized pursuant to this Act shall be governed in full by the provisions of the Federal Advisory Committee Act (Public Law 92-463, 86 Stat. 770), except as inconsistent with this section.

ECONOMIC ANALYSIS OF PROPOSED ACTIONS

15 USC 777.

SEC. 18. (a) In carrying out the provisions of this Act, the Administrator shall, to the greatest extent practicable, insure that the potential economic impacts of proposed regulatory and other actions are evaluated and considered, including but not limited to an analysis of the effect of such actions on—

- (1) the fiscal integrity of State and local governments;
- (2) vital industrial sectors of the economy;
- (3) employment, by industrial and trade sectors, as well as on a national, regional, State, and local basis;
- (4) the economic vitality of regional, State, and local areas;
- (5) the availability and price of consumer goods and services;
- (6) the gross national product;
- (7) low and middle income families as defined by the Bureau of Labor Statistics;
- (8) competition in all sectors of industry; and
- (9) small business.

(b) The Administrator shall develop analyses of the economic impact of various conservation measures on States or significant sectors

thereof, considering the impact on both energy for fuel and energy as feed stock for industry.

(c) Such analyses shall, wherever possible, be made explicit, and to the extent possible, other Federal agencies and agencies of State and local governments which have special knowledge and expertise relevant to the impact of proposed regulatory or other actions shall be consulted in making the analyses, and all Federal agencies are authorized and directed to cooperate with the Administrator in preparing such analyses: *Provided*, That the Administrator's actions pursuant to this section shall not create any right of review or cause of action except as would otherwise exist under other provisions of law.

(d) The Administrator, together with the Secretaries of Labor and Commerce, shall monitor the economic impact of any energy actions taken by the Administrator, and shall provide the Congress with a report every six months on the impact of the energy shortage and the Administrator's actions on employment and the economy. Such report shall contain recommendations as to whether additional Federal programs of employment and economic assistance should be put into effect to minimize the impact of the energy shortage and any actions taken.

(e) The Administrator shall formulate and implement regulatory and other actions in a manner (1) which does not unduly discriminate against any industry or any region of the United States; and (2) designed to insure that, to the greatest extent possible, the costs and burdens of meeting energy shortages shall be borne equally by every sector and segment of the country and of the economy.

Energy actions,
economic impact,
monitors.
Report to
Congress.

MANAGEMENT OVERSIGHT REVIEW

SEC. 19. The Administrator may, for a period not to exceed thirty days in any one calendar year, provide for the exercise or performance of a management oversight review with respect to the conduct of any Federal or State (with consent of the Governor) energy program conducted pursuant to this Act. Such review may be conducted by contract or by any Federal department or agency. A written report shall be submitted to the Administrator concerning the findings of the review.

15 USC 778.

Report to
Administrator.

COORDINATION WITH, AND TECHNICAL ASSISTANCE TO, STATE GOVERNMENTS

SEC. 20. (a) The Administrator shall—

15 USC 779.

(1) coordinate Federal energy programs and policies with such programs and policies of State governments by providing—

(A) within sixty days of the effective date of this Act, the Congress and State governments with a report on the manner in which he has organized the Administration based upon the functions delegated by the President or assigned to the Administrator by this Act or under the authority of other Acts; and

Report to
Congress and
State govern-
ments.

(B) within one hundred and twenty days of the effective date of this Act, the public, State governments, and all Members of the Congress with a report in nontechnical language which—

Report to the
public, State
governments and
Congress.

(i) describes the functions performed by the Administration;

(ii) sets forth in detail the organization of the Administration, the location of its offices (including regional, State, and local offices), the names and phone numbers of Administration officials, and other appropriate information concerning the operation of the Administration;

(iii) delineates the role that State, and Federal governments will or may perform in achieving the purposes of this Act; and

(iv) provides the public with a clear understanding of their duties and obligations, rights, and responsibilities under any of the programs or functions of the Administration;

Comments.

(2) before promulgating any rules, regulations, or policies, and before establishing any programs under the authority of this Act, provide, where practicable, a reasonable period in which State governments may provide written comments if such rules, regulations, policies, or programs substantially affect the authority or responsibility of such State governments;

Energy shortages, status reports.

(3) provide, in accordance with the provisions of this Act, upon request, to State governments all relevant information he possesses concerning the status and impact of energy shortages, the extent and location of available supplies and shortages of crude oil, petroleum products, natural gas, and coal, within the distribution area serving that particular State government; and

Information clearinghouse.

(4) provide for a central clearinghouse for Federal agencies and State governments seeking energy information and assistance from the Federal Government.

(b) Pursuant to his responsibility under this section, the Administrator shall—

Technical assistance.

(1) provide technical assistance—including advice and consultation relating to State programs, and, where necessary, the use of task forces of public officials and private persons assigned to work with State governments—to assist State governments in dealing with energy problems and shortages and their impact and in the development of plans, programs, and policies to meet the problems and shortages so identified;

Conferences.

(2) convene conferences of State and Federal officials, and such other persons as the Administrator designates, to promote the purposes of this Act, and the Administrator is authorized to pay reasonable expenses incurred in the participation of individuals in such conferences;

Model legislation.

(3) draft and make available to State governments model legislation with respect to State energy programs and policies; and

Grant criteria.

(4) promote the promulgation of uniform criteria, procedures, and forms for grant or contract applications for energy proposals submitted by State governments.

OFFICE OF PRIVATE GRIEVANCES AND REDRESS

Establishment.
15 USC 780.

SEC. 21. (a) The Administrator shall establish and maintain an Office of Private Grievances and Redress, headed by a director, to receive and evaluate petitions filed in accordance with subsection (b) of this section, and to make recommendations to the Administrator for appropriate action.

Petition.

(b) Any person, adversely affected by any order, rule, or regulation issued by the Administrator in carrying out the functions assigned to him under this Act, may petition the Administrator for special redress, relief, or other extraordinary assistance, apart from, or in addition to, any right or privilege to seek redress of grievances provided in section 7.

Report to Congress.

(c) The Administrator shall report quarterly to the Congress on the nature and number of the grievances which have been filed, and the

action taken and relief provided, pursuant to this section; and he shall make recommendations to the Congress from time to time concerning legislative or administrative actions which may be taken to better assist persons adversely affected by the energy shortages and to distribute more equitably the burdens resulting from any measures adopted, or actions taken, by him.

Recommendations to Congress.

COMPREHENSIVE ENERGY PLAN

SEC. 22. (a) Pursuant and subject to the provisions and procedures set forth in this Act, the Administrator shall, within six months from the date of the enactment of this Act, develop and report to the Congress and the President a comprehensive plan designed to alleviate the energy shortage, for the time period covered by this Act. Such plan shall be accompanied by full analytical justification for the actions proposed therein. Such analysis shall include, but not be limited to—

Report to President and Congress.

15 USC 781.

(1) estimates of the energy savings of each action and of the program as a whole;

(2) estimates of any windfall losses and gains to be experienced by corporations, industries, and citizens grouped by socioeconomic class;

(3) estimates of the impact on supplies and consumption of energy forms consequent to such price changes as are or may be proposed; and

(4) a description of alternative actions which the Administrator has considered together with a rationale in explanation of the rejection of any such alternatives in preference to the measures actually proposed.

(b) The Administrator may, from time to time, modify or otherwise alter any such plan, except that, upon request of an appropriate committee of the Congress, the Administrator shall supply analytical justifications for any such alterations.

(c) The Administrator shall be responsible for monitoring any such plans as are implemented with respect to their effectiveness in achieving the anticipated benefits.

PETROCHEMICAL REPORT

SEC. 23. (a) Within ninety days after he has entered upon the office of Administrator or has been designated by the President to act in such office, the Administrator, or acting Administrator, as the case may be, with the assistance of the Department of Commerce, the Cost of Living Council, and the United States Tariff Commission shall, by written report, inform the Congress as to the—

Report to Congress.

15 USC 782.

(1) effect of current petrochemical prices upon the current level of petrochemical exports, and export levels expected for 1975;

(2) effect of current and expected 1975 petrochemical export levels upon domestic petrochemical raw materials and products available to petrochemical producers, converters, and fabricators currently and in 1975;

(3) current contribution of petrochemical imports to domestic supplies and the expected contribution in 1975;

(4) anticipated economic effects of current and expected 1975 levels of domestic supplies of petrochemicals upon domestic producers, converters, and fabricators of petrochemical raw materials and products; and

(5) exact nature, extent, and sources of data and other information available to the Federal Government regarding the matters

set forth in paragraphs (1) through (4) of this subsection, including the exact nature, extent, and sources of such data and information utilized in connection with the report required by this subsection.

“Petrochemical.”

(b) As used in this section, the term “petrochemical” includes organic chemicals, cyclic intermediates, plastics and resins, synthetic fibers, elastomers, organic dyes, organic pigments, detergents, surface active agents, carbon black and ammonia.

HYDROELECTRIC GENERATING FACILITIES

15 USC 783.

SEC. 24. Within ninety days of the effective date of this Act, the Administrator of the Federal Energy Administration, in consultation with the Secretary of the Interior and the Secretary of the Army, shall—

Lists, transmittal to Congress.

(1) transmit to the Congress—

(A) a list of hydroelectric generating facilities and electric power transmission facilities which have been authorized for construction by the Congress and which are not yet completed, and

(B) a list of opportunities to increase the capacity of existing hydroelectric generating facilities, and

(2) provide, for each such facility which is listed—

(A) a construction schedule and cost estimates for an expedited construction program which would make the facility available for service at the earliest practicable date, and

(B) a statement of the accomplishments which could be provided by the expedited completion of each facility and a statement of any funds which have been appropriated but not yet obligated.

INFORMATION CONCERNING TRANSACTION, SALE, EXCHANGE OR SHIPMENT INVOLVING THE EXPORT FROM THE UNITED STATES TO A FOREIGN NATION OF COAL AND ANY REFINED PETROLEUM PRODUCT

File maintenance.
15 USC 784.

SEC. 25. (a) The Administrator is authorized and directed to establish and maintain a file which shall contain information concerning every transaction, sale, exchange or shipment involving the export from the United States to a foreign nation of coal, crude oil, residual oil or any refined petroleum product. Information to be included in the file shall be current and shall include, but shall not be limited to, the name of the exporter (including the name or names of the holders of any beneficial interests), the volume and type of product involved in the export transaction, the manner of shipment and identification of the vessel or carrier, the destination, the name of the purchaser if a sale, exchange or other transaction is involved, and a statement of reasons justifying the export.

(b) Upon request of any committee of Congress or the head of any Federal agency, the Administrator shall promptly provide any information maintained in the file and a report thereon to such committee, or agency head, except where the President finds such disclosure to be detrimental to national security.

(c) Notwithstanding any other provision of law, any Federal agency which collects or has information relevant to the functions required by this section shall make such information available to the Administrator.

FOREIGN OWNERSHIP

SEC. 26. The Administrator shall conduct a comprehensive review of foreign ownership of, influence on, and control of domestic energy sources and supplies. Such review shall draw upon existing information, where available, and any independent investigation necessary by the Administration. The Administrator shall, on or before the expiration of the one hundred and eighty day period following the effective date of this Act, report to the Congress in sufficient detail so as to apprise the Congress as to the extent and forms of such foreign ownership of, influence on, and control of domestic energy sources and supplies, and shall thereafter continue to monitor such ownership, influence and control.

Review.
15 USC 785.

Report to
Congress.

SEPARABILITY

SEC. 27. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

15 USC 761
note.

REVERSION

SEC. 28. Upon the termination of this Act, any functions or personnel transferred by this Act shall revert to the department, agency, or office from which they were transferred. An officer or employee of the Federal Government who is appointed, without break in service of one or more workdays, to any position for carrying out functions under this Act is entitled, upon separation from such position other than for cause, to reemployment in the position occupied at the time of appointment, or in a position of comparable grade and salary.

15 USC 786.

AUTHORIZATION OF APPROPRIATIONS

SEC. 29. There are hereby authorized to be appropriated to the Administrator, to remain available until expended, \$75,000,000 for fiscal year 1974, and \$200,000,000 annually for each of fiscal years 1975 and 1976 to carry out the purposes of this Act.

15 USC 761
note.

EFFECTIVE DATE; TERMINATION DATE

SEC. 30. This Act shall become effective sixty days after the date of enactment or sooner if the President publishes notice in the Federal Register. This Act shall terminate June 30, 1976.

15 USC 761
note.

Approved May 7, 1974.

Public Law 93-276

AN ACT

To authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

May 10, 1974
[S. 3292]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261 of the Atomic Energy Act of 1954, as amended:

Atomic Energy
Commission.
Appropriation
authorization.
42 USC 2017.

(a) For "Operating expenses", \$2,551,533,000 not to exceed \$132,200,000 in operating costs for the high-energy physics program category.

(b) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following:

(1) NUCLEAR MATERIALS.—

Project 75-1-a, additional facilities, high-level waste handling and storage, Savannah River, South Carolina, \$30,000,000.

Project 75-1-b, replacement ventilation air filter, H chemical separations area, Savannah River, South Carolina, \$6,000,000.

Project 75-1-c, new waste calcining facility, Idaho Chemical Processing Plant, National Reactor Testing Station, Idaho, \$20,000,000.

Project 75-1-d, waste management effluent control, Richland, Washington, \$3,500,000.

Project 75-1-e, retooling of component preparation laboratories, multiple sites, \$4,500,000.

Project 75-1-f, atmospheric pollution control facilities, stoker fired boilers, Savannah River, South Carolina, \$7,500,000.

(2) NUCLEAR MATERIALS.—

Project 75-2-a, additional cooling tower capacity, gaseous diffusion plant, Portsmouth, Ohio, \$2,200,000.

(3) WEAPONS.—

Project 75-3-a, weapons production, development, and test installations, \$10,000,000.

Project 75-3-b, high energy laser facility, Los Alamos Scientific Laboratory, New Mexico, \$22,600,000.

Project 75-3-c, TRIDENT production facilities, various locations, \$22,200,000.

Project 75-3-d, consolidation of final assembly plants, Pantex, Amarillo, Texas, \$4,500,000.

Project 75-3-e, addition to building 350 for safeguards analytical laboratory, Argonne National Laboratory, Illinois, \$3,500,000.

(4) WEAPONS.—

Project 75-4-a, technical support relocation, Los Alamos Scientific Laboratory, New Mexico, \$2,800,000.

(5) CIVILIAN REACTOR RESEARCH AND DEVELOPMENT.—

Project 75-5-a, transient test facility, Santa Susana, California, \$4,000,000.

Project 75-5-b, advanced test reactor control system upgrading, National Reactor Testing Station, Idaho, \$2,400,000.

Project 75-5-c, test reactor area water recycle and pollution control facilities, National Reactor Testing Station, Idaho, \$1,000,000.

Project 75-5-d, modifications to reactors, \$4,000,000.

Project 75-5-e, high temperature gas reactor fuel reprocessing facility, National Reactor Testing Station, Idaho, \$10,100,000.

Project 75-5-f, high temperature gas reactor fuel refabrication pilot plant, Oak Ridge National Laboratory, Tennessee, \$3,000,000.

Project 75-5-g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project), \$1,500,000.

(6) PHYSICAL RESEARCH.—

Project 75-6-a, accelerator and reactor improvements and modifications, \$3,000,000.

Project 75-6-b, heavy ion research facilities, various locations, \$19,200,000.

Project 75-6-c, positron-electron joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center, \$900,000.

(7) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75-7-a, upgrading of laboratory facilities, Oak Ridge National Laboratory, Tennessee, \$2,100,000.

Project 75-7-b, environmental research laboratory, Savannah River, South Carolina, \$2,000,000.

Project 75-7-c, intermediate-level waste management facilities, Oak Ridge National Laboratory, Tennessee, \$9,500,000.

Project 75-7-d, modifications and additions to biomedical and environmental research facilities, \$2,850,000.

(8) BIOMEDICAL AND ENVIRONMENTAL RESEARCH AND SAFETY.—

Project 75-8-a, environmental sciences laboratory, Oak Ridge National Laboratory, Tennessee, \$8,800,000.

(9) GENERAL PLANT PROJECTS.—\$55,650,000.

(10) CONSTRUCTION PLANNING AND DESIGN.—\$2,000,000.

(11) CAPITAL EQUIPMENT.—Acquisition and fabrication of capital equipment not related to construction, \$208,850,000.

(12) REACTOR SAFETY RESEARCH.—

Project 75-12-a, reactor safety facilities modifications, \$1,000,000.

(13) APPLIED ENERGY TECHNOLOGY.—

Project 75-13-a, hydrothermal pilot plant, \$1,000,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsection 101(b) (1), (3), (5), (6), (7), (12), and (13) only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsection 101(b) (2), (4), (8), and (10) only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start any project under subsection 101(b) (9) only if it is in accordance with the following:

(1) The maximum currently estimated cost of any project shall be \$500,000 and the maximum currently estimated cost of any building included in such project shall be \$100,000: *Provided*, That the building cost limitation may be exceeded if the Commission determines that it is necessary in the interest of efficiency and economy.

(2) The total cost of all projects undertaken under subsection 101(b) (9) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

(d) The total cost of any project undertaken under subsection 101(b) (1), (3), (5), (6), (7), (12), and (13) shall not exceed the estimated cost set forth for that project by more than 25 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than \$5,000,000.

42 USC 2017.

42 USC 2017.

(e) The total cost of any project undertaken under subsection 101(b) (2), (4), (8), (9), and (10) shall not exceed the estimated cost set forth for that project by more than 10 per centum, unless and until additional appropriations are authorized under section 261 of the Atomic Energy Act of 1954, as amended, provided that this subsection will not apply to any project with an estimated cost less than \$5,000,000.

Construction design services.

SEC. 103. The Commission is authorized to perform construction design services for any Commission construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Commission, and (2) the Commission determines that the project is of such urgency that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

SEC. 104. Any moneys received by the Commission (except sums received from the disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)), may be retained by the Commission and credited to its "Operating expenses" appropriation notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484).

Transfer of sums.

SEC. 105. Transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Transfer of amounts.

SEC. 106. When so specified in an appropriation Act, transfers of amounts between "Operating expenses" and "Plant and capital equipment" may be made as provided in such appropriation Act.

80 Stat. 162;
81 Stat. 126.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 89-428, as amended, is further amended by striking from subsection (b) (3) project 67-3-a, fast flux test facility, the figure "\$87,500,000", and substituting therefor the figure "\$420,000,000".

87 Stat. 145.

(b) Section 101 of Public Law 91-273, as amended, is further amended by striking from subsection (b) (1), project 71-1-f, process equipment modifications, gaseous diffusion plants, the figure "\$172,100,000" and substituting therefor the figure "\$295,100,000".

84 Stat. 300;
87 Stat. 145.

(c) Section 106 of Public Law 91-273, as amended, is further amended by striking from subsection (a) the figure "\$2,000,000" and substituting therefor the figure "\$3,000,000," and by adding thereto the following new subsection (c):

"(c) The Commission is hereby authorized to agree, by modification to the definitive cooperative arrangement reflecting such changes therein as it deems appropriate for such purpose, to the following: (1) to execute and deliver to the other parties to the AEC definitive contract, the special undertakings of indemnification specified in said contract, which undertakings shall be subject to availability of appropriations to the Atomic Energy Commission (or any other Federal agency to which the Commission's pertinent functions might be transferred at some future time) and to the provisions of section 3679 of the Revised Statutes, as amended; and (2) to acquire ownership and custody of the property constituting the Liquid Metal Fast Breeder Reactor powerplant or parts thereof, and to use, decommission, and dispose of said property, as provided for in the AEC definitive contract."

31 USC 665.

86 Stat. 222.

(d) Section 101 of Public Law 92-314, as amended, is amended by striking from subsection (b) (4), project 73-4-b, land acquisition, Rocky Flats, Colorado, the figure "\$8,000,000" and substituting therefor the figure "\$11,400,000".

(e) Section 101 of Public Law 93-60 is amended by (1) striking from subsection (b) (1), project 74-1-a, additional facilities, high level waste storage, Savannah River, South Carolina, the figure "\$14,000,000" and substituting therefor the figure "\$17,500,000", (2) striking from subsection (b) (1), project 74-1-g, cascade uprating program, gaseous diffusion plants, the words "(partial AE and limited component procurement only)" and further striking the figure "\$6,000,000" and substituting therefor the figure "\$183,100,000", and (3) striking from subsection (b) (2), project 74-2-d, national security and resources study center, the words "(AE only), site undesignated" and substituting therefor the words "Los Alamos Scientific Laboratory, New Mexico" and further striking the figure "\$350,000" and substituting therefor the figure "\$4,600,000".

87 Stat. 143.

SEC. 108. RESCISSION.—(a) Public Law 91-44, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

83 Stat. 46;
86 Stat. 225.

Project 70-1-b, bedrock waste storage (AE and site selection drilling only), Savannah River, South Carolina, \$4,300,000.

(b) Public Law 92-84, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

85 Stat. 304.

Project 72-3-b, national radioactive waste repository, site undetermined, \$3,500,000.

(c) Public Law 92-314, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

86 Stat. 224.

Project 73-6-c, accelerator improvements, Cambridge Electron Accelerator, Massachusetts, \$75,000.

TITLE II

SEC. 201. Section 157b. (3) of the Atomic Energy Act of 1954, as amended, is amended by striking out "upon the recommendation of" and inserting in lieu thereof "after consultation with".

42 USC 2187.

Approved May 10, 1974.

Public Law 93-277

AN ACT

To amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the armed forces, and for other purposes.

May 10, 1974
[S. 2771]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Armed Forces Enlisted Personnel Bonus Revision Act of 1974".

Armed Forces
Enlisted Person-
nel Bonus Revi-
sion Act of 1974.
37 USC 308
note.

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 308 is amended to read as follows:

37 USC 308.

“§ 308. Special pay: reenlistment bonus

“(a) A member of a uniformed service who—

“(1) has completed at least twenty-one months of continuous active duty (other than for training) but not more than ten years of active duty;

"(2) is designated as having a critical military skill by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy;

37 USC 312a.

"(3) is not receiving special pay under section 312a of this title; and

"(4) reenlists or voluntarily extends his enlistment in a regular component of the service concerned for a period of at least three years;

may be paid a bonus, not to exceed six months of the basic pay to which he was entitled at the time of his discharge or release, multiplied by the number of years, or the monthly fractions thereof, of additional obligated service, not to exceed six years, or \$15,000, whichever is the lesser amount. Obligated service in excess of twelve years will not be used for bonus computation.

Payment.

"(b) Bonus payments authorized under this section may be paid in either a lump sum or in installments.

"(c) For the purpose of computing the reenlistment bonus in the case of an officer with prior enlisted service who may be entitled to a bonus under subsection (a) of this section, the monthly basic pay of the grade in which he is enlisted, computed in accordance with his years of service computed under section 205 of this title, shall be used instead of the monthly basic pay to which he was entitled at the time of his release from active duty as an officer.

37 USC 205.

"(d) A member who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

"(e) This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction, and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy.

Expiration date.

"(f) No bonus shall be paid under this section with respect to any reenlistment, or voluntary extension of an active-duty enlistment, in the armed forces entered into after June 30, 1977."

37 USC 308a.

(2) Section 308a is amended to read as follows:

"§ 308a. Special pay: enlistment bonus

"(a) Notwithstanding section 514(a) of title 10 or any other law, under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who enlists in an armed force for a period of at least four years in a skill designated as critical, or who extends his initial period of active duty in that armed force to a total of at least four years in a skill designated as critical, may be paid a bonus in an amount prescribed by the appropriate Secretary, but not more than \$3,000. The bonus may be paid in a lump sum or in equal periodic installments, as determined by the appropriate Secretary.

Payment.

“(b) Under regulations prescribed by the Secretary of Defense, or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a person who voluntarily, or because of his misconduct, does not complete the term of enlistment for which a bonus was paid to him under this section shall refund that percentage of the bonus that the unexpired part of his enlistment is of the total enlistment period for which the bonus was paid.

Regulations.

“(c) No bonus shall be paid under this section with respect to any enlistment or extension of an initial period of active duty in the armed forces made after June 30, 1977.”

Expiration date.

SEC. 3. Notwithstanding section 308 of title 37, United States Code, as amended by this Act, a member of a uniformed service on active duty on the effective date of this Act, who would have been eligible, at the end of his current or subsequent enlistment, for the reenlistment bonus prescribed in section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, shall continue to be eligible for the reenlistment bonus under that section as it existed on the day before the effective date of this Act. If a member is also eligible for the reenlistment bonus prescribed in that section as amended by this Act, he may elect to receive either one of those reenlistment bonuses. However, a member's eligibility under section 308 (a) or (d) of that title, as it existed on the day before the effective date of this Act, terminates when he has received a total of \$2,000 in reenlistment bonus payments, received under either section 308 (a) or (d) of that title as it existed on the day before the effective date of this Act, or under section 308 of that title, as amended by this Act, or from a combination of both.

37 USC 308
note.

SEC. 4. The amendments made by this Act become effective on the first day of the month following the date of enactment.

Effective date.
37 USC 308
note.

Approved May 10, 1974.

Public Law 93-278

AN ACT

To extend the Environmental Education Act for three years.

May 10, 1974
[S.1647]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Environmental Education Amendments of 1974”.

SEC. 2. Section 3(c)(1) of the Environmental Education Act (20 U.S.C. 1532) is amended by adding at the end thereof the following new sentence: “Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist until July 1, 1977.”

Environmental
Education Amend-
ments of 1974.
Advisory Coun-
cil, extension.

20 USC 1233g.

SEC. 3. Section 7 of such Act is amended by striking out “and” after “1972,” and by inserting after “1973” a comma and the following: “\$5,000,000 for the fiscal year ending June 30, 1975, \$10,000,000 for the fiscal year ending June 30, 1976, and \$15,000,000 for the fiscal year ending June 30, 1977.”

Appropriation.
20 USC 1536.

SEC. 4. Section 2(b) of such Act is amended by inserting after “maintain ecological balance” the following: “while giving due consideration to the economic considerations related thereto”.

20 USC 1531.

SEC. 5. Section 3(b)(2) of such Act is amended by inserting after “technology,” the following: “economic impact.”

20 USC 1532.

SEC. 6. Section 3(c)(1) of such Act is further amended by inserting “economic,” after “medical.”

Approved May 10, 1974.

Public Law 93-279

AN ACT

May 10, 1974
[H. R. 9492]

To amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

Wild and Scenic
Rivers Act,
amendments.

16 USC 1271

note.

16 USC 1274.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Wild and Scenic Rivers Act (82 Stat. 906; 16 U.S.C. 1274 et seq.), as amended, is further amended as follows:

(a) In section 3(a) after paragraph (9) insert the following new paragraph:

“(10) CHATTOOGA, NORTH CAROLINA, SOUTH CAROLINA, GEORGIA.—The Segment from 0.8 mile below Cashiers Lake in North Carolina to Tugaloo Reservoir, and the West Fork Chattooga River from its junction with Chattooga upstream 7.3 miles, as generally depicted on the boundary map entitled ‘Proposed Wild and Scenic Chattooga River and Corridor Boundary’, dated August 1973; to be administered by the Secretary of Agriculture: *Provided*, That the Secretary of Agriculture shall take such action as is provided for under subsection (b) of this section within one year from the date of enactment of this paragraph (10): *Provided further*, That for the purposes of this river, there are authorized to be appropriated not more than \$2,000,000 for the acquisition of lands and interests in lands and not more than \$809,000 for development.”.

Appropriation.

16 USC 1275.

(b) (1) In section 4 delete subsection (a) and insert in lieu thereof the following:

Studies, sub-
mittal to Presi-
dent.

“SEC. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the national wild and scenic rivers system of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act no later than October 2, 1978. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render the rivers unsuitable for inclusion in the national wild and scenic rivers system. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.C. 1962 et seq.).

Report to
Congress.

16 USC 1276.

“Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of land ownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the national wild and scenic rivers system; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in

Contents.

land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document.”

(2) In section 5 delete subsection (b) and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b) delete clause (i) and insert in lieu thereof the following:

“(i) during the ten-year period following enactment of this Act or for a three complete fiscal year period following any Act of Congress designating any river for potential addition to the national wild and scenic rivers system, whichever is later, unless, prior to the expiration of the relevant period, the Secretary of the Interior and, where national forest lands are involved, the Secretary of Agriculture, on the basis of study, determine that such river should not be included in the national wild and scenic rivers system and notify the Committees on Interior and Insular Affairs of the United States Congress, in writing, including a copy of the study upon which the determination was made, at least one hundred and eighty days while Congress is in session prior to publishing notice to that effect in the Federal Register, and”.

(4) In section 7(b) (ii) delete “which is recommended”, insert in lieu thereof “the report for which is submitted”, and delete “for inclusion in the national wild and scenic rivers system”.

(c) In section 15(c) delete “for the purpose of protecting the scenic view from the river,” and insert in lieu thereof “within the authorized boundaries of a component of the wild and scenic rivers system, for the purpose of protecting the natural qualities of a designated wild, scenic or recreational river area.”.

(d) Delete section 16 and insert in lieu thereof:

“SEC. 16. (a) There are hereby authorized to be appropriated, including such sums as have heretofore been appropriated, the following amounts for land acquisition for each of the rivers described in section 3(a) of this Act:

Clearwater, Middle Fork, Idaho, \$2,909,800;
Eleven Point, Missouri, \$4,906,500;
Feather, Middle Fork, California, \$3,935,700;
Rio Grande, New Mexico, \$253,000;
Rogue, Oregon, \$12,447,200;
St. Croix, Minnesota and Wisconsin, \$11,768,550;
Salmon, Middle Fork, Idaho, \$1,237,100; and
Wolf, Wisconsin, \$142,150.

“(b) The authority to make the appropriations authorized in this section shall expire on June 30, 1979.”

Approved May 10, 1974.

Printing as
Senate or House
document.
16 USC 1276.
16 USC 1278.

Notification to
congressional
committees.

Publication in
Federal Register.

16 USC 1286.

Appropriation.
16 USC 1287.

Ante, p. 122.

Expiration date.

Public Law 93-280

AN ACT

To authorize certain Federal agencies to detail personnel and to loan equipment to the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

May 10, 1974
[H. R. 8101]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the paragraph headed “Propagation of Food Fishes” of the Act of March 3, 1885 (23 Stat. 494; 16 U.S.C. 743), is amended—

- (1) by inserting “(1)” immediately after “Fishes:”;
- (2) by striking out the last sentence thereof; and
- (3) by adding at the end thereof the following new subparagraph:

Bureau of Sport
Fisheries and
Wildlife.

Federal agency
loan of personnel
and equipment.

"Agency."
16 USC 743a.

"(2) (A) As used in this subparagraph, the term 'agency' means the department in which the Coast Guard is operating, the Department of the Army, the Department of the Navy, the Department of the Air Force, the Atomic Energy Commission, and the National Aeronautics and Space Administration.

"(B) The chief executive officer of each agency may from time to time—

"(i) detail from the agency for duty under the Director of the Bureau of Sport Fisheries and Wildlife, Department of the Interior, such commissioned and enlisted personnel and civilian employees as may be spared for such duty; and

"(ii) consonant with the operational needs of the agency, loan equipment of the agency to the Director.

Report to
Congress.

"(C) The Director of the Bureau of Sport Fisheries and Wildlife shall make an annual report at the end of each fiscal year to the Congress concerning the utilization of the provisions of this subparagraph and the additional cost, if any, to the Federal Government resulting therefrom. Such annual report shall be referred in the Senate to the Committee on Commerce and in the House of Representatives to the Committee on Merchant Marine and Fisheries."

Approved May 10, 1974.

Public Law 93-281

AN ACT

May 14, 1974
[S. 1115]

To amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs.

Narcotic Addict
Treatment Act of
1974.
21 USC 802
note.
Definitions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Narcotic Addict Treatment Act of 1974".

SEC. 2. Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended by adding the following after paragraph (26):

"(27) The term 'maintenance treatment' means the dispensing, for a period in excess of twenty-one days, of a narcotic drug in the treatment of an individual for dependence upon heroin or other morphine-like drugs.

"(28) The term 'detoxification treatment' means the dispensing, for a period not in excess of twenty-one days, of a narcotic drug in decreasing doses to an individual in order to alleviate adverse physiological or psychological effects incident to withdrawal from the continuous or sustained use of a narcotic drug and as a method of bringing the individual to a narcotic drug-free state within such period."

SEC. 3. Section 303 of the Controlled Substances Act (21 U.S.C. 823) is amended by adding the following after subsection (f):

"(g) Practitioners who dispense narcotic drugs to individuals for maintenance treatment or detoxification treatment shall obtain annually a separate registration for that purpose. The Attorney General shall register an applicant to dispense narcotic drugs to individuals for maintenance treatment or detoxification treatment (or both)—

Practitioners,
narcotic drug
dispensation,
annual registra-
tion.

Qualifications.

"(1) if the applicant is a practitioner who is determined by the Secretary to be qualified (under standards established by the Secretary) to engage in the treatment with respect to which registration is sought;

"(2) if the Attorney General determines that the applicant will comply with standards established by the Attorney General respecting (A) security of stocks of narcotic drugs for such treatment, and (B) the maintenance of records (in accordance with section 307) on such drugs; and

"(3) if the Secretary determines that the applicant will comply with standards established by the Secretary (after consultation with the Attorney General) respecting the quantities of narcotic drugs which may be provided for unsupervised use by individuals in such treatment."

21 USC 827.

SEC. 4. (a) Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended by adding after and below paragraph (3) the following: "A registration pursuant to section 303(g) to dispense a narcotic drug for maintenance treatment or detoxification treatment may be suspended or revoked by the Attorney General upon a finding that the registrant has failed to comply with any standard referred to in section 303(g)."

Suspension or
revocation.

21 USC 823.

(b) Section 304(d) of such Act is amended (1) by inserting after the first sentence the following: "A failure to comply with a standard referred to in section 303(g) may be treated under this subsection as grounds for immediate suspension of a registration granted under such section."; and (2) by striking out "Such suspension" and inserting in lieu thereof "A suspension under this subsection".

SEC. 5. Section 307(c) (1) (A) of the Controlled Substances Act (21 U.S.C. 827(c) (1) (A)) is amended to read as follows:

"(1) (A) with respect to any narcotic controlled substance in schedule II, III, IV, or V, to the prescribing or administering of such substance by a practitioner in the lawful course of his professional practice unless such substance was prescribed or administered in the course of maintenance treatment or detoxification treatment of an individual; or".

Approved May 14, 1974.

Public Law 93-282

AN ACT

May 14, 1974
[S. 1125]

To extend through fiscal year 1974 certain expiring appropriations authorizations in the Public Health Service Act, the Community Mental Health Centers Act, and the Developmental Disabilities Services and Facilities Construction Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Alcoholism and
alcohol abuse
programs.
Appropriations
authorizations,
extension.

TITLE I—FEDERAL ASSISTANCE FOR STATE AND LOCAL ALCOHOLISM AND ALCOHOL ABUSE PROGRAMS

PART A—SHORT TITLE; FINDINGS AND PURPOSE

SHORT TITLE

Comprehensive
Alcohol Abuse
and Alcoholism
Prevention, Treat-
ment, and Reha-
bilitation Act
Amendments of
1974.

42 USC 4541
note.

42 USC 4551
note.

SEC. 101. This title may be cited as the "Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974".

FINDINGS AND PURPOSE

SEC. 102. (a) The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by adding after section 1 the following new section:

"FINDINGS AND PURPOSE

42 USC 4541.

"SEC. 2. (a) The Congress finds that—

"(1) alcohol is one of the most dangerous drugs and the drug most frequently abused in the United States;

"(2) of the Nation's estimated ninety-five million drinkers, at least nine million, or 7 per centum of the adult population, are alcohol abusers and alcoholics;

"(3) problem drinking costs the national economy at least \$15,000,000,000 annually in lost working time, medical and public assistance expenditures, and police and court costs;

"(4) alcohol abuse is found with increasing frequency among persons who are multiple-drug abusers and among former heroin users who are being treated in methadone maintenance programs;

"(5) alcohol abuse is being discovered among growing numbers of youth; and

"(6) alcoholism is an illness requiring treatment and rehabilitation through the assistance of a broad range of community health and social services, and with the cooperation of law enforcement agencies.

"(b) It is the policy of the United States and the purpose of this Act to (1) approach alcohol abuse and alcoholism from a comprehensive community care standpoint, and (2) meet the problems of alcohol abuse and alcoholism not only through Federal assistance to the States but also through direct Federal assistance to community-based programs meeting the urgent needs of special populations and developing methods for diverting problem drinkers from criminal justice systems into prevention and treatment programs."

42 USC 4542.

(b) The Congress declares that, in addition to the programs under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, programs under other Federal laws which provide Federal or federally assisted research, prevention, treatment, or rehabilitation in the fields of health and social services should be appropriately utilized to help eradicate alcohol abuse and alcoholism as a major problem.

PART B—GRANTS TO STATES

PROGRAM EXTENSION

SEC. 105. (a) Section 301 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by inserting immediately after “for each of the next two fiscal years” the following: “, \$80,000,000 for the fiscal year ending June 30, 1975, and \$80,000,000 for the fiscal year ending June 30, 1976.”

42 USC 4571.

(b) The section heading for such section is amended to read as follows:

“AUTHORIZATION FOR FORMULA GRANTS”.

PROGRAM IMPROVEMENTS

SEC. 106. (a) (1) Section 302 of such Act is amended by adding at the end thereof the following new subsection:

42 USC 4572.

“(d) On the request of any State, the Secretary is authorized to arrange for the assignment of officers and employees of the Department or provide equipment or supplies in lieu of a portion of the allotment of such State. The allotment may be reduced by the fair market value of any equipment or supplies furnished to such State and by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the State. The amount by which such payments are so reduced shall be available for payment of such costs (including the costs of such equipment and supplies) by the Secretary, but shall for purposes of determining the allotment under section 302(a), be deemed to have been paid to the State.”.

(2) Section 302(b) of such Act is amended (A) by striking out in the first sentence “so allotted to a State” and inserting in lieu thereof “allotted to a State in a fiscal year”; and (B) by striking out in the second sentence “for a fiscal year” and inserting in lieu thereof “in a fiscal year”.

(b) Section 303(a) of such Act is amended—

42 USC 4573.

(1) by striking out in paragraph (3) “or groups” and inserting in lieu thereof “, of groups to be served with attention to assuring representation of minority and poverty groups”;

(2) by striking out “and” at the end of paragraph (9);

(3) by redesignating paragraph (10) as paragraph (11); and

(4) by adding after paragraph (9) the following new paragraph:

“(10) set forth, in accordance with criteria to be set by the Secretary, standards (including enforcement procedures and penalties) for (A) construction and licensing of public and private treatment facilities, and (B) for other community services or resources available to assist individuals to meet problems resulting from alcohol abuse; and”.

UNIFORM ALCOHOLISM AND INTOXICATION TREATMENT ACT

SEC. 107. Part A of title III of such Act is amended by adding at the end thereof the following new section:

42 USC 4571.

"SPECIAL GRANTS FOR IMPLEMENTATION OF THE UNIFORM ALCOHOLISM
AND INTOXICATION TREATMENT ACT

42 USC 4574.

"SEC. 304. (a) To assist States which have adopted the basic provisions of the Uniform Alcoholism and Intoxication Treatment Act (hereinafter in this section referred to as the 'Uniform Act') to utilize fully the protections of the Uniform Act in their efforts to approach alcohol abuse and alcoholism from a community care standpoint, the Secretary, acting through the Institute, shall, during the period beginning July 1, 1974, and ending June 30, 1977, make grants to such States for the implementation of the Uniform Act. A grant under this section to any State may only be made for that State's costs (as determined in accordance with regulations which the Secretary shall promulgate not later than July 1, 1974) in implementing the Uniform Act for a period which does not exceed one year from the first day of the first month for which the grant is made. No State may receive more than three grants under this section.

Applications.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve an application of a State under this section unless he determines the following:

"(1) The State and each of its political subdivisions are committed to the concept of care for alcoholism and alcohol abuse through community health and social service agencies, and, in accordance with the purposes of sections 1 and 19 of the Uniform Act, have repealed those portions of their criminal statutes and ordinances under which drunkenness is the gravamen of a petty criminal offense, such as loitering, vagrancy, or disturbing the peace.

Treatment programs, acceptance standards.

"(2) The laws of the State respecting acceptance of individuals into alcoholism and intoxication treatment programs are in accordance with the following standards of acceptance of individuals for such treatment (contained in section 10 of the Uniform Act):

"(A) A patient shall, if possible, be treated on a voluntary rather than an involuntary basis.

"(B) A patient shall be initially assigned or transferred to outpatient or intermediate treatment, unless he is found to require inpatient treatment.

"(C) A person shall not be denied treatment solely because he has withdrawn from treatment against medical advice on a prior occasion or because he has relapsed after earlier treatment.

"(D) An individualized treatment plan shall be prepared and maintained on a current basis for each patient.

"(E) Provision shall be made for a continuum of coordinated treatment services so that a person who leaves a facility or a form of treatment will have available and utilize other appropriate treatment.

"(3) The laws of the State respecting involuntary commitment of alcoholics are consistent with the provisions of section 14 of the Uniform Act which protect individual rights.

"(4) The application of the State contains such assurances as the Secretary may require to carry out the purposes of this section. For purposes of subsection (a), the term 'basic provisions of the Uniform Alcoholism and Intoxication Treatment Act' shall not in the

case of a State which has a State plan approved under section 303 include any provision of the Uniform Act respecting the organization of such State's treatment programs (as defined in the Uniform Act) which are inconsistent with the requirements of such State plan.

42 USC 4573.

"(c) The amount of any grant under this section to any State for any fiscal year may not exceed the sum of \$100,000 and an amount equal to 10 per centum of the allotment of such State for such fiscal year under section 302 of this Act. Payments under grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

42 USC 4572.

"(d) For the purpose of making payments under grants under this section, there are authorized to be appropriated \$13,000,000 for the fiscal year ending June 30, 1975, and for each of the next two fiscal years."

Appropriation.

CONFORMING AMENDMENT

SEC. 108. The heading for part A of title III of such Act is amended by striking out "FORMULA GRANTS" and inserting in lieu thereof "GRANTS TO STATES".

PART C—PROJECT GRANTS AND CONTRACTS

GRANTS AND CONTRACTS FOR PREVENTION AND TREATMENT PROJECTS

SEC. 111. Section 311 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

42 USC 4577.

"GRANTS AND CONTRACTS FOR THE PREVENTION AND TREATMENT OF ALCOHOL ABUSE AND ALCOHOLISM

"SEC. 311. (a) The Secretary, acting through the Institute, may make grants to public and nonprofit private entities and may enter into contracts with public and private entities and with individuals—

"(1) to conduct demonstration, service, and evaluation projects,

"(2) to provide education and training,

"(3) to provide programs and services in cooperation with schools, courts, penal institutions, and other public agencies, and

"(4) to provide counseling and education activities on an individual or community basis,

for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics.

"(b) Projects and programs for which grants and contracts are made under this section shall (1) whenever possible, be community based, seek to insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals; and (2) where appropriate utilize existing community resources (including community mental health centers).

"(c) (1) In administering this section, the Secretary shall require coordination of all applications for projects and programs in a State.

"(2) Each applicant from within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency designated under section 303 of this Act, if such designation has been made. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project or program set forth in the applica-

42 USC 4573.

tion. Such evaluation shall include comments on the relationship of the project to other projects and programs pending and approved and to the State comprehensive plan for treatment and prevention of alcohol abuse and alcoholism under section 303. The State shall furnish the applicant a copy of any such evaluation.

“(3) Approval of any application for a grant or contract by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria established by the Secretary that—

“(A) provides that the projects and programs for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

“(B) provides for such methods of administration as are necessary for the proper and efficient operation of such programs and projects;

“(C) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant; and

“(D) provides reasonable assurance that Federal funds made available under this section for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the projects and programs described in this section, and will in no event supplant such State, local, and other non-Federal funds.

Appropriation.

“(d) To make payments under grants and contracts under this section, there are authorized to be appropriated \$80,000,000 for the fiscal year ending June 30, 1975, and \$95,000,000 for the fiscal year ending June 30, 1976.”.

PART D—ADMISSION TO HOSPITALS; CONFIDENTIALITY OF RECORDS

HOSPITAL ADMISSIONS

42 USC 4581.

SEC. 121. (a) Section 321 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

“ADMISSION OF ALCOHOL ABUSERS AND ALCOHOLICS TO PRIVATE AND PUBLIC HOSPITALS

“SEC. 321. (a) Alcohol abusers and alcoholics who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their alcohol abuse or alcoholism, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

Regulations.

“(b) (1) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of alcohol abusers and alcoholics in hospitals which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary

may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital.

“(2) The Administrator of Veterans’ Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) of this subsection to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from alcohol abuse or alcoholism. In prescribing and implementing regulations pursuant to this paragraph, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.”

(b) The Administrator of Veterans’ Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 321(b)(2) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, (2) explaining the bases for any inconsistency between such regulations and regulations of the Secretary under section 321(b)(1) of such Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator’s regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 321(b)(1), and shall timely publish such report in the Federal Register.

Regulations.

38 USC 101 *et seq.*Report, submitted to congressional committees.
42 USC 4581 note.*Ante*, p. 130.

Publication in Federal Register.

CONFIDENTIALITY

SEC. 122. (a) Section 333 of such Act is amended to read as follows:

42 USC 4582.

“CONFIDENTIALITY OF RECORDS

“SEC. 333. (a) Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to alcoholism or alcohol abuse education, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b) of this section.

“(b)(1) The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

“(2) Whether or not the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives

Disclosure.

his written consent, the content of such record may be disclosed as follows:

“(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

“(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

“(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

“(c) Except as authorized by a court order granted under subsection (b) (2) (C) of this section, no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

“(d) The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when he ceases to be a patient.

“(e) The prohibitions of this section do not apply to any interchange of records—

“(1) within the Armed Forces or within those components of the Veterans' Administration furnishing health care to veterans, or

“(2) between such components and the Armed Forces.

Penalty.

“(f) Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than \$500 in the case of a first offense, and not more than \$5,000 in the case of each subsequent offense.

Regulations.

“(g) Except as provided in subsection (h) of this section, the Secretary shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b) (2) (C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

“(h) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from alcohol abuse or alcoholism. In prescribing and implementing regulations pursuant to this subsection, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.”

(b) Section 303(a) of the Public Health Service Act (42 U.S.C. 242a(a)) is amended by striking out “the use and effect of drugs” and

inserting in lieu thereof "mental health, including research on the use and effect of alcohol and other psychoactive drugs,".

(c) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 333(h) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, (2) explaining the basis for any inconsistency between such regulations and regulations of the Secretary under section 333(g) of such Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 333(g), and shall timely publish such report in the Federal Register.

Report to congressional committees.
42 USC 4582 note.

Ante, p. 131.

Publication in Federal Register.

PART E—INTERAGENCY COMMITTEE

INTERAGENCY COMMITTEE

SEC. 131. Title I of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by adding at the end the following:

42 USC 4551.

"INTERAGENCY COMMITTEE ON FEDERAL ACTIVITIES FOR ALCOHOL ABUSE AND ALCOHOLISM

"SEC. 103. (a) The Secretary shall establish an Interagency Committee on Federal Activities for Alcohol Abuse and Alcoholism (hereinafter in this section referred to as the 'Committee'). The Committee shall (1) evaluate the adequacy and technical soundness of all Federal programs and activities which relate to alcoholism and alcohol abuse and provide for the communication and exchange of information necessary to maintain the coordination and effectiveness of such programs and activities, and (2) seek to coordinate efforts undertaken to deal with alcohol abuse and alcoholism in carrying out Federal health, welfare, rehabilitation, highway safety, law enforcement, and economic opportunity laws.

Establishment.
42 USC 4553.

"(b) The Secretary or the Director of the National Institute on Alcohol Abuse and Alcoholism (or the Director's designee) shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, and such other Federal agencies and offices (including appropriate agencies and offices of the Department of Health, Education, and Welfare) as the Secretary determines administer programs directly affecting alcoholism and alcohol abuse, and (2) five individuals from the general public appointed by the Secretary from individuals who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

Membership.

"(c) Each appointed member of the Committee shall be appointed for a term of four years, except that—

Term.

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

“(2) of the members first appointed, two shall be appointed for a term of four years, two shall be appointed for a term of three years, and one shall be appointed for a term of one year, as designated by the Secretary at the time of appointment.

Appointed members may serve after the expiration of their terms until their successors have taken office.

Compensation.

“(d) Appointed members of the Committee shall receive for each day they are engaged in the performance of the functions of the Committee compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

5 USC 5332
note.

“(e) The Secretary shall make available to the Committee such staff, information, and other assistance as it may require to carry out its activities effectively.”.

TITLE II—ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

Establishment.
42 USC 3511.

SEC. 201. (a) The Secretary of Health, Education, and Welfare shall establish, in the Department of Health, Education, and Welfare, the Alcohol, Drug Abuse, and Mental Health Administration (hereinafter in this section referred to as the “Administration”). The Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The Administrator, with the approval of the Secretary, may appoint a Deputy Administrator and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the Administration.

(b) The Secretary, acting through the Administration, shall supervise the functions of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in order to assure that (1) the programs carried out through each such Institute receive appropriate and equitable support, and (2) there is cooperation among the Institutes in the implementation of such programs.

National Panel
on Alcohol, Drug
Abuse, and
Mental Health.
Establishment.

(c) The Secretary of Health, Education, and Welfare shall establish a National Panel on Alcohol, Drug Abuse, and Mental Health (hereinafter in this subsection referred to as the “panel”) to advise, consult with, and make recommendations to the Secretary concerning the activities to be carried out through the Administration. The panel shall consist of three members appointed by the Secretary as follows: One member shall be appointed from the public members of the National Advisory Mental Health Council established under section 217 of the Public Health Service Act, one member shall be appointed from the public members of the National Advisory Council on Alcohol Abuse and Alcoholism established under such section, and one member shall be appointed from the public members of the National Advisory Council on Drug Abuse established under such section.

42 USC 218.

NATIONAL INSTITUTE OF MENTAL HEALTH

SEC. 202. Title IV of the Public Health Service Act is amended by redesignating part G as part H, by redesignating section 454 as section 461, and by inserting after part F the following new part:

42 USC 289l.

42 USC 289i.

"PART G—NATIONAL INSTITUTE OF MENTAL HEALTH

"ESTABLISHMENT OF INSTITUTE

"SEC. 455. (a) There is established the National Institute of Mental Health (hereinafter in this part referred to as the 'Institute') to administer the programs and authorities of the Secretary with respect to mental health. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301 and 303 of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (other than part C of title II) with respect to mental illness, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of mental illness and for the rehabilitation of the mentally ill. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

42 USC 289k-1.

42 USC 241,
242a.42 USC 2661
note.

"(b)(1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute.

"(c) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 203. (a) Section 101 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

42 USC 4551.

"ESTABLISHMENT OF THE INSTITUTE

"SEC. 101. (a) There is established the National Institute on Alcohol Abuse and Alcoholism (hereafter in this Act referred to as the 'Institute') to administer the programs and authorities assigned to the Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') by this Act and part C of the Community Mental Health Centers Act. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301 and 303 of the Public Health Service Act with respect to alcohol abuse and alcoholism, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

42 USC 2688e.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs to be carried out through the Institute.

"(c) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

42 USC 4552.

(b) (1) Section 102(2) of such Act is amended by inserting "and every three years thereafter" after "Act".

(2) (A) Section 102 of such Act is amended by striking out "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and", and by adding after paragraph (4) the following:

Report to Congress.

"(5) submit to Congress on or before the end of each calendar year a report on the extent to which other Federal programs and departments are concerned and dealing effectively with the problems of alcohol abuse and alcoholism.

Before submitting a report under paragraph (5), the Secretary shall give each department and agency of the Government which (or a program of which) is referred to in the report he proposes to submit under such paragraph an opportunity to comment on the proposed report; and the Secretary shall include in the report submitted to Congress under such paragraph the comments received by him from any such department or agency within 30 days from the date the proposed report was submitted to such department or agency."

Submittal date.
42 USC 4552
note.

(B) The first report to be submitted by the Secretary of Health, Education, and Welfare under section 102(5) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 shall be submitted not later than December 31, 1974.

Supra.

NATIONAL INSTITUTE ON DRUG ABUSE

21 USC 1191. SEC. 204. Subsections (a) and (b) of section 501 of the Drug Abuse Office and Treatment Act of 1972 are amended to read as follows:

"(a) There is established the National Institute on Drug Abuse (hereinafter in this section referred to as the 'Institute') to administer the programs and authorities of the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the 'Secretary') with respect to drug abuse prevention functions. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301, 302, and 303 of the Public Health Service Act with respect to drug abuse, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of drug abuse and for the rehabilitation of drug abusers. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

42 USC 241,
242, 242a.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute."

TITLE III—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 301. Section 5108(c) of title 5, United States Code, is amended—

(1) by striking out the period at the end of paragraph (10) (B) and inserting in lieu thereof a semicolon;

(2) by redesignating the paragraph (10) relating to the Law Enforcement Assistance Administration as paragraph (11) and by striking out the period at the end of that paragraph and inserting in lieu thereof a semicolon;

(3) by redesignating the paragraph (10) relating to the Chief Judge of the United States Tax Court as paragraph (12) and by striking out “and” at the end of that paragraph;

(4) by redesignating the paragraph (11) relating to the Chairman of the Equal Employment Opportunity Commission as paragraph (13) and by striking out the period at the end of that paragraph and inserting in lieu thereof “; and”; and

(5) by adding at the end thereof the following new paragraph:

“(14) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place a total of eleven positions in the National Institute on Alcohol Abuse and Alcoholism in GS-16, 17, and 18.”

SEC. 302. Section 247 of the Community Mental Health Centers Act (42 U.S.C. 2688j-2) is repealed.

Repeal.

SEC. 303. (a) Section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175) is amended to read as follows:

“§ 408. Confidentiality of patient records

“(a) Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any drug abuse prevention function conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b) of this section.

“(b) (1) The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

“(2) Whether or not the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives his written consent, the content of such record may be disclosed as follows:

“(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

“(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

“(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in deter-

mining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) Except as authorized by a court order granted under subsection (b) (2) (C) of this section, no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when he ceases to be a patient.

"(e) The prohibitions of this section do not apply to any interchange of records—

"(1) within the Armed Forces or within those components of the Veterans' Administration furnishing health care to veterans, or

"(2) between such components and the Armed Forces.

Penalties.

"(f) Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than \$500 in the case of a first offense, and not more than \$5,000 in the case of each subsequent offense.

Regulations.

"(g) The Director of the Special Action Office for Drug Abuse Prevention, after consultation with the Administrator of Veterans' Affairs and the heads of other Federal departments and agencies substantially affected thereby, shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b) (2) (C), as in the judgment of the Director are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith."

Ante, p. 137.

(b) (1) Effective on the date specified in section 104 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1104), the first sentence of section 408(g) of that Act (21 U.S.C. 1175) is amended by striking "Director of the Special Action Office for Drug Abuse Prevention" and inserting in lieu thereof "Secretary of Health, Education, and Welfare", and the second sentence of such section is amended by striking "Director" and inserting "Secretary" in lieu thereof.

(2) Effective on the date specified in paragraph (1) of this subsection, section 408 of such Act is further amended by—

(A) striking out "The" and inserting in lieu thereof "Except as provided in subsection (h) of this section, the" in the first sentence of subsection (g) of such section; and

(B) adding at the end of such section the following new subsection:

"(h) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations established by the Secretary under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from drug abuse. In prescribing and implementing regulations pursuant to this subsection, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe."

(c) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 408(h) of the Drug Abuse Office and Treatment Act of 1972, (2) explaining the bases for any inconsistency between such regulations and the regulations of the Secretary of Health, Education, and Welfare under section 408(g) of that Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 408(g), and shall timely publish such report in the Federal Register.

Report to congressional committees.

21 USC 1175 note.

Ante, p. 138.

Ante, p. 137.

Publication in Federal Register.

(d) Any regulation under or with respect to section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175) issued by the Director of the Special Action Office for Drug Abuse Prevention prior to the date specified in section 104 of that Act (21 U.S.C. 1104), whether before or after the enactment of this Act, shall remain in effect until revoked or amended by the Director or the Secretary of Health, Education, and Welfare, as the case may be.

21 USC 1175 note.

Approved May 14, 1974.

Public Law 93-283

AN ACT

To amend certain laws affecting the Coast Guard.

May 14, 1974
[H. R. 9293]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 14, United States Code, is amended as follows:

Coast Guard.

(1) Section 83 is amended by inserting the words "in or adjacent to the waters subject to the jurisdiction of the United States, its territories or possessions, or the Trust Territory of the Pacific Islands, or on the high seas if that person, or public body, or instrumentality is subject to the jurisdiction of the United States," between the word "navigation" and the word "without" in the first sentence thereof.

(2) Section 85 is amended—

(A) by deleting the words "**on fixed structures**" from the catchline;

(B) by inserting the words "and floating" between the word "fixed" and the word "structures" in the first sentence thereof;

(C) by deleting the word "navigable" between the word "over" and the word "waters" and by inserting the words "subject to the jurisdiction" between the word "waters" and the words "of the United States"; and

(D) by adding the following words at the end of the first sentence thereof: "and in the high seas for structures owned or operated by persons subject to the jurisdiction of the United States".

(3) Section 86 is amended by deleting the word "any" preceding the words "navigable waters" and substituting therefor the word "the" and by inserting the words "or waters above the continental shelf" between the words "navigable waters" and the words "of the United States" in the first sentence thereof.

(4) The analysis of chapter 5 is amended by deleting the words "on fixed structures" in item (section) 85.

14 USC 214.

(5) The second sentence of subsection (d) of section 214 is amended by changing the period at the end thereof to a comma and by adding the following to the sentence: "or any reduction in the pay and allowances to which he was entitled under a prior temporary appointment in a lower grade."

(6) Subsection (a) of section 283 is amended by inserting the words "has completed at least 20 years of active service or" between the word "he" and the word "is" in paragraph (3) thereof.

(7) Section 285 is amended by inserting the words "he has completed at least 20 years of active service or is" between the word "if" and the word "eligible" in paragraph (1) thereof.

(8) Section 288 is amended—

(A) by deleting in subsection (a) the words "if not earlier retired," and substituting therefor the words "unless retired under some other provision of law,";

(B) by adding at the end of subsection (a) a new sentence as follows: "An officer advanced in precedence on the active duty promotion list because of his promotion resulting from selection for promotion from below the zone is not subject to involuntary retirement under this section earlier than if he had not been selected from below the zone."

(9) Section 656 is amended—

(A) by amending the catchline to read:

"§ 656. Use of moneys appropriated for acquisition, construction, and improvement; for research, development, test, and evaluation; and for the alteration of bridges over the navigable waters";

(B) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(C) by inserting a new subsection (a) as follows:

"(a) Funds appropriated to or for the use of the Coast Guard for acquisition, construction, and improvement of facilities, for research, development, test, and evaluation; and for the alteration of bridges over the navigable waters shall remain available until expended."

(10) Chapter 17 is amended by adding the following new section after section 657:

14 USC 658.

"§ 658. Confidential investigative expenses

"Not more than \$15,000 per annum appropriated for necessary expenses for the operation of the Coast Guard shall be available for investigative expenses of a confidential character, to be expended on the approval or authority of the Commandant and payment to be made on his certificate of necessity for confidential purposes, and his determination shall be final and conclusive upon the accounting officers of the Government."

(11) The analysis of chapter 17 is amended—

(A) by amending item (section) 656 to read:

"656 Use of moneys appropriated for acquisition, construction, and improvement; for research, development, test, and evaluation; and for the alteration of bridges over the navigable waters.";

(B) by adding the following after item (section) 657:

"658. Confidential investigative expenses."

(12) The last sentence of subsection (a) of section 760 is amended by deleting therein the figure "\$300" and substituting therefor the figure "\$600".

14 USC 760.

(13) Chapter 21 is amended by adding after section 764 the following new section:

"§ 765. Enlistment of members engaged in schooling

14 USC 765.

"To permit the enlistment of Reserve members without interruption of full-time schooling in which they are engaged, the four-month initial period of active duty for training requirement of subsection (d) of section 511 of title 10, United States Code, may be divided into two successive annual periods of not less than two months each."

(14) The analysis of chapter 21 is amended—

(A) by inserting the following after item (section) 764:

"765. Enlistment of members engaged in schooling.";

and

(B) by inserting the following after item (section) 795:

"796. Failure of selection for promotion.

"797. Promotion; acceptance; oath of office.

"798. Rear admiral; maximum service in grade."

(15) Section 832 is amended by adding at the end thereof a new sentence as follows: "The performance of a specific duty as the term is used in this section includes time engaged in traveling back and forth between the place of assigned duty and the permanent residence of a member of the Auxiliary."

SEC. 2. Paragraphs (5) and (8) of section 1 of this Act are effective as of the original date of enactment of the sections thereby amended.

Effective dates.
14 USC 214
note.

SEC. 3. Subsection (a) of section 2683 of title 10, United States Code, is amended by deleting the words "of a military department" in the first sentence thereof and substituting therefor the word "concerned".

Approved May 14, 1974.

Public Law 93-284

AN ACT

May 16, 1974
[S. 2509]

To name structure S-5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Florida, as the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer for the Central and Southern Florida Flood Control District.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That structure S-5A of the Central and Southern Florida Flood Control District, located in Palm Beach County, Florida, shall be named the "W. Turner Wallis Pumping Station" in memory of the late W. Turner Wallis, the first secretary-treasurer and chief engineer of the Central and Southern Florida Flood Control District.

W. Turner
Wallis Pumping
Station, Fla.
Designation.

SEC. 2. Any law, rule, regulation, document, map, or record of the United States in which reference is made to structure S-5A referred to in the first section of this Act shall be considered to be a reference to that structure by the name designated for the structure in the first section of this Act.

Approved May 16, 1974.

Public Law 93-285

AN ACT

May 21, 1974
[H. R. 5525]

To declare that certain mineral interests are held by the United States in trust for the Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana.

Indians.
Chippewa Cree
Tribe of the
Rocky Boy's
Reservation,
Mont.
Mineral rights
held in trust.

30 USC 181
note.
25 USC 396a.

Leases, royal-
ties.

Deposits.

Mineral lease
applications,
rejections.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in minerals, including coal, oil, and gas, underlying lands held in trust by the United States for the Chippewa and Cree Indians of the Rocky Boy's Reservation and lands located within the legal subdivision described in the Act of March 28, 1939 (53 Stat. 552), are hereby declared to be held by the United States in trust for the Chippewa Cree Tribe of the Rocky Boy's Reservation, Montana: *Provided*, That all existing mineral leases, including oil and gas leases which may have been issued or approved by the Secretary of the Interior, or his authorized representative, pursuant to the Mineral Leasing Act of February 25, 1920 (41 Stat. 443), as amended, or the Act of May 11, 1938 (52 Stat. 347), prior to the effective date of this Act, shall remain in force and effect in accordance with the provisions thereof.

SEC. 2. All bonuses, rents, and royalties received by the Secretary of the Interior, or his authorized representative, from leases of lands identified in section 1 that were issued or approved by him and are now held in special deposits, and all such proceeds received from and after the effective date of this Act shall be deposited to the credit of the Chippewa Cree Tribe of the Rocky Boy's Reservation for such beneficial programs as may be determined by the Tribal Council of the Chippewa Cree Tribe.

SEC. 3. All applications for mineral leases, including oil and gas leases, pursuant to the Mineral Leasing Act of February 25, 1920, covering any of the minerals referred to in section 1 hereof shall be rejected and the advance rental payments returned to the applicants.

SEC. 4. This Act shall have no application to the north half northwest quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, southeast quarter southeast quarter, section 21; the southwest quarter southwest quarter, section 22; and the northwest quarter northeast quarter, northeast quarter northwest quarter, section 27 of township 29 north, range 14 east, and the north half southwest quarter, section 23 of township 30 north, range 15 east, M.M.; which lands have heretofore been patented to the State of Montana without reservation of minerals.

Approved May 21, 1974.

Public Law 93-286

AN ACT

May 21, 1974
[H. R. 5035]

To amend Public Law 90-335 (82 Stat. 174) relating to the purchase, sale, and exchange of certain lands on the Spokane Indian Reservation.

Spokane Indian
Reservation,
Wash.

Nontaxable
trust lands.
25 USC 487.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (c) of the Act of June 10, 1968 (82 Stat. 174) is amended by deleting the proviso so that said subsection will read as follows:

"(c) Title to lands, or any interests therein, acquired pursuant to this Act for the Spokane Tribe or individual enrolled members thereof, shall be taken in the name of the United States of America in trust for the tribe or individual Indian, and shall be nontaxable as other tribal and allotted Indian trust lands of the Spokane Reservation."

Approved May 21, 1974.

Public Law 93-287

AN ACT

May 21, 1974
[S. 3304]

To authorize the Secretary of State or such officer as he may designate to conclude an agreement with the People's Republic of China for indemnification for any loss or damage to objects in the "Exhibition of the Archeological Finds of the People's Republic of China" while in the possession of the Government of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State or such officer as he may designate is authorized to conclude an agreement with the Government of the People's Republic of China for indemnification of such Government, in accordance with the terms of the agreement, for any loss or damage suffered by objects in the exhibition of the archeological finds of the People's Republic of China from the time such objects are handed over in Toronto, Canada, to a representative of the Government of the United States to the time they are handed over in Peking, China, to a representative of the Government of the People's Republic of China.

Exhibition of
the Archeological
Finds of the
People's Repub-
lic of China.
Indemnification
agreement.

Approved May 21, 1974.

Public Law 93-288

AN ACT

May 22, 1974
[S. 3062]

Entitled the "Disaster Relief Act Amendments of 1974"

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disaster Relief Act of 1974".

Disaster Relief
Act of 1974.
42 USC 5121
note.

TITLE I—FINDINGS, DECLARATIONS, AND DEFINITIONS

FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

42 USC 5121.

(1) because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and

(2) because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

- (1) revising and broadening the scope of existing disaster relief programs;
- (2) encouraging the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by the States and by local governments;
- (3) achieving greater coordination and responsiveness of disaster preparedness and relief programs;
- (4) encouraging individuals, States, and local governments to protect themselves by obtaining insurance coverage to supplement or replace governmental assistance;
- (5) encouraging hazard mitigation measures to reduce losses from disasters, including development of land use and construction regulations;
- (6) providing Federal assistance programs for both public and private losses sustained in disasters; and
- (7) providing a long-range economic recovery program for major disaster areas.

DEFINITIONS

42 USC 5122.

SEC. 102. As used in this Act—

(1) "Emergency" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which requires Federal emergency assistance to supplement State and local efforts to save lives and protect property, public health and safety or to avert or lessen the threat of a disaster.

(2) "Major disaster" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President, causes damage of sufficient severity and magnitude to warrant major disaster assistance under this Act, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

(3) "United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the Trust Territory of the Pacific Islands.

(4) "State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, or the Trust Territory of the Pacific Islands.

(5) "Governor" means the chief executive of any State.

(6) "Local government" means (A) any county, city, village, town, district, or other political subdivision of any State, any Indian tribe or authorized tribal organization, or Alaska Native village or organization, and (B) includes any rural community or unincorporated town or village or any other public entity for which an application for assistance is made by a State or political subdivision thereof.

(7) "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, including the United States Postal Service, but shall not include the American National Red Cross.

TITLE II—DISASTER PREPAREDNESS ASSISTANCE

FEDERAL AND STATE DISASTER PREPAREDNESS PROGRAMS

SEC. 201. (a) The President is authorized to establish a program of disaster preparedness that utilizes services of all appropriate agencies (including the Defense Civil Preparedness Agency) and includes— 42 USC 5131.

- (1) preparation of disaster preparedness plans for mitigation, warning, emergency operations, rehabilitation, and recovery;
- (2) training and exercises;
- (3) postdisaster critiques and evaluations;
- (4) annual review of programs;
- (5) coordination of Federal, State, and local preparedness programs;
- (6) application of science and technology;
- (7) research.

(b) The President shall provide technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance, and mitigation; for assistance to individuals, businesses, and State and local governments following such disasters; and for recovery of damaged or destroyed public and private facilities. Technical assistance.

(c) Upon application by a State, the President is authorized to make grants, not to exceed in the aggregate to such State \$250,000, for the development of plans, programs, and capabilities for disaster preparedness and prevention. Such grants shall be applied for within one year from the date of enactment of this Act. Any State desiring financial assistance under this section shall designate or create an agency to plan and administer such a disaster preparedness program, and shall, through such agency, submit a State plan to the President, which shall— Grants to States. State plan, submittal to President.

(1) set forth a comprehensive and detailed State program for preparation against and assistance following, emergencies and major disasters, including provisions for assistance to individuals, businesses, and local governments; and

(2) include provisions for appointment and training of appropriate staffs, formulation of necessary regulations and procedures and conduct of required exercises.

(d) The President is authorized to make grants not to exceed 50 per centum of the cost of improving, maintaining and updating State disaster assistance plans, except that no such grant shall exceed \$25,000 per annum to any State. Grants, limitations.

DISASTER WARNINGS

SEC. 202. (a) The President shall insure that all appropriate Federal agencies are prepared to issue warnings of disasters to State and local officials. 42 USC 5132.

(b) The President shall direct appropriate Federal agencies to provide technical assistance to State and local governments to insure that timely and effective disaster warning is provided.

(c) The President is authorized to utilize or to make available to Federal, State, and local agencies the facilities of the civil defense communications system established and maintained pursuant to section 201(c) of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2281(c)), or any other Federal communications system for the purpose of providing warning to governmental authorities and the civilian population in areas endangered by disasters.

(d) The President is authorized to enter into agreements with the officers or agents of any private or commercial communications systems who volunteer the use of their systems on a reimbursable or nonreimbursable basis for the purpose of providing warning to governmental authorities and the civilian population endangered by disasters.

TITLE III—DISASTER ASSISTANCE ADMINISTRATION

PROCEDURES

42 USC 5141.

SEC. 301. (a) All requests for a determination by the President that an emergency exists shall be made by the Governor of the affected State. Such request shall be based upon the Governor's finding that the situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. The Governor's request will furnish information describing State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may determine that an emergency exists which warrants Federal assistance.

(b) All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such Governor's request shall be based upon a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of this request, and as a prerequisite to major disaster assistance under the Act, the Governor shall take appropriate action under State law and direct execution of the State's emergency plan. He shall furnish information on the extent and nature of State resources which have been or will be used to alleviate the conditions of the disaster, and shall certify that for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) will constitute the expenditure of a reasonable amount of the funds of such State and local governments for alleviating the damage, loss, hardship, or suffering resulting from such disaster. Based upon such Governor's request, the President may declare that a major disaster exists, or that an emergency exists.

FEDERAL ASSISTANCE

42 USC 5142.

SEC. 302. (a) In the interest of providing maximum mobilization of Federal assistance under this Act, the President shall coordinate, in such manner as he may determine, the activities of all Federal agencies

providing disaster assistance. The President may direct any Federal agency, with or without reimbursement, to utilize its available personnel, equipment, supplies, facilities, and other resources including managerial and technical services in support of State and local disaster assistance efforts. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency as he may designate.

Rules and
regulations.

(b) Any Federal agency charged with the administration of a Federal assistance program is authorized, if so requested by the applicant State or local authorities, to modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.

(c) Notwithstanding any other provision of law, any repair, restoration, reconstruction, or replacement of farm fencing damaged or destroyed as a result of any major disaster shall be considered an emergency conservation measure eligible for payments under chapter I of the Third Supplemental Appropriation Act, 1957, or any other provision of law.

71 Stat. 176.

COORDINATING OFFICERS

SEC. 203. (a) Immediately upon his declaration of a major disaster, the President shall appoint a Federal coordinating officer to operate in the affected area.

42 USC 5143.

(b) In order to effectuate the purposes of this Act, the Federal coordinating officer, within the affected area, shall—

(1) make an initial appraisal of the types of relief most urgently needed;

(2) establish such field offices as he deems necessary and as are authorized by the President;

(3) coordinate the administration of relief, including activities of the State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, which agree to operate under his advice or direction, except that nothing contained in this Act shall limit or in any way affect the responsibilities of the American National Red Cross under the Act of January 5, 1905, as amended (33 Stat. 599); and

36 USC 1.

(4) take such other action, consistent with authority delegated to him by the President, and consistent with the provisions of this Act, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

(c) When the President determines assistance under this Act is necessary, he shall request that the Governor of the affected State designate a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

State coordi-
nating officer.

EMERGENCY SUPPORT TEAMS

42 USC 5144.

SEC. 304. The President shall form emergency support teams of Federal personnel to be deployed in an area affected by a major disaster or emergency. Such emergency support teams shall assist the Federal coordinating officer in carrying out his responsibilities pursuant to this Act. Upon request of the President, the head of any Federal agency is directed to detail to temporary duty with the emergency support teams on either a reimbursable or nonreimbursable basis, as is determined necessary by the President, such personnel within the administrative jurisdiction of the head of the Federal agency as the President may need or believe to be useful for carrying out the functions of the emergency support teams, each such detail to be without loss of seniority, pay, or other employee status.

EMERGENCY ASSISTANCE

42 USC 5145.

SEC. 305. (a) In any emergency, the President may provide assistance to save lives and protect property and public health and safety.

(b) The President may provide such emergency assistance by directing Federal agencies to provide technical assistance and advisory personnel to the affected State to assist the State and local governments in—

(1) the performance of essential community services; warning of further risks and hazards; public information and assistance in health and safety measures; technical advice on management and control; and reduction of immediate threats to public health and safety; and

(2) the distribution of medicine, food, and other consumable supplies, or emergency assistance.

(c) In addition, in any emergency, the President is authorized to provide such other assistance under this Act as the President deems appropriate.

COOPERATION OF FEDERAL AGENCIES IN RENDERING DISASTER ASSISTANCE

42 USC 5146.

SEC. 306. (a) In any major disaster or emergency, Federal agencies are hereby authorized, on the direction of the President, to provide assistance by—

(1) utilizing or lending, with or without compensation therefor, to States and local governments, their equipment, supplies, facilities, personnel, and other resources, other than the extension of credit under the authority of any Act;

(2) distributing or rendering, through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, or otherwise, medicine, food and other consumable supplies, or emergency assistance;

(3) donating or lending equipment and supplies, including that determined in accordance with applicable laws to be surplus to the needs and responsibilities of the Federal Government, to State and local governments for use or distribution by them for the purposes of this Act; and

(4) Performing on public or private lands or waters any emergency work or services essential to save lives and to protect and preserve property, public health and safety, including but not limited to: search and rescue, emergency medical care, emergency mass care, emergency shelter, and provisions of food, water, medicine, and other essential needs, including movement of supplies or persons; clearance of roads and construction of temporary bridges necessary to the performance of emergency tasks and essential community services; provision of temporary facilities for schools and other essential community services; demolition of unsafe structures that endanger the public; warning of further risks and hazards; public information and assistance on health and safety measures; technical advice to State and local governments on disaster management and control; reduction of immediate threats to life, property, and public health and safety; and making contributions to State or local governments for the purpose of carrying out the provisions of this paragraph.

(b) Work performed under this section shall not preclude additional Federal assistance under any other section of this Act.

REIMBURSEMENT

SEC. 307. Federal agencies may be reimbursed for expenditures under this Act from funds appropriated for the purposes of this Act. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this Act shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies.

42 USC 5147.

NONLIABILITY

SEC. 308. The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this Act.

42 USC 5148.

PERFORMANCE OF SERVICES

SEC. 309. (a) In carrying out the purposes of this Act, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government.

42 USC 5149.

(b) In performing any services under this Act, any Federal agency is authorized—

(1) to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service;

5 USC 101 et seq.

(2) to employ experts and consultants in accordance with the provisions of section 3109 of such title, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; and

5 USC 5101, 5331.

(3) to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional

personnel, may be incurred by an agency in such amount as may be made available to it by the President.

USE OF LOCAL FIRMS AND INDIVIDUALS

42 USC 5150.

SEC. 310. In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster.

NONDISCRIMINATION IN DISASTER ASSISTANCE

42 USC 5151.

SEC. 311. (a) The President shall issue, and may alter and amend, such regulations as may be necessary for the guidance of personnel carrying out Federal assistance functions at the site of a major disaster or emergency. Such regulations shall include provisions for insuring that the distribution of supplies, the processing of applications, and other relief and assistance activities shall be accomplished in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality, sex, age, or economic status.

(b) As a condition of participation in the distribution of assistance or supplies under this Act or of receiving assistance under section 402 or 404 of this Act, governmental bodies and other organizations shall be required to comply with regulations relating to nondiscrimination promulgated by the President, and such other regulations applicable to activities within an area affected by a major disaster or emergency as he deems necessary for the effective coordination of relief efforts.

USE AND COORDINATION OF RELIEF ORGANIZATIONS

42 USC 5152.

SEC. 312. (a) In providing relief and assistance under this Act, the President may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, rehabilitation, or reconstruction of community services housing and essential facilities, whenever the President finds that such utilization is necessary.

(b) The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster or emergency. Any such agreement shall include provisions assuring that use of Federal facilities, supplies, and services will be in compliance with regulations prohibiting duplication of benefits and guaranteeing nondiscrimination promulgated by the President under this Act, and such other regulation as the President may require.

PRIORITY TO CERTAIN APPLICATIONS FOR PUBLIC FACILITY AND PUBLIC HOUSING ASSISTANCE

42 USC 5153.

SEC. 313. (a) In the processing of applications for assistance, priority and immediate consideration shall be given by the head of the appropriate Federal agency, during such period as the President shall

prescribe, to applications from public bodies situated in areas affected by major disasters, under the following Acts:

- (1) title II of the Housing Amendments of 1955, or any other Act providing assistance for repair, construction, or extension of public facilities; 42 USC 1491.
- (2) the United States Housing Act of 1937 for the provision of low-rent housing; 42 USC 1430.
- (3) section 702 of the Housing Act of 1954 for assistance in public works planning; 40 USC 462.
- (4) section 702 of the Housing and Urban Development Act of 1965 providing for grants for public facilities; 42 USC 3102.
- (5) section 306 of the Consolidated Farmers Home Administration Act; 7 USC 1926.
- (6) the Public Works and Economic Development Act of 1965, as amended; 42 USC 3121 note.
- (7) the Appalachian Regional Development Act of 1965, as amended; or 40 USC app. 1.
- (8) title II of the Federal Water Pollution Control Act, as amended. 33 USC 1281.

(b) In the obligation of discretionary funds or funds which are not allocated among the States or political subdivisions of a State, the Secretary of Housing and Urban Development and the Secretary of Commerce shall give priority to applications for projects in major disaster areas in which a Recovery Planning Council has been designated pursuant to title VIII of the Public Works and Economic Development Act of 1965.

Post, p. 160.

INSURANCE

SEC. 314. (a) (1) An applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall comply with regulations prescribed by the President to assure that, with respect to any property to be replaced, restored, repaired, or constructed with such assistance, such types and extent of insurance will be obtained and maintained as may be reasonably available, adequate, and necessary to protect against future loss to such property.

42 USC 5154.

Post, p. 161.

(2) In making his determination with respect to such availability, adequacy and necessity, the President shall not require greater types and extent of insurance than are certified to him as reasonable by the appropriate State insurance commissioner responsible for regulation of such insurance.

(b) No applicant for assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, shall receive such assistance for any property or part thereof for which he has previously received assistance under this Act unless all insurance required pursuant to this section has been obtained and maintained with respect to such property.

(c) A State may elect to act as a self-insurer with respect to any or all of the facilities belonging to it. Such an election, if declared in writing at the time of accepting assistance under section 402 or 419 of this Act or section 803 of the Public Works and Economic Development Act of 1965, or subsequently, and accompanied by a plan for self-insurance which is satisfactory to the President, shall be deemed compliance with subsection (a) of this section. No such self-insurer shall receive assistance under such sections for any property or part thereof for which it has previously received assistance under this Act, to the extent that insurance for such property or part thereof would have been reasonably available.

DUPLICATION OF BENEFITS

42 USC 5155.

SEC. 315. (a) The President, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as the result of a major disaster, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program.

(b) The President shall assure that no person, business concern, or other entity receives any Federal assistance for any part of a loss suffered as the result of a major disaster if such person, concern, or entity received compensation from insurance or any other source for that part of such a loss. Partial compensation for a loss or a part of a loss resulting from a major disaster shall not preclude additional Federal assistance for any part of such a loss not compensated otherwise.

(c) Whenever the President determines (1) that a person, business concern, or other entity has received assistance under this Act for a loss and that such person, business concern or other entity received assistance for the same loss from another source, and (2) that the amount received from all sources exceeded the amount of the loss, he shall direct such person, business concern, or other entity to pay to the Treasury an amount, not to exceed the amount of Federal assistance received, sufficient to reimburse the Federal Government for that part of the assistance which he deems excessive.

REVIEWS AND REPORTS

Report to
Congress.
42 USC 5156.

SEC. 316. The President shall conduct annual reviews of the activities of Federal agencies and State and local governments providing disaster preparedness and assistance, in order to assure maximum coordination and effectiveness of such programs, and shall from time to time report thereon to the Congress.

CRIMINAL AND CIVIL PENALTIES

42 USC 5157.

SEC. 317. (a) Any individual who fraudulently or willfully misstates any fact in connection with a request for assistance under this Act shall be fined not more than \$10,000 or imprisoned for not more than one year or both for each violation.

(b) Any individual who knowingly violates any order or regulation under this Act shall be subject to a civil penalty of not more than \$5,000 for each violation.

(c) Whoever knowingly misapplies the proceeds of a loan or other cash benefit obtained under any section of this Act shall be subject to a fine in an amount equal to one and one-half times the original principal amount of the loan or cash benefit.

AVAILABILITY OF MATERIALS

42 USC 5158.

SEC. 318. The President is authorized, at the request of the Governor of an affected State, to provide for a survey of construction materials needed in the area affected by a major disaster on an emergency basis for housing repairs, replacement housing, public facilities repairs and replacement, farming operations, and business enterprises and to take appropriate action to assure the availability and fair distribution of needed materials, including, where possible, the allocation of such materials for a period of not more than one hundred and eighty days after such major disaster. Any allocation program shall be imple-

mented by the President to the extent possible, by working with and through those companies which traditionally supply construction materials in the affected area. For the purposes of this section "construction materials" shall include building materials and materials required for repairing housing, replacement housing, public facilities repairs and replacement, and for normal farm and business operations.

"Construction materials."

TITLE IV—FEDERAL DISASTER ASSISTANCE PROGRAMS

FEDERAL FACILITIES

SEC. 401. (a) The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes, or the obtaining of congressional committee approval.

42 USC 5171.

(b) In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

(c) In implementing this section, Federal agencies shall evaluate the natural hazards to which these facilities are exposed and shall take appropriate action to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President.

REPAIR AND RESTORATION OF DAMAGED FACILITIES

SEC. 402. (a) The President is authorized to make contributions to State or local governments to help repair, restore, reconstruct, or replace public facilities belonging to such State or local governments which were damaged or destroyed by a major disaster.

42 USC 5172.

(b) The President is also authorized to make grants to help repair, restore, reconstruct, or replace private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged or disabled, and facilities on Indian reservations as defined by the President, which were damaged or destroyed by a major disaster.

(c) For those facilities eligible under this section which were in the process of construction when damaged or destroyed by a major disaster, the grant shall be based on the net costs of restoring such facilities substantially to their predisaster condition.

(d) For the purposes of this section, "public facility" includes any publicly owned flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility, any non-Federal-aid street, road, or highway, any other public building, structure, or system including those used for educational or recreational purposes, and any park.

"Public facility."

(e) The Federal contribution for grants made under this section shall not exceed 100 per centum of the net cost of repairing, restoring, reconstructing, or replacing any such facility on the basis of the

Limitation.

design of such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications, and standards.

(f) In those cases where a State or local government determines that public welfare would not be best served by repairing, restoring, reconstructing, or replacing particular public facilities owned or controlled by that State or that local government which have been damaged or destroyed in a major disaster, it may elect to receive, in lieu of the contribution described in subsection (e) of this section, a contribution based on 90 per centum of the Federal estimate of the total cost of repairing, restoring, reconstructing, or replacing all damaged facilities owned by it within its jurisdiction. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards. Funds contributed under this subsection may be expended either to repair or restore certain selected damaged public facilities or to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area.

DEBRIS REMOVAL

42 USC 5173.

SEC. 403. (a) The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters; and

(2) to make grants to any State or local government for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

TEMPORARY HOUSING ASSISTANCE

42 USC 5174.

SEC. 404. (a) The President is authorized to provide, either by purchase or lease, temporary housing, including, but not limited to, unoccupied habitable dwellings, suitable rental housing, mobile homes or other readily fabricated dwellings for those who, as a result of a major disaster, require temporary housing. During the first twelve months of occupancy no rentals shall be established for any such accommodations, and thereafter rentals shall be established, based upon fair market value of the accommodations being furnished, adjusted to take into consideration the financial ability of the occupant. Any mobile home or readily fabricated dwelling shall be placed on a site complete with utilities provided either by the State or local government, or by the owner or occupant of the site who was displaced by the major disaster, without charge to the United States. The President may authorize installation of essential utilities at Federal expense and he may elect to provide other more economical or accessible sites when he determines such action to be in the public interest.

(b) The President is authorized to provide assistance on a temporary basis in the form of mortgage or rental payments to or on behalf of individuals and families who, as a result of financial hardship caused by a major disaster, have received written notice of dispossession or eviction from a residence by reason of foreclosure of any mortgage or lien, cancellation of any contract of sale, or termination of any lease, entered into prior to such disaster. Such assistance shall be provided for a period of not to exceed one year or for the duration of the period of financial hardship, whichever is the lesser.

(c) In lieu of providing other types of temporary housing after a major disaster, the President is authorized to make expenditures for the purpose of repairing or restoring to a habitable condition owner-occupied private residential structures made uninhabitable by a major disaster which are capable of being restored quickly to a habitable condition with minimal repairs. No assistance provided under this section may be used for major reconstruction or rehabilitation of damaged property.

(d) (1) Notwithstanding any other provision of law, any temporary housing acquired by purchase may be sold directly to individuals and families who are occupants of temporary housing at prices that are fair and equitable, as determined by the President.

(2) The President may sell or otherwise make available temporary housing units directly to States, other governmental entities, and voluntary organizations. The President shall impose as a condition of transfer under this paragraph a covenant to comply with the provisions of section 311 of this Act requiring nondiscrimination in occupancy of such temporary housing units. Such disposition shall be limited to units purchased under the provisions of subsection (a) of this section and to the purposes of providing temporary housing for disaster victims in emergencies or in major disasters.

Nondiscrimination.

PROTECTION OF ENVIRONMENT

SEC. 405. No action taken or assistance provided pursuant to sections 305, 306, or 403 of this Act, or any assistance provided pursuant to section 402 or 419 of this Act that has the effect of restoring facilities substantially as they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852). Nothing in this section shall alter or affect the applicability of the National Environmental Policy Act of 1969 (83 Stat. 852) to other Federal actions taken under this Act or under any other provision of law.

42 USC 5175.

42 USC 4321
note.

MINIMUM STANDARDS FOR PUBLIC AND PRIVATE STRUCTURES

SEC. 406. As a condition of any disaster loan or grant made under the provisions of this Act, the recipient shall agree that any repair or construction to be financed therewith shall be in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards, and shall furnish such evidence of compliance with this section as may be required by regulation. As a further condition of any loan or grant made under the provisions of this Act, the State or local government shall agree that the natural hazards in the areas in which the proceeds of the grants or loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed or

42 USC 5176.

Natural hazards,
evaluation.

approved by the President after adequate consultation with the appropriate elected officials of general purpose local governments, and the State shall furnish such evidence of compliance with this section as may be required by regulation.

UNEMPLOYMENT ASSISTANCE

42 USC 5177.

Time limitation.

Agreement with States.

Reemployment assistance services.

SEC. 407. (a) The President is authorized to provide to any individual unemployed as a result of a major disaster such benefit assistance as he deems appropriate while such individual is unemployed. Such assistance as the President shall provide shall be available to an individual as long as the individual's unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than one year after the major disaster is declared. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred, and the amount of assistance under this section to any such individual for a week of unemployment shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

(b) The President is further authorized for the purposes of this Act to provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster.

INDIVIDUAL AND FAMILY GRANT PROGRAMS

42 USC 5178.

SEC. 408. (a) The President is authorized to make a grant to a State for the purpose of such State making grants to meet disaster-related necessary expenses or serious needs of individuals or families adversely affected by a major disaster in those cases where such individuals or families are unable to meet such expenses or needs through assistance under other provisions of this Act, or from other means. The Governor of a State shall administer the grant program authorized by this section.

Federal share.

Advances.

Limitation.

Regulations.

Administration expenses, limitation.

Effective date.
42 USC 5178
note.

(b) The Federal share of a grant to an individual or a family under this section shall be equal to 75 per centum of the actual cost of meeting such an expense or need and shall be made only on condition that the remaining 25 per centum of such cost is paid to such individual or family from funds made available by a State. Where a State is unable immediately to pay its share, the President is authorized to advance to such State such 25 per centum share, and any such advance is to be repaid to the United States when such State is able to do so. No individual and no family shall receive any grant or grants under this section aggregating more than \$5,000 with respect to any one major disaster.

(c) The President shall promulgate regulations to carry out this section and such regulations shall include national criteria, standards, and procedures for the determination of eligibility for grants and the administration of grants made under this section.

(d) A State may expend not to exceed 3 per centum of any grant made by the President to it under subsection (a) of this section for expenses of administering grants to individuals and families under this section.

(e) This section shall take effect as of April 20, 1973.

FOOD COUPONS AND DISTRIBUTION

SEC. 409. (a) Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies coupon allotments to such households pursuant to the provisions of the Food Stamp Act of 1964 (P.L. 91-671; 84 Stat. 2048) and to make surplus commodities available pursuant to the provisions of this Act.

42 USC 5179.

7 USC 2011
note.

(b) The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such coupon allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households, to which assistance is made available under this section.

(c) Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food Stamp Act of 1964 except as they relate to the availability of food stamps in an area affected by a major disaster.

FOOD COMMODITIES

SEC. 410. (a) The President is authorized and directed to assure that adequate stocks of food will be ready and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency.

Emergency mass
feeding.
42 USC 5180.

(b) The Secretary of Agriculture shall utilize funds appropriated under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area.

RELOCATION ASSISTANCE

SEC. 411. Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.

42 USC 5181.

42 USC 4601
note.

LEGAL SERVICES

SEC. 412. Whenever the President determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this Act, the President shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.

42 USC 5182.

CRISIS COUNSELING ASSISTANCE AND TRAINING

SEC. 413. The President is authorized (through the National Institute of Mental Health) to provide professional counseling services, including financial assistance to State or local agencies or private mental health organizations to provide such services or training of disaster workers, to victims of major disasters in order to relieve mental health problems caused or aggravated by such major disaster or its aftermath.

42 USC 5183.

COMMUNITY DISASTER LOANS

Loans to local
governments.
42 USC 5184.

Repayment.

SEC. 414. (a) The President is authorized to make loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions. The amount of any such loan shall be based on need, and shall not exceed 25 per centum of the annual operating budget of that local government for the fiscal year in which the major disaster occurs. Repayment of all or any part of such loan to the extent that revenues of the local government during the three full fiscal year period following the major disaster are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character shall be cancelled.

(b) Any loans made under this section shall not reduce or otherwise affect any grants or other assistance under this Act.

31 USC 1261
and note.

(c) (1) Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 (P.L. 92-512; 86 Stat. 919) is amended by adding at the end thereof the following new section :

31 USC 1264.

"SEC. 145. ENTITLEMENT FACTORS AFFECTED BY MAJOR DISASTERS.

"In the administration of this title the Secretary shall disregard any change in data used in determining the entitlement of a State government or a unit of local government for a period of 60 months if that change—

Ante, p. 146.

"(1) results from a major disaster determined by the President under section 301 of the Disaster Relief Act of 1974, and

"(2) reduces the amount of the entitlement of that State government or unit of local government."

Effective date.
31 USC 1264
note.

(2) The amendment made by this section takes effect on April 1, 1974.

EMERGENCY COMMUNICATIONS

42 USC 5185.

SEC. 415. The President is authorized during, or in anticipation of, an emergency or major disaster to establish temporary communications systems and to make such communications available to State and local government officials and other persons as he deems appropriate.

EMERGENCY PUBLIC TRANSPORTATION

42 USC 5186.

SEC. 416. The President is authorized to provide temporary public transportation service in an area affected by a major disaster to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.

FIRE SUPPRESSION GRANTS

42 USC 5187.

SEC. 417. The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.

TIMBER SALE CONTRACTS

Cost-sharing.
42 USC 5188.

SEC. 418. (a) Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber

purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than \$1,000 for sales under one million board feet, (2) of more than \$1 per thousand board feet for sales of one to three million board feet, or (3) of more than \$3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may allow cancellation of a contract entered into by his Department notwithstanding contrary provisions therein.

Contract cancellation.

(c) The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by the first section of the Act of June 4, 1897 (16 U.S.C. 476), in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

Sale of timber, notice.

(d) The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

IN-LIEU CONTRIBUTION

SEC. 419. In any case in which the Federal estimate of the total cost of (1) repairing, restoring, reconstructing, or replacing, under section 402, all damaged or destroyed public facilities owned by a State or local government within its jurisdiction, and (2) emergency assistance under section 306 and debris removed under section 403, is less than \$25,000, then on application of a State or local government, the President is authorized to make a contribution to such State or local government under the provisions of this section in lieu of any contribution to such State or local government under section 306, 402, or 403. Such contribution shall be based on 100 per centum of such total estimated cost, which may be expended either to repair, restore, reconstruct, or replace all such damaged or destroyed public facilities, to repair, restore, reconstruct, or replace certain selected damaged or destroyed public facilities, to construct new public facilities which the State or local government determines to be necessary to meet its needs for governmental services and functions in the disaster-affected area, or to undertake disaster work as authorized in section 306 or 403. The cost of repairing, restoring, reconstructing, or replacing damaged or destroyed public facilities shall be estimated on the basis of the design of each such facility as it existed immediately prior to such disaster and in conformity with current applicable codes, specifications and standards.

42 USC 5189.

TITLE V—ECONOMIC RECOVERY FOR DISASTER AREAS

AMENDMENT TO PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

42 USC 3121
note.

SEC. 501. The Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new title:

“TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

“PURPOSE OF TITLE

42 USC 3231.

“SEC. 801. (a) It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (1) assistance in planning for development to replace that lost in the major disaster; (2) continued coordination of assistance available under Federal-aid programs; and (3) continued assistance toward the restoration of the employment base.

“Major disaster.”

“(b) As used in this title, the term ‘major disaster’ means a major disaster declared by the President in accordance with the Disaster Relief Act of 1974.

Ante, p. 143.

“DISASTER RECOVERY PLANNING

Recovery Planning Council,
designation.
42 USC 3232.

“SEC. 802. (a) (1) In the case of any area affected by a major disaster the Governor may request the President for assistance under this title. The Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

Membership.

“(2) Such Recovery Planning Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government appointed by the President in accordance with paragraph (3) of this subsection. During the major disaster, the Federal coordinating officer shall also serve on the Recovery Planning Council.

“(3) The Federal representative on such Recovery Planning Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman of such Regional Council. The Federal representative on such Recovery Planning Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of this Act, or the Appalachian Regional Development Act of 1965, or his designee, where all of the area affected by a major disaster is within the boundaries of such Commission.

42 USC 3181.
40 USC app. 1.

“(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives except that if all or part of an area affected by a major disaster is within the jurisdiction of an existing multijurisdictional organization established under title IV of this Act or title III of the Appalachian Regional Development Act of 1965, such organization, with the addition of State and Federal representatives in accordance with paragraph (2) of this subsection, shall be designated by the Governor as the Recovery Planning Council. In

42 USC 3161.
40 USC app.
301.

any case in which such title III or IV organization is designated as the Recovery Planning Council under this paragraph, some local elected officials of political subdivisions within the affected areas must be appointed to serve on such Recovery Planning Council. Where possible, the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the appropriate agency required by section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334) and by the Intergovernmental Cooperation Act of 1968 (P.L. 90-577; 82 Stat. 1098).

40 USC app.
301, 401.

“(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

42 USC 4201
note.

“(b) The Recovery Planning Council (1) shall review existing plans for the affected area; and (2) may recommend to the Governor and responsible local governments such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the 5-year period following the declaration of the major disaster. The Recovery Planning Council shall accept as one element of the recovery investment plans determinations made under section 402(f) of the Disaster Relief Act of 1974.

Review.

“(c) (1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprogramming, or additional approval of Federal-aid projects and programs within the area—

Ante, p. 153.
Recovery investment plan.

“(A) for which application has been made but approval not yet granted;

“(B) for which funds have been obligated or approval granted but construction not yet begun;

“(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

“(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities; or

“(E) which may reasonably be anticipated as becoming available under existing programs.

“(2) Upon the recommendation of the Recovery Planning Council and the request of the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may, to any extent consistent with appropriation Acts, be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be expended in the implementation of the recovery investment plan, except that no such transfer may be made unless such expenditure is for a project or program for which such funds originally were made available by an appropriation Act.

Reserve funds.

Transfer of
funds.

“PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

“SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

42 USC 3233.

“(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

“(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c) (2) of section 802 of this Act, or other Federal-aid projects in the affected area.

“(b) Grants and loans under this section may be made to any State, local government, or private or public nonprofit organization representing any area or part thereof affected by a major disaster.

“(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State or local government which the President determines has exhausted its effective taxing and borrowing capacity.

Interest rate.

“(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less 1 per centum per annum.

“(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them. Such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

“LOAN GUARANTEES

42 USC 3234.

“SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within an area affected by a major disaster for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings; and (2) for working capital in connection with projects in areas assisted under paragraph (1), upon application of such institution and upon such terms and conditions as the President may prescribe. No such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

Limitation.

“TECHNICAL ASSISTANCE

42 USC 3235.

“SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in areas affected by major disasters. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery

of such areas. Such assistance may be provided by the President directly, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations.

“(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery Planning Councils designated pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, to assure adequate and effective planning and economical use of funds.

Grants for administrative expenses.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 806. There is authorized to be appropriated not to exceed \$250,000,000 to carry out this title.”

42 USC 3236.

TITLE VI—MISCELLANEOUS

AUTHORITY TO PRESCRIBE RULES

SEC. 601. The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and he may exercise any power or authority conferred on him by any section of this Act either directly or through such Federal agency or agencies as he may designate.

42 USC 5201.

TECHNICAL AMENDMENTS

SEC. 602. (a) Section 701(a)(3)(B)(ii) of the Housing Act of 1954 (40 U.S.C. 461(a)(3)(B)(ii)) is amended to read as follows: “(ii) have suffered substantial damage as a result of a major disaster as declared by the President pursuant to the Disaster Relief Act of 1974;”.

(b) Section 8(b)(2) of the National Housing Act (12 U.S.C. 1706c(b)(2)) is amended by striking out of the last proviso “section 102(1) of the Disaster Relief Act of 1970” and inserting in lieu thereof “sections 102(2) and 301 of the Disaster Relief Act of 1974”.

(c) Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)) is amended by striking out “section 102(1) of the Disaster Relief Act of 1970” and inserting in lieu thereof “sections 102(2) and 301 of the Disaster Relief Act of 1974”.

(d) Section 221(f) of the National Housing Act (12 U.S.C. 1715l(f)) is amended by striking out of the last paragraph “the Disaster Relief Act of 1970” and inserting in lieu thereof “the Disaster Relief Act of 1974”.

(e) Section 7(a)(1)(A) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress, as amended; 20 U.S.C. 241-1(a)(1)(A)), is amended by striking out “pursuant to section 102(1) of the Disaster Relief Act of 1970” and inserting in lieu thereof “pursuant to sections 102(2) and 301 of the Disaster Relief Act of 1974”.

Ante, pp. 144, 146.

(f) Section 16(a) of the Act of September 23, 1950 (79 Stat. 1158; 20 U.S.C. 646(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

Ante, pp. 144, 146.

(g) Section 408(a) of the Higher Education Facilities Act of 1963 (20 U.S.C. 758(a)) is amended by striking out "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(h) Section 165(h) of the Internal Revenue Code of 1954, relating to disaster losses (26 U.S.C. 165(h)) is amended by striking out "1970" and inserting in lieu thereof "1974".

(i) Section 5064(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5064(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(j) Section 5708(a) of the Internal Revenue Code of 1954 (26 U.S.C. 5708(a)), relating to losses caused by disaster, is amended by striking out "the Disaster Relief Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(k) Section 3 of the Act of June 30, 1954 (68 Stat. 330, as amended by 82 Stat. 1213; 48 U.S.C. 1681 nt.), is amended by striking out of the last sentence "section 102(1) of the Disaster Relief Act of 1970" and inserting in lieu thereof "sections 102(2) and 301 of the Disaster Relief Act of 1974".

(l) Section 1820(f) of title 38, United States Code, is amended by striking "the Disaster Assistance Act of 1970" and inserting in lieu thereof "the Disaster Relief Act of 1974".

(m) Whenever reference is made in any provision of law (other than this Act), regulation, rule, record, or document of the United States to provisions of the Disaster Relief Act of 1970 (84 Stat. 1744), repealed by this Act such reference shall be deemed to be a reference to the appropriate provision of this Act.

42 USC 4401
note.

REPEAL OF EXISTING LAW

SEC. 603. The Disaster Relief Act of 1970, as amended (84 Stat. 1744), is hereby repealed, except sections 231, 233, 234, 235, 236, 237, 301, 302, 303, and 304. Notwithstanding such repeal the provisions of the Disaster Relief Act of 1970 shall continue in effect with respect to any major disaster declared prior to the enactment of this Act.

42 USC 4451;
38 USC 1820;
42 USC 4453-
4456.
42 USC 4401
notes, 4434 note.

PRIOR ALLOCATION OF FUNDS

SEC. 604. Funds heretofore appropriated and available under Public Laws 91-606, as amended, and 92-385 shall continue to be available for the purpose of providing assistance under those Acts as well as for the purposes of this Act.

42 USC 4401
note.
86 Stat. 554.

EFFECTIVE DATE

SEC. 605. Except for section 408, this Act shall take effect as of April 1, 1974.

42 USC 5121
note.

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. Except as provided by the amendment made by section 501, there are authorized to be appropriated to the President such sums as may be necessary to carry out this Act through the close of June 30, 1977.

42 USC 5202.

Approved May 22, 1974.

Public Law 93-289

AN ACT

May 24, 1974
[H. R. 6574]

To amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to \$20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance, to authorize allotments from the pay of members of the National Guard of the United States for group life insurance premiums, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans' Insurance Act of 1974".

Veterans' Insurance Act of 1974.
38 USC 723
note.

SEC. 2. (a) That section 723 of title 38, United States Code, is amended as follows:

(1) The catchline is amended to read as follows: "**Veterans' Special Life Insurance**".

(2) Clause (4) of subsection (a) is amended to read as follows: "(4) all premiums and other collections on such insurance and any total disability provisions added thereto shall be credited to a revolving fund in the Treasury of the United States, which, together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums".

(3) Clause (5) of subsection (b) is amended to read as follows: "(5) all premiums and other collections on insurance issued under this subsection and any total disability income provisions added thereto shall be credited directly to the revolving fund referred to in subsection (a) of this section, which together with interest earned thereon, shall be available for the payment of liabilities under such insurance and any total disability provisions added thereto, including payments of dividends and refunds of unearned premiums".

(4) Subsections (d) and (e) are hereby repealed.

Repeals.

(b) The analysis of chapter 19 of title 38, United States Code, is amended by deleting

"723. Veterans' special term insurance."

and inserting in lieu thereof the following:

"723. Veterans' Special Life Insurance."

SEC. 3. Clause (5) of section 765 of title 38, United States Code, is amended to read as follows:

"(5) The term 'member' means—

"Member."

"(A) a person on active duty, active duty for training, or inactive duty training in the uniformed services in a commissioned, warrant, or enlisted rank, or grade, or as a cadet or midshipman of the United States Military Academy, United States Naval Academy, United States Air Force Academy, or the United States Coast Guard Academy;

"(B) a person who volunteers for assignment to the Ready Reserve of a uniformed service and is assigned to a unit or position in which he may be required to perform active duty, or active duty for training, and each year will be scheduled to perform at least twelve periods of inactive duty training that is creditable for retirement purposes under chapter 67 of title 10;

10 USC 1331.

"(C) a person assigned to, or who upon application would be eligible for assignment to, the Retired Reserve of a uniformed service who has not received the first increment of

retirement pay or has not yet reached sixty-one years of age and has completed at least twenty years of satisfactory service creditable for retirement purposes under chapter 67 of title 10; and

10 USC 1331.

“(D) a member, cadet, or midshipman of the Reserve Officers Training Corps while attending field training or practice cruises.”

Persons insured; amount.

SEC. 4. Section 767 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended to read as follows:

38 USC 766.

“(a) Any policy of insurance purchased by the Administrator under section 766 of this title shall automatically insure against death—

“(1) any member of a uniformed service on active duty, active duty for training, or inactive duty training scheduled in advance by competent authority;

Ante, p. 165.

“(2) any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 765(5) (B) of this title; and

“(3) any member assigned to, or who upon application would be eligible for assignment to, the Retired Reserve of a uniformed service who meets the qualifications set forth in section 765(5) (C) of this title;

in the amount of \$20,000 unless such member elects in writing (A) not to be insured under this subchapter, or (B) to be insured in the amount of \$15,000, \$10,000, or \$5,000. The insurance shall be effective the first day of active duty or active duty for training, or the beginning of a period of inactive duty training scheduled in advance by competent authority, or the first day a member of the Ready Reserve meets the qualifications set forth in section 765(5) (B) of this title, or the first day a member of the Reserves, whether or not assigned to the Retired Reserve of a uniformed service, meets the qualifications of section 765(5) (C) of this title, or the date certified by the Administrator to the Secretary concerned as the date Servicemen's Group Life Insurance under this subchapter for the class or group concerned takes effect, whichever is the later date.”

(2) Subsection (b) is amended by deleting “ninety days” wherever it appears therein and inserting in lieu thereof “one hundred and twenty days”.

(3) Subsection (c) is amended to read as follows:

“(c) If any member elects not to be insured under this subchapter or to be insured in the amount of \$15,000, \$10,000, or \$5,000, he may thereafter be insured under this subchapter or insured in the amount of \$20,000, \$15,000, or \$10,000 under this subchapter, as the case may be, upon written application, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Administrator. Any former member insured under Veterans' Group Life Insurance who again becomes eligible for Servicemen's Group Life Insurance and declines such coverage solely for the purpose of maintaining his Veterans' Group Life Insurance in effect shall upon termination of coverage under Veterans' Group Life Insurance be automatically insured under Servicemen's Group Life Insurance, if otherwise eligible therefor.”

Automatic conversion.

Coverage, duration and termination.

SEC. 5. (a) Section 768 of title 38, United States Code, is amended as follows:

(1) Subsection (a) is amended by inserting “or while the member meets the qualifications set forth in section 765(5) (B) or (C) of this title,” immediately before “and such insurance shall cease”.

(2) Clauses (2) and (3) of subsection (a) are each amended by deleting "ninety days" wherever it appears therein and inserting in lieu thereof "one hundred and twenty days".

(3) Subsection (a) is further amended by adding at the end thereof the following:

"(4) with respect to a member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 765(5)(B) of this title, one hundred and twenty days after separation or release from such assignment—

Ready Re-
serves.

Ante, p. 165.

"(A) unless on the date of such separation or release the member is totally disabled, under criteria established by the Administrator, in which event the insurance shall cease one year after the date of separation or release from such assignment, or on the date the insured ceases to be totally disabled, whichever is the earlier date, but in no event prior to the expiration of one hundred and twenty days after separation or release from such assignment; or

"(B) unless on the date of such separation or release the member has completed at least twenty years of satisfactory service creditable for retirement purposes under chapter 67 of title 10 and would upon application be eligible for assignment to or is assigned to the Retired Reserve, in which event the insurance, unless converted to an individual policy under terms and conditions set forth in section 777(e) of this title, shall, upon timely payment of premiums under terms prescribed by the Administrator directly to the administrative office established under section 766(b) of this title, continue in force until receipt of the first increment of retirement pay by the member or the member's sixty-first birthday, whichever occurs earlier.

10 USC 1331.

Post, p. 169.

38 USC 766.

"(5) with respect to a member of the Retired Reserve who meets the qualifications of section 765(5)(C) of this title, and who was assigned to the Retired Reserve prior to the date insurance under this amendment is placed in effect for members of the Retired Reserve, at such time as the member receives the first increment of retirement pay, or the member's sixty-first birthday, whichever occurs earlier, subject to the timely payment of the initial and subsequent premiums, under terms prescribed by the Administrator, directly to the administrative office established under section 766(b) of this title."

Retired Re-
serves.
Ante, p. 165.

(4) Subsection (b) is amended to read as follows:

"(b) Each policy purchased under this subchapter shall contain a provision, in terms approved by the Administrator, that, except as hereinafter provided, Servicemen's Group Life Insurance which is continued in force after expiration of the period of duty or travel under section 767(b) or 768(a) of this title, effective the day after the date such insurance would cease, shall be automatically converted to Veterans' Group Life Insurance subject to (1) the timely payment of the initial premium under terms prescribed by the Administrator, and (2) the terms and conditions set forth in section 777 of this title. Such automatic conversion shall be effective only in the case of an otherwise eligible member or former member who is separated or released from a period of active duty or active duty for training or inactive duty training on or after the date on which the Veterans' Group Life Insurance program (provided for under section 777 of this title) becomes effective. Servicemen's Group Life Insurance continued in force under section 768(a) (4)(B) or (5) of this title shall

Conversion.

Ante, p. 166.

Post, p. 169.

Supra.

not be converted to Veterans' Group Life Insurance. However, a member whose insurance could be continued in force under section 768 (a) (4) (B) of this title, but is not so continued, may, effective the day after his insurance otherwise would cease, convert such insurance to an individual policy under the terms and conditions set forth in section 777(e) of this title."

Ante, p. 166.

Post, p. 169.

Repeal.
38 USC 768.
38 USC 768

note.

(5) Section 768(c) is hereby repealed.

(b) The amendments made by this Act shall not be construed to deprive any person discharged or released from the uniformed services of the United States prior to the date on which the Veterans' Group Life Insurance program (provided for under section 777 of title 38, United States Code) becomes effective of the right to convert Servicemen's Group Life Insurance to an individual policy under the provisions of law in effect prior to such effective date.

Deductions.

SEC. 6. Section 769 of title 38, United States Code, is amended as follows:

38 USC 766.

(1) By deleting from paragraphs (1) and (2) of subsection (a) "is insured under a policy of insurance purchased by the Administrator, under section 766 of this title" and inserting in lieu thereof "is insured under Servicemen's Group Life Insurance".

(2) By redesignating paragraphs (2) and (3) of subsection (a) as paragraphs (3) and (4), respectively, and by adding after paragraph (1) a new paragraph (2) as follows:

Ready Reserve.

Ante, p. 165.

"(2) During any month in which a member is assigned to the Ready Reserve of a uniformed service under conditions which meet the qualifications of section 765(5) (B) of this title, or is assigned to the Reserve (other than the Retired Reserve) and meets the qualifications of section 765(5) (C) of this title, and is insured under a policy of insurance purchased by the Administrator, under section 766 of this title, there shall be contributed from the appropriation made for active duty pay of the uniformed service concerned an amount determined by the Administrator (which shall be the same for all such members) as the share of the cost attributable to insuring such member under this policy, less any costs traceable to the extra hazards of such duty in the uniformed services. Any amounts so contributed on behalf of any individual shall be collected by the Secretary concerned from such individual (by deduction from pay or otherwise) and shall be credited to the appropriation from which such contribution was made."

(3) By deleting from the second sentence of paragraph (4) of subsection (a) "subsection (1) hereof, or fiscal year amount under subsection (2) hereof" and inserting in lieu thereof "paragraph (1) or (2) hereof, or fiscal year amount under paragraph (3) hereof"; and by deleting in such paragraph (4) "this subchapter" each time it appears and "insurance under this subchapter" and inserting in lieu thereof "Servicemen's Group Life Insurance".

(4) The first sentence of subsection (b) is amended by deleting "such insurance" and inserting in lieu thereof "Servicemen's Group Life Insurance"; and the second sentence of such subsection is amended by deleting "this subchapter" and inserting in lieu thereof "Servicemen's Group Life Insurance".

(5) Subsection (c) is amended by deleting "any such insurance" and inserting in lieu thereof "Servicemen's Group Life Insurance".

Revolving fund,
payments.

(6) The last sentence of subsection (d) (1) is amended to read as follows: "All premium payments and extra hazard costs on Servicemen's Group Life Insurance and the administrative cost to the Veterans' Administration of insurance issued under this subchapter shall be paid from the revolving fund."

(7) By adding at the end of such section a new subsection as follows:

“(e) The premiums for Servicemen’s Group Life Insurance placed in effect or continued in force for a member assigned to the Retired Reserve of a uniformed service who meets the qualifications of section 765(5)(C) of this title, shall be established under the criteria set forth in sections 771 (a) and (c) of this title, except that the Administrator may provide for average premiums for such various age groupings as he may determine to be necessary according to sound actuarial principles, and shall include an amount necessary to cover the administrative cost of such insurance to the company or companies issuing or continuing such insurance. Such premiums shall be payable by the insureds thereunder as provided by the Administrator directly to the administrative office established for such insurance under section 766(b) of this title. The provisions of sections 771 (d) and (e) of this title shall be applicable to Servicemen’s Group Life Insurance continued in force or issued to a member assigned to the Retired Reserve of a uniformed service. However, a separate accounting may be required by the Administrator for insurance issued to or continued in force on the lives of members assigned to the Retired Reserve and for other insurance in force under this subchapter. In such accounting, the Administrator is authorized to allocate claims and other costs among such programs of insurance according to accepted actuarial principles.”

Retired Reserves.

Ante, p. 165.
38 USC 771.

38 USC 766.

SEC. 7. Section 770 of title 38, United States Code, is amended as follows:

Beneficiaries.

(1) The first clause following the colon in subsection (a) is amended to read as follows:

“First, to the beneficiary or beneficiaries as the member or former member may have designated by a writing received prior to death (1) in the uniformed services if insured under Servicemen’s Group Life Insurance, or (2) in the administrative office established under section 766(b) of this title if separated or released from service, or if assigned to the Retired Reserve, and insured under Servicemen’s Group Life Insurance, or if insured under Veterans’ Group Life Insurance;”

(2) Subsection (e) is amended by deleting therefrom the words “this amendatory Act” and inserting in lieu thereof “the Veterans’ Insurance Act of 1974”.

Ante, p. 165.

(3) Subsections (f) and (g) are amended by adding after “Servicemen’s Group Life Insurance” wherever it appears therein “or Veterans’ Group Life Insurance”.

SEC. 8. Section 771 of title 38, United States Code, is amended as follows:

(1) Subsection (b) is amended by deleting “the policy or policies” and inserting in lieu thereof “Servicemen’s Group Life Insurance”.

(2) The third sentence of subsection (e) is amended by deleting “section 766” and inserting in lieu thereof “section 769(d)(1)”.

Ante, p. 168.

SEC. 9. (a) Subchapter III of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

“§ 777. Veterans’ Group Life Insurance

38 USC 777.

“(a) Veterans’ Group Life Insurance shall be issued in the amount of \$5,000, \$10,000, \$15,000, or \$20,000 only. No person may carry a combined amount of Servicemen’s Group Life Insurance and Veterans’ Group Life Insurance in excess of \$20,000 at any one time. Any person

Conversion.

insured under Veterans' Group Life Insurance who again becomes insured under Servicemen's Group Life Insurance may within sixty days after becoming so insured convert any or all of his Veterans' Group Life Insurance to an individual policy of insurance under subsection (e) of this section. However, if such a person dies within the sixty-day period and before converting his Veterans' Group Life Insurance, Veterans' Group Life Insurance will be payable only if he is insured for less than \$20,000 under Servicemen's Group Life Insurance, and then only in an amount which when added to the amount of Servicemen's Group Life Insurance payable shall not exceed \$20,000.

"(b) Veterans' Group Life Insurance shall (1) provide protection against death; (2) be issued on a nonrenewable five-year term basis; (3) have no cash, loan, paid-up, or extended values; (4) except as otherwise provided, lapse for nonpayment of premiums; and (5) contain such other terms and conditions as the Administrator determines to be reasonable and practicable which are not specifically provided for in this section, including any provisions of this subchapter not specifically made inapplicable by the provisions of this section.

Premiums.

38 USC 771.

"(c) The premiums for Veterans' Group Life Insurance shall be established under the criteria set forth in sections 771 (a) and (c) of this title, except that the Administrator may provide for average premiums for such various age groupings as he may decide to be necessary according to sound actuarial principles, and shall include an amount necessary to cover the administrative cost of such insurance to the company or companies issuing such insurance. Such premiums shall be payable by the insureds thereunder as provided by the Administrator directly to the administrative office established for such insurance under section 766(b) of this title. In any case in which a member or former member who was mentally incompetent on the date he first became insured under Veterans' Group Life Insurance dies within one year of such date, such insurance shall be deemed not to have lapsed for nonpayment of premiums and to have been in force on the date of death. Where insurance is in force under the preceding sentence, any unpaid premiums may be deducted from the proceeds of the insurance. Any person who claims eligibility for Veterans' Group Life Insurance based on disability incurred during a period of duty shall be required to submit evidence of qualifying health conditions and, if required, to submit to physical examinations at their own expense.

38 USC 766.

Death pay-
ments.

Ante, p. 169.

"(d) Any amount of Veterans' Group Life Insurance in force on any person on the date of his death shall be paid, upon the establishment of a valid claim therefor, pursuant to the provisions of section 770 of this title. However, any designation of beneficiary or beneficiaries for Servicemen's Group Life Insurance filed with a uniformed service until changed, shall be considered a designation of beneficiary or beneficiaries for Veterans' Group Life Insurance, but not for more than sixty days after the effective date of the insured's Veterans' Group Insurance, unless at the end of such sixty-day period, the insured is incompetent in which event such designation may continue in force until the disability is removed but not for more than five years after the effective date of the insured's Veterans' Group Life Insurance. Except as indicated above in incompetent cases, after such sixty-day period, any designation of beneficiary or beneficiaries for Veterans' Group Life Insurance to be effective must be by a writing signed by the insured and received by the administrative office established under section 766(b) of this title.

“(e) An insured under Veterans’ Group Life Insurance shall have the right to convert such insurance to an individual policy of life insurance upon written application for conversion made to the participating company he selects and payment of the required premiums. The individual policy will be issued without medical examination on a plan then currently written by such company which does not provide for the payment of any sum less than the face value thereof or for the payment of an additional amount as premiums in the event the insured performs active duty, active duty for training, or inactive duty training. The individual policy will be effective the day after the insured’s Veterans’ Group Life Insurance terminates by expiration of the five-year term period, except in a case where the insured is eligible to convert at an earlier date by reason of again having become insured under Servicemen’s Group Life Insurance, in which event the effective date of the individual policy may not be later than the sixty-first day after he again became so insured. Upon request to the administrative office established under section 766(b) of this title, an insured under Veterans’ Group Life Insurance shall be furnished a list of life insurance companies participating in the program established under this subchapter. In addition to the life insurance companies participating in the program established under this subchapter, the list furnished to an insured under this section shall include additional life insurance companies (not so participating) which meet qualifying criteria, terms, and conditions established by the Administrator and agree to sell insurance to former members in accordance with the provisions of this section.

Conversion.

Participating
life insurance
companies, list.
38 USC 766.

“(f) The provisions of sections 771 (d) and (e) of this title shall be applicable to Veterans’ Group Life Insurance. However, a separate accounting shall be required for each program of insurance authorized under this subchapter. In such accounting, the Administrator is authorized to allocate claims and other costs among such programs of insurance according to accepted actuarial principles.

38 USC 771.

Separate ac-
counting proce-
dures.

“(g) Any person whose Servicemen’s Group Life Insurance was continued in force after termination of duty or discharge from service under the law as in effect prior to the date on which the Veterans’ Group Life Insurance program (provided for under section 777 of this title) became effective, and whose coverage under Servicemen’s Group Life Insurance terminated less than four years prior to such date, shall be eligible within one year from the effective date of the Veterans’ Group Life Insurance program to apply for and be granted Veterans’ Group Life Insurance in an amount equal to the amount of his Servicemen’s Group Life Insurance which was not converted to an individual policy under prior law. Veterans’ Group Life Insurance issued under this subsection shall be issued for a term period equal to five years, less the time elapsing between the termination of the applicant’s Servicemen’s Group Life Insurance and the effective date on which the Veterans’ Group Life Insurance program became effective. Veterans’ Group Life Insurance under this subsection shall only be issued upon application to the administrative office established under section 766(b) of this title, payment of the required premium, and proof of good health satisfactory to that office, which proof shall be submitted at the applicant’s own expense. Any person who cannot meet the good health requirements for insurance under this subsection solely because of a service-connected disability shall have such disability waived. For each month for which any eligible veteran, whose service-connected disabilities are waived, is insured under this subsec-

Servicemen’s
Group Life Insur-
ance, conversion.Service-
connected dis-
ability, waiver.

Contribution.

tion there shall be contributed to the insurer or insurers issuing the policy or policies from the appropriation 'Compensation and Pensions, Veterans' Administration' an amount necessary to cover the cost of the insurance in excess of the premiums established for eligible veterans, including the cost of the excess mortality attributable to such veteran's service-connected disabilities. The Administrator may establish, as he may determine to be necessary according to sound actuarial principles, a separate premium, age groupings for premium purposes, accounting, and reserves, for persons granted insurance under this subsection different from those established for other persons granted insurance under this section. Appropriations to carry out the purpose of this section are hereby authorized.

Appropriation.

38 USC 778.

"§ 778. Reinstatement

"Reinstatement of insurance coverage granted under this subchapter but lapsed for nonpayment of premiums shall be under terms and conditions prescribed by the Administrator.

38 USC 779.

"§ 779. Incontestability

38 USC 773.

"Subject to the provision of section 773 of this title, insurance coverage granted under this subchapter shall be incontestable from the date of issue, reinstatement, or conversion except for fraud or nonpayment of premium."

(b) The analysis of subchapter III of chapter 19 of title 38, United States Code, is amended by adding at the end thereof the following:

"777. Veterans' Group Life Insurance.

"778. Reinstatement.

"779. Incontestability."

Sec. 10. Chapter 19 of title 38, United States Code, is amended as follows:

38 USC 765.

(1) By striking out "Environmental Science Services Administration" wherever it appears in section 765 and inserting in lieu thereof "National Oceanic and Atmospheric Administration".

38 USC 769.

(2) By striking out "General operating expenses, Veterans' Administration" in clause 3 of subsection (d) of section 769 and inserting in lieu thereof "General Operating Expenses, Veterans' Administration".

38 USC 774.

(3) By striking out "Bureau of the Budget" in section 774 and inserting in lieu thereof "Office of Management and Budget".

Sec. 11. (a) Chapter 13 of title 37, United States Code, is amended by adding at the end thereof a new section as follows:

37 USC 707.

"§ 707. Allotments: members of the National Guard

"(a) The Secretary of the Army or the Secretary of the Air Force, as the case may be, may allow a member of the National Guard who is not on active duty to make allotments from his pay under sections 204 and 206 of this title for the payment of premiums under a group life insurance program sponsored by the military department of the State in which such member holds his National Guard membership or by the National Guard association of such State if the State or association concerned has agreed in writing to reimburse the United States for all costs incurred by the United States in providing for such allotments. The amount of such costs and procedures for reimbursements shall be determined by the Secretary of Defense and his determination shall be conclusive. All amounts of reimbursements for such costs received by the United States from a State or an association shall be credited to the appropriations or funds against which charges have been made for such costs."

37 USC 204,
206.

(b) The United States shall not be liable for any losses or damages suffered by any person as the result of any error made by any officer or employee of the United States in administering the allotment program authorized under subsection (a). Liability.
37 USC 707
note.

(c) The table of sections at the beginning of chapter 13 of such title is amended by adding at the end thereof a new item as follows:

“707. Allotments: members of the National Guard.”.

SEC. 12. This Act shall become effective as follows:

(1) The amendments made by section 2, relating to Veterans' Special Life Insurance, shall become effective upon the date of enactment of this Act except that no dividend on such insurance shall be paid prior to January 1, 1974. Effective dates.
38 USC 723
note.

(2) The amendments relating to Servicemen's Group Life Insurance coverage on a full-time basis for certain members of the Reserves and National Guard shall become effective upon the date of enactment of this Act. 38 USC 765
note.

(3) The amendments increasing the maximum amount of Servicemen's Group Life Insurance shall become effective upon the date of enactment of this Act. 38 USC 767
note.

(4) The amendments made by sections 5(a) (4) and (5) of this Act, and those enacting a Veterans' Group Life Insurance program shall become effective on the first day of the third calendar month following the month in which this Act is enacted. 38 USC 768
note.

Approved May 24, 1974.

Public Law 93-290

AN ACT

To amend section 505 of title 10, United States Code, to establish uniform original enlistment qualifications for male and female persons.

May 24, 1974
[H. R. 3418]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The first sentence of section 505(a) of title 10, United States Code, is amended by striking out “in the case of male persons and not less than eighteen years of age in the case of female persons”.

(b) The second sentence of section 505(a) of title 10, United States Code, is amended by striking out “male” and by striking out “, or female person under twenty-one years of age.”.

SEC. 2. Section 505(c) of title 10, United State Code, is amended by—

(1) inserting “of persons for the duration of their minority or for a period of two, three, four, five, or six years,” after “enlistments”;

(2) inserting a period after “be” and by striking out the dash after “be”; and

(3) striking out paragraph (1) and paragraph (2).

Approved May 24, 1974.

Armed Forces.
Uniform enlist-
ment qualifica-
tions.

Public Law 93-291

May 24, 1974
[S. 514]

AN ACT

To amend the Act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data.

Historical and
archeological
data, preserva-
tion.

Extension to
Federal or fed-
erally assisted
projects.

16 USC 469a.

16 USC 469a-1.

Notification.

Data recovery,
agency requests.

Reports, copies;
availability.

Survey.

Construction
delays, compensa-
tion.

16 USC 469a-2.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for the preservation of historical and archeological data (including relics and specimens) which might otherwise be lost as the result of the construction of a dam", approved June 27, 1960 (74 Stat. 220; 16 U.S.C. 469), is amended as follows:

(1) In section 1, after "result of" insert "(1)" and delete "agency." and insert "agency or (2) any alteration of the terrain caused as a result of any Federal construction project or federally licensed activity or program."

(2) In section 2, change "SEC. 2. (a)", to "SEC. 2."; after "Secretary of the Interior" insert "(hereafter referred to as the Secretary)", and delete all of subsection (b).

(3) Add the following new sections:

"SEC. 3. (a) Whenever any Federal agency finds, or is notified, in writing, by an appropriate historical or archeological authority, that its activities in connection with any Federal construction project or federally licensed project, activity, or program may cause irreparable loss or destruction of significant scientific, prehistorical, historical, or archeological data, such agency shall notify the Secretary, in writing, and shall provide the Secretary with appropriate information concerning the project, program, or activity. Such agency may request the Secretary to undertake the recovery, protection, and preservation of such data (including preliminary survey, or other investigation as needed, and analysis and publication of the reports resulting from such investigation), or it may, with funds appropriated for such project, program, or activity, undertake such activities. Copies of reports of any investigations made pursuant to this section shall be submitted to the Secretary, who shall make them available to the public for inspection and review.

"(b) Whenever any Federal agency provides financial assistance by loan, grant, or otherwise to any private person, association, or public entity, the Secretary, if he determines that significant scientific, prehistorical, historical, or archeological data might be irrevocably lost or destroyed, may with funds appropriated expressly for this purpose conduct, with the consent of all persons, associations, or public entities having a legal interest in the property involved, a survey of the affected site and undertake the recovery, protection, and preservation of such data (including analysis and publication). The Secretary shall, unless otherwise mutually agreed to in writing, compensate any person, association, or public entity damaged as a result of delays in construction or as a result of the temporary loss of the use of private or any nonfederally owned lands.

"SEC. 4. (a) The Secretary, upon notification, in writing, by any Federal or State agency or appropriate historical or archeological authority that scientific, prehistorical, historical, or archeological data is being or may be irrevocably lost or destroyed by any Federal or federally assisted or licensed project, activity, or program, shall, if he determines that such data is significant and is being or may be irrevocably lost or destroyed and after reasonable notice to the agency responsible for funding or licensing such project, activity, or program, conduct or cause to be conducted a survey and other investigation of the areas which are or may be affected and recover and preserve such data (including analysis and publication) which, in his opinion,

are not being, but should be, recovered and preserved in the public interest.

“(b) No survey or recovery work shall be required pursuant to this section which, in the determination of the head of the responsible agency, would impede Federal or federally assisted or licensed projects or activities undertaken in connection with any emergency, including projects or activities undertaken in anticipation of, or as a result of, a natural disaster.” Emergency projects.

“(c) The Secretary shall initiate the survey or recovery effort within sixty days after notification to him pursuant to subsection (a) of this section or within such time as may be agreed upon with the head of the agency responsible for funding or licensing the project, activity, or program in all other cases.” Initiation.

“(d) The Secretary shall, unless otherwise mutually agreed to in writing, compensate any person, association, or public entity damaged as a result of delays in construction or as a result of the temporary loss of the use of private or nonfederally owned land.” Construction delays, compensation.

(4) In section 2, change “SEC. 2. (c)” to “SEC. 5. (a)” and change “instigating agency” to “agency responsible for funding or licensing the project” and delete “agency.” and insert “agency and the survey and recovery programs shall terminate at a time mutually agreed upon by the Secretary and the head of such agency unless extended by mutual agreement.” 16 USC 469a.
16 USC 469a-3.

(5) Delete subsection 2(d).

(6) In section 2, change “SEC. 2. (e)” to “SEC. 5. (b)”.

(7) In section 5, add the following new subsection:

“(c) The Secretary shall coordinate all Federal survey and recovery activities authorized under this Act and shall submit an annual report at the end of each fiscal year to the Interior and Insular Affairs Committees of the United States Congress indicating the scope and effectiveness of the program, the specific projects surveyed and the results produced, and the costs incurred by the Federal Government as a result thereof.” 16 USC 469a-3.
Coordination.
Annual report to congressional committees.

(8) Redesignate “SEC. 3.” as “SEC. 6.” and change paragraphs (2) and (3) to read as follows: 16 USC 469b.

“(2) obtain the services of experts and consultants or organizations thereof in accordance with section 3109 of title 5, United States Code; and

Experts and consultants.

“(3) accept and utilize funds made available for salvage archeological purposes by any private person or corporation or transferred to him by any Federal agency.” Funds, acceptance.

(9) Delete all of section 4 and insert the following:

“SEC. 7. (a) To carry out the purposes of this Act, any Federal agency responsible for a construction project may assist the Secretary and/or it may transfer to him such funds as may be agreed upon, but not more than 1 per centum of the total amount authorized to be appropriated for such project, except that the 1 per centum limitation of this section shall not apply in the event that the project involves \$50,000 or less: *Provided*, That the costs of such survey, recovery, analysis, and publication shall be considered nonreimbursable project costs.” Funds, transfer.
16 USC 469c.

“(b) For the purposes of subsection 3(b), there are authorized to be appropriated such sums as may be necessary, but not more than \$500,000 in fiscal year 1974; \$1,000,000 in fiscal year 1975; \$1,500,000 in fiscal year 1976; \$1,500,000 in fiscal year 1977; and \$1,500,000 in fiscal year 1978.” Appropriation.

“(c) For the purposes of subsection 4(a), there are authorized to be appropriated not more than \$2,000,000 in fiscal year 1974; \$2,000,000 in fiscal year 1975; \$3,000,000 in fiscal year 1976; \$3,000,000 in fiscal year 1977; and \$3,000,000 in fiscal year 1978.”

Approved May 24, 1974.

Public Law 93-292

May 28, 1974
[H. R. 5621]

AN ACT

To amend title 10, United States Code, to provide for the presentation of a flag of the United States for deceased members of the Ready Reserve and for deceased members of the Reserve who die after completing twenty years of service, but before becoming entitled to retired pay.

Ready Reserve
and Reserve,
deceased mem-
bers.
U.S. flag, pre-
sentation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1482 of title 10, United States Code, is amended by adding the following new subsection at the end thereof:

“(f) The Secretary concerned may pay the necessary expenses for the presentation of a flag to the person designated to direct the disposition of the remains of a member of the Reserve of an armed force under his jurisdiction who dies under honorable circumstances as determined by the Secretary and who is not covered by section 1481 of this title if, at the time of such member’s death, he—

“(1) was a member of the Ready Reserve; or

“(2) had performed at least twenty years of service as computed under section 1332 of this title and was not entitled to retired pay under section 1331 of this title.”

Approved May 28, 1974.

Public Law 93-293

May 31, 1974
[S. 3398]

AN ACT

To amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes.

Veterans’ edu-
cational assist-
ance
Time exten-
sion.
38 USC 1662
note.
38 USC 1651.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the eight-year delimiting date for pursuit of educational programs under chapter 34 of title 38, United States Code, for eligible veterans discharged or released from active duty between January 31, 1955, and September 1, 1966 (except for those veterans whose discharges are subject to the provisions of section 1662(b) of such chapter, or who are pursuing courses of farm cooperative training, apprenticeship or other training on the job, or flight training under such chapter), shall run from July 1, 1966.

Approved May 31, 1974.

Public Law 93-294

AN ACT

May 31, 1974
[H. R. 12670]

To amend section 301 of title 37, United States Code, relating to incentive pay, to attract and retain volunteers for aviation crew member duties, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aviation Career Incentive Act of 1974".

SEC. 2. Chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 301(a)(1) is amended by striking out "a crew member" and inserting in lieu thereof "an enlisted crew member".

(2) Section 301(g) is repealed.

(3) The following new section is inserted after section 301 and a corresponding item for that section is inserted in the chapter analysis:

"§ 301a. Incentive pay: aviation career

"(a) (1) Subject to regulations prescribed by the President, a member of a uniformed service who is entitled to basic pay is also entitled to aviation career incentive pay in the amount set forth in subsection (b) of this section for the frequent and regular performance of operational or proficiency flying duty required by orders.

"(2) Aviation career incentive pay shall be restricted to regular and reserve officers who hold, or are in training leading to, an aeronautical rating or designation and who engage and remain in aviation service on a career basis.

"(3) Under regulations prescribed by the Secretary of Defense, the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, or the Secretary of Commerce and the Secretary of Health, Education, and Welfare with respect to members under their respective jurisdiction, an officer (except a flight surgeon or other medical officer) who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is entitled to continuous monthly incentive pay in the amount set forth in subsection (b) of this section that is applicable to him. A flight surgeon or other medical officer who is entitled to basic pay, holds an aeronautical rating or designation, and is qualified for aviation service under regulations prescribed by the Secretary concerned, is not entitled to continuous monthly incentive pay but is entitled to monthly incentive pay in the amounts set forth in subsection (b) of this section for the frequent and regular performance of operational flying duty.

"(4) To be entitled to continuous monthly incentive pay, an officer must perform the prescribed operational flying duties (including flight training but excluding proficiency flying) for 6 of the first 12, and 11 of the first 18, years of his aviation service. However, if an officer performs the prescribed operational flying duties (including flight training but excluding proficiency flying) for at least 9 but less than 11 of the first 18 years of his aviation service, he will be entitled to continuous monthly incentive pay for the first 22 years of his officer service.

"(5) If upon completion of either 12 or 18 years of aviation service it is determined that an officer has failed to perform the minimum prescribed operational flying duty requirements during the prescribed periods of time, his entitlement to continuous monthly incentive pay

Aviation Career
Incentive Act of
1974.
37 USC 301a
note.

37 USC 301.

Repeal.

37 USC 301a.

Operational or
proficiency
flying.

Regular and
reserve officers.

Coast Guard
officers.

ceases. If at the completion of 12 years of aviation service entitlement to continuous monthly incentive pay ceases, entitlement to that pay may again commence at the completion of 18 years of aviation service upon completion of the minimum operational flying duty requirements, such pay to continue for a period of time as prescribed in accordance with this section. However, if entitlement to continuous monthly incentive pay ceases in the case of any officer at the completion of either 12 or 18 years of aviation service, such officer remains entitled to monthly incentive pay for the performance of subsequent operational or proficiency flying duties up to the maximum period of time prescribed in accordance with this section.

Definitions.

“(6) For the purposes of this section, the term—

“(A) ‘operational flying duty’ means flying performed under competent orders by rated or designated members while serving in assignments in which basic flying skills normally are maintained in the performance of assigned duties as determined by the Secretary concerned, and flying performed by members in training that leads to the award of an aeronautical rating or designation; and

“(B) ‘proficiency flying duty’ means flying performed under competent orders by rated or designated members while serving in assignments in which such skills would normally not be maintained in the performance of assigned duties.

“(b) A member who satisfies the requirements described in subsection (a) of this section is entitled to monthly incentive pay as follows:

“(1) For an officer in pay grades O-1 through O-10 who is qualified under subsection (a) of this section:

“Phase I	
	Years of aviation service (including flight training) as an officer
“Monthly rate:	
\$100-----	2 or less.
\$125-----	Over 2.
\$150-----	Over 3.
\$165-----	Over 4.
\$245-----	Over 6.

“Phase II	
	Years of services as an officer as computed under section 205
“Monthly rate:	
\$225-----	Over 18.
\$205-----	Over 20.
\$185-----	Over 22.
\$165-----	Over 24 but not over 25.

An officer is entitled to the rates in phase I of this table until he has completed 18 years of service as an officer, after which his entitlement is as prescribed by the rates in phase II, if he has completed at least 6 years of aviation service as an officer. However, if he has over 18 years of service as an officer, but not at least 6 years of aviation service as an officer, he continues to be subject to the rates set forth in phase I of the table that apply to an officer who has less than 6 years of aviation service as an officer. An officer in a pay grade above O-6 is entitled, until he completes 25 years of service as an officer, to be paid at the rates set forth in this table, except that an officer in pay grade O-7 may not be paid at a rate greater than \$160 a month, and an officer in pay grade O-8, or above, may not be paid at a rate greater than \$165 a month.

“(2) For a warrant officer who is qualified under subsection (a) of this section:

“Monthly rate:	Years of aviation service as an officer
\$100-----	2 or less.
\$110-----	Over 2.
\$200-----	Over 6.

For the purposes of clauses (1) and (2) of this subsection, the term ‘aviation service’ means the service performed, under regulations prescribed by the Secretary concerned, by an officer, and the years of aviation service are computed beginning with the effective date of the initial order to perform aviation service.

“Aviation service.”

“(c) In time of war, the President may suspend the payment of aviation career incentive pay.

Wartime, payment suspension.

“(d) Under regulations prescribed by the President and to the extent provided for by appropriations, when a member of a reserve component of a uniformed service, or of the National Guard, who is entitled to compensation under section 206 of this title, performs, under orders, duty described in subsection (a) of this section for members entitled to basic pay, he is entitled to an increase in compensation equal to 1/30 of the monthly incentive pay authorized by subsection (b) (1) or (2) of this section, as the case may be, for the performance of that duty by a member of corresponding years of aviation or officer service, as appropriate, who is entitled to basic pay. Such member is entitled to the increase for as long as he is qualified for it, for each regular period of instruction, or period of appropriate duty, at which he is engaged for at least two hours, including that performed on a Sunday or holiday, or for the performance of such other equivalent training, instruction, duty or appropriate duties, as the Secretary may prescribe under section 206(a) of this title. This subsection does not apply to a member who is entitled to basic pay under section 204 of this title.

37 USC 206.

“(e) The Secretary of Defense shall report to Congress before July 1 each year the number of rated members by pay grade who—

Report to Congress.

“(1) have 12 or 18 years of aviation service, and of those numbers, the number who are entitled to continuous monthly incentive pay under subsection (a) of this section; and

“(2) are performing operational flying duties, proficiency flying, and those not performing flying duties.”

Proficiency flying.

SEC. 3. Section 715 of the Department of Defense Appropriation Act, 1973 (86 Stat. 1199), and section 715 of the Department of Defense Appropriation Act, 1974 (87 Stat. 1041), are each amended by striking out the last sentence.

SEC. 4. Notwithstanding the amendments made by this Act, an officer who was entitled to incentive pay under section 301(a)(1) of title 37, United States Code, on May 31, 1973, or on the day before the effective date of this Act, if otherwise qualified on the day before the effective date of this Act, is entitled to monthly incentive pay as prescribed in either clause (1) or (2) of this section, as follows:

Hazardous duty pay.
37 USC 301a
note.
Ante, p. 177.

(1) If he is credited with 6 or less years of aviation service as an officer, and with less than 12 years of service as an officer, he is entitled to monthly incentive pay either—

37 USC 301.

Ante, p. 177.

(A) in the amount he was receiving under section 301 (b) of that title on May 31, 1973, or on the day before the effective date of this Act, but with no entitlement after either of those dates, as applicable, to any longevity pay increases or increases resulting from promotion to a higher grade until such time as the rate to which he is entitled under section 301a (b) of that title, as added by this Act, is equal to or greater than the amount he was receiving under that section on May 31, 1973, or on the day before the effective date of this Act, and thereafter his entitlement is as prescribed by that section, as added by this Act; or

(B) at the rate prescribed by section 301a (b) of that title, as added by this Act;

whichever is greater. However, an officer who is promoted and assigned to pay grade O-7 or above during the 36-month period following the effective date of this Act may not receive more than the rate which existed for that pay grade, as appropriate, prior to June 1, 1973.

(2) If he is credited with more than 6 years of aviation service as an officer, or less than 6 years of aviation service but more than 12 years of service as an officer, he may receive monthly incentive pay at the rate prescribed in the table in section 301a (b) of title 37, United States Code, as added by this Act, that is applicable to him, or \$165, whichever is greater, for not more than 36 months after the effective date of this Act, notwithstanding the provisions of section 301a (a) of that title, as added by this Act, with respect to prescribed operational flying duties (including flight training but excluding proficiency flying). However, under this clause, an officer who is assigned to the pay grade O-7 on the effective date of this Act, or is promoted to the pay grade O-7 during the 36-month period following the effective date of this Act, may not receive more than \$160 per month while assigned to that grade.

The amount to which a reserve officer who is entitled to compensation under section 206 of title 37, United States Code, is entitled under this section is governed by the provisions of section 301a (d) of that title, as added by this Act.

Annual report,
public release.
37 USC 301a
note.

SEC. 5. A yearly report containing such data as necessary to monitor the progress of this bill shall be made by the Department of Defense in cooperation with the Senate and House Armed Services Committees and released publicly.

Effective date.
37 USC 301a
note.

SEC. 6. This Act becomes effective on the first day of the first month after enactment.

Approved May 31, 1974.

Public Law 93-295

AN ACT

May 31, 1974
[S. 3072]

To amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes.

Veterans Dis-
ability Compens-
ation and Survi-
vor Benefits Act
of 1974.
38 USC 314
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Disability Compensation and Survivor Benefits Act of 1974".

TITLE I—VETERANS DISABILITY COMPENSATION

SEC. 101. (a) Section 314 of title 38, United States Code, is amended—

(1) by striking out “\$28” in subsection (a) and inserting in lieu thereof “\$32”;

(2) by striking out “\$51” in subsection (b) and inserting in lieu thereof “\$59”;

(3) by striking out “\$77” in subsection (c) and inserting in lieu thereof “\$89”;

(4) by striking out “\$106” in subsection (d) and inserting in lieu thereof “\$122”;

(5) by striking out “\$149” in subsection (e) and inserting in lieu thereof “\$171”;

(6) by striking out “\$179” in subsection (f) and inserting in lieu thereof “\$211”;

(7) by striking out “\$212” in subsection (g) and inserting in lieu thereof “\$250”;

(8) by striking out “\$245” in subsection (h) and inserting in lieu thereof “\$289”;

(9) by striking out “\$275” in subsection (i) and inserting in lieu thereof “\$325”;

(10) by striking out “\$495” in subsection (j) and inserting in lieu thereof “\$584”;

(11) by striking out “\$47” and “\$616” and “\$862” in subsection (k) and inserting in lieu thereof “\$52” and “\$727” and “\$1,017”, respectively;

(12) by striking out “\$616” in subsection (l) and inserting in lieu thereof “\$727”;

(13) by striking out “\$678” in subsection (m) and inserting in lieu thereof “\$800”;

(14) by striking out “\$770” in subsection (n) and inserting in lieu thereof “\$909”;

(15) by striking out “\$862” in subsections (o) and (p) and inserting in lieu thereof “\$1,017”;

(16) by striking out “\$370” in subsection (r) and inserting in lieu thereof “\$437”; and

(17) by striking out “\$554” in subsection (s) and inserting in lieu thereof “\$654”.

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

Rate adjust-
ment.
38 USC 314
note.

38 USC prec.
101 note.
38 USC 301.

SEC. 102. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out “\$31” in subparagraph (A) and inserting in lieu thereof “\$36”;

(2) by striking out “\$53” in subparagraph (B) and inserting in lieu thereof “\$61”;

(3) by striking out “\$67” in subparagraph (C) and inserting in lieu thereof “\$77”;

(4) by striking out “\$83” and “\$15” in subparagraph (D) and inserting in lieu thereof “\$95” and “\$17”, respectively;

(5) by striking out “\$21” in subparagraph (E) and inserting in lieu thereof “\$24”;

(6) by striking out “\$36” in subparagraph (F) and inserting in lieu thereof “\$41”;

(7) by striking out “\$53” and “\$15” in subparagraph (G) and inserting in lieu thereof “\$61” and “\$17”, respectively;

(8) by striking out “\$25” in subparagraph (H) and inserting in lieu thereof “\$29”; and

(9) by striking out “\$48” in subparagraph (I) and inserting in lieu thereof “\$55”.

TITLE II—SURVIVORS DEPENDENCY AND INDEMNITY COMPENSATION

SEC. 201. Section 411 of title 38, United States Code, is amended to read as follows:

“(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

Pay grade	Monthly rate	Pay grade	Monthly rate
E-1 -----	\$215	W-4 -----	\$307
E-2 -----	221	O-1 -----	271
E-3 -----	228	O-2 -----	281
E-4 -----	241	O-3 -----	301
E-5 -----	248	O-4 -----	318
E-6 -----	254	O-5 -----	350
E-7 -----	266	O-6 -----	394
E-8 -----	281	O-7 -----	427
E-9 -----	294	O-8 -----	467
W-1 -----	271	O-9 -----	502
W-2 -----	282	O-10 -----	² 549
W-3 -----	291		

¹ If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by sec. 402 of this title, the widow's rate shall be \$316.

² If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by sec. 402 of this title, the widow's rate shall be \$589.

“(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by \$26 for each such child.

“(c) The monthly rate of dependency and indemnity compensation payable to the widow shall be increased by \$64 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.”

Children.

SEC. 202. Section 413 of title 38, United States Code, is amended to read as follows:

“Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

“(1) One child, \$108.

“(2) Two children, \$156.

“(3) Three children, \$201.

“(4) More than three children, \$201, plus \$40 for each child in excess of three.”.

SEC. 203. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out “\$55” and inserting in lieu thereof “\$64”.

(b) Subsection (b) of section 414 of such title is amended by striking out “\$92” and inserting in lieu thereof “\$108”.

(c) Subsection (c) of section 414 of such title is amended by striking out “\$47” and inserting in lieu thereof “\$55”.

SEC. 204. Section 322(b) of title 38, United States Code, is amended to read as follows:

Death compensation, increase.

“(b) The monthly rate of death compensation payable to a widow or dependent parent under subsection (a) of this section shall be increased by \$64 if the payee is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.”.

SEC. 205. Section 337 of title 38, United States Code, is amended by striking “January 31, 1955” and inserting in lieu thereof “December 31, 1946”.

SEC. 206. (a) Section 342 of title 38, United States Code, is amended by striking out “equal” and all that follows down through the end thereof and inserting in lieu thereof “those specified in section 322 of this title”.

(b) Section 343 of such title is hereby repealed.

Repeal.

(c) The table of sections at the beginning of subchapter V of chapter 11 of title 38, United States Code, is amended by striking out the following:

“343. Conditions under which wartime rates are payable.”.

SEC. 207. (a) The Administrator of Veterans' Affairs shall make a detailed study of claims for dependency and indemnity compensation relating to veterans, as defined in section 101(2), title 38, United States Code, who at time of death within six months prior to the date of enactment of this Act were receiving disability compensation from the Veterans' Administration based upon a rating total and permanent in nature.

Study.
38 USC 301
note.

(b) The report of such study shall include (1) the number of the described cases, (2) the number of cases in which the specified benefit was denied, (3) an analysis of the reasons for each such denial, (4) an analysis of any difficulty which may have been encountered by the claimant in attempting to establish that the death of the veteran concerned was connected with his or her military, naval, or air service in the Armed Forces of the United States, and (5) data regarding the current financial status of the widow, widower, children, and parents in each case of denial.

Report.

(c) The report together with such comments and recommendations as the Administrator deems appropriate shall be submitted to the Speaker of the House and the President of the Senate not more than thirty days after the beginning of the Ninety-fourth Congress.

Report, submitted to Speaker of the House and President of the Senate.

TITLE III—PAYMENT OF BENEFITS TO PERSONS UNDER LEGAL DISABILITY

SEC. 301. (a) Subsection (a) of section 3202 of title 38, United States Code, is amended to read as follows:

“(a) Where it appears to the Administrator that the interest of the beneficiary would be served thereby, payment of benefits under any

law administered by the Veterans' Administration may be made directly to the beneficiary or to a relative or some other person for the use and benefit of the beneficiary, regardless of any legal disability on the part of the beneficiary. Where, in the opinion of the Administrator, any fiduciary receiving funds on behalf of a Veterans' Administration beneficiary is acting in such a number of cases as to make it impracticable to conserve properly the estates or to supervise the persons of the beneficiaries, the Administrator may refuse to make future payments in such cases as he may deem proper."

(b) Subsection (c) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or other person legally vested with the care of the claimant or his estate", following the word "any" and inserting "fiduciary or other person for the purpose of payment of benefits payable under laws administered by the Veterans' Administration" and by deleting the word "estates" and inserting the word "benefits".

(c) Subsection (e) of section 3202 of title 38, United States Code, is amended by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate," following the words "hands of a", and inserting in lieu thereof the words "fiduciary appointed by a State court or the Veterans' Administration" and by deleting the phrase "guardian, curator, conservator, or person legally vested with the care of the beneficiary or his estate", following the word "such", and inserting in lieu thereof the word "fiduciary".

Repeal.

(d) Subsections (f) and (g) of section 3202 of title 38, United States Code, are hereby repealed.

SEC. 302. Subsection (a)(4) of section 1701 of title 38, United States Code, is amended to read as follows:

38 USC 3202.

"(4) The term 'guardian' includes a fiduciary legally appointed by a court of competent jurisdiction, or any other person who has been appointed by the Administrator under section 3202 of this title to receive payment of benefits for the use and benefit of the eligible person."

TITLE IV—EFFECTIVE DATES

38 USC 314
note, 1701 note,
3202 note.

SEC. 401. The provisions of this Act shall become effective on May 1, 1974, except that title III shall become effective on the first day of the second calendar month following enactment.

Approved May 31, 1974.

Public Law 93-296

AN ACT

May 31, 1974
[S. 775]

To amend the Public Health Service Act to provide for the establishment of a National Institute on Aging.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Research on Aging Act of 1974".

SEC. 2. The Congress finds and declares that—

(1) the study of the aging process, the one biological condition common to all, has not received research support commensurate with its effects on the lives of every individual;

(2) in addition to the physical infirmities resulting from advanced age, the economic, social, and psychological factors associated with aging operate to exclude millions of older Americans

Research on
Aging Act of
1974.
42 USC 289k-2
note.
42 USC 289k-2
note.

from the full life and the place in our society to which their years of service and experience entitle them;

(3) recent research efforts point the way toward alleviation of the problems of old age by extending the healthy middle years of life;

(4) there is no American institution that has undertaken comprehensive systematic and intensive studies of the biomedical and behavioral aspects of aging and the related training of necessary personnel;

(5) the establishment of a National Institute on Aging within the National Institutes of Health will meet the need for such an institution.

SEC. 3. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new part: Ante, p. 135.

“PART H—NATIONAL INSTITUTE ON AGING

“ESTABLISHMENT OF NATIONAL INSTITUTE ON AGING

“SEC. 461. The Secretary shall establish in the Service an institute to be known as the National Institute on Aging (hereinafter in this part referred to as the ‘Institute’) for the conduct and support of biomedical, social, and behavioral research and training related to the aging process and the diseases and other special problems and needs of the aged.

42 USC 289k-2.

“NATIONAL ADVISORY COUNCIL ON AGING

“SEC. 462. (a) The Secretary shall establish a National Advisory Council on Aging to advise, consult with, and make recommendations to him on programs relating to the aged which are administered by him and on those matters which relate to the Institute.

Establishment.
42 USC 289k-3.

“(b) The provisions relating to the composition, terms of office of members, and reappointment of members of advisory councils under section 432(a) shall be applicable to the Advisory Council established under this section, except that (1) the Secretary may include on such Advisory Council such additional ex officio members as he deems necessary, and (2) the Secretary shall appoint to the Council leading medical or scientific authorities skilled in aspects of the biological and the behavioral sciences related to aging.

42 USC 289b.

“(c) Upon appointment of such Advisory Council, it shall assume all, or such part as the Secretary may specify, of the duties, functions, and powers of the National Advisory Health Council relating to programs for the aged with which the Advisory Council established under this part is concerned and such portion as the Secretary may specify of the duties, functions, and powers of any other advisory council established under this Act relating to programs for the aged.

“FUNCTIONS

“SEC. 463. (a) The Secretary (1) shall, through the Institute, carry out the purposes of section 301 with respect to research investigations, experiments, demonstrations, and studies related to the aging process and the diseases and other special problems and needs of the aged, except that the Secretary shall determine the area in which and the extent to which he will carry out such activities in furtherance of the

42 USC 289k-4.
42 USC 241.

42 USC 241.

Traineeships
and fellowships,
establishment.Expense allow-
ances.Personnel,
training.Scientific
studies.Public informa-
tion and educa-
tion programs.

purposes of section 301 through the Institute or another institute established by or under other provisions of this Act, or both of them, when both such institutes have functions with respect to the same subject matter, and (2) shall be responsible for coordinating such activities so as to avoid unproductive and unnecessary overlap and duplication of such functions. The Secretary may also provide training and instruction and establish traineeships and fellowships, in the Institute and elsewhere, in matters relating to study and investigation of the aging process and the diseases and other special problems and needs of the aged. The Secretary may provide trainees and fellows participating in such training and instruction or in such traineeships and fellowships with such stipends and allowances (including travel and subsistence expenses and dependency allowances) as he deems necessary, and, in addition, provide for such training, instruction, traineeships, fellowships through grants to public or other nonprofit institutions. In carrying out his health manpower training responsibilities under this Act or any other Act, the Secretary shall take appropriate steps to insure the education and training of adequate numbers of allied health, nursing, and paramedical personnel in the field of health care for the aged.

“(b) The Secretary shall, through the Institute, conduct scientific studies to measure the impact on the biological, medical, and psychological aspects of aging of all programs and activities assisted or conducted by the Department of Health, Education, and Welfare.

“(c) The Secretary, through the Institute, shall carry out public information and education programs designed to disseminate as widely as possible the findings of Institute-sponsored and other relevant aging research and studies and other information about the process of aging which may assist elderly and near-elderly persons in dealing with, and all Americans in understanding, the problems and processes associated with growing older.

“RESEARCH PROGRAM

42 USC 289k-5.

“SEC. 464. (a) The Secretary, in consultation with the Institute and the National Advisory Council on Aging and such other appropriate advisory bodies as he may establish, shall within one year after the effective date of this section develop a plan for a research program on aging designed to coordinate and promote research into the biological, medical, psychological, social, educational, and economic aspects of aging. Such program shall be carried out, as to research involving the functions of the Institute, primarily through the Institute, and as to other research shall be carried out through any other institute established by or under other provisions of this Act or through any appropriate agency or other organizational unit within the Department of Health, Education, and Welfare.

“(b) Upon its completion, the plan for a research program on aging, required by subsection (a) of this section, shall be transmitted to the Congress and to the President and shall set forth the staffing and funding requirements to carry out such program.”

Approved May 31, 1974.

Plan, trans-
mittal to Congress
and President.

Public Law 93-297

AN ACT

To authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina.

June 1, 1974
[H. R. 6541]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed, in accordance with section 3 of this Act, to convey by quitclaim deed to the present owner or owners of record all mineral interest of the United States in the following described lands in Clarendon County, South Carolina:

Clarendon
County, S.C.
Mineral inter-
ests, conveyance.

All that piece, parcel, or tract of land lying, being, and situate a north corner iron being 152 feet south of the city limits of Manning, South Carolina, containing 10.4 acres of land and described as follows:

Beginning at a point of the right-of-way of United States Highway 301 and running along United States Highway 301 north 58 degrees 45 minutes east 240.3 feet to a stake;

thence south 31 degrees 15 minutes east 460 feet to a stake;

thence north 58 degrees 45 minutes east 302.4 feet to a stake;

thence north 27 degrees 48 minutes west 459.8 feet to a stake;

thence north 59 degrees 12 minutes east 85.7 feet to a point of curve;

thence north 60 degrees 5 minutes east 32.5 feet to a stake;

thence south 29 degrees 50 minutes east 150 feet to a stake;

thence north 60 degrees 10 minutes east 194.8 feet to a stake;

thence south 46 degrees 55 minutes east 219.2 feet to a stake;

thence south 16 degrees 6 minutes west 123 feet to a point of curve;

thence south 8 degrees 4 minutes east 125.6 feet to a point of curve;

thence south 12 degrees 37 minutes east 106.3 feet to a point of curve;

thence south 20 degrees 22 minutes west 105.7 feet to a point of curve;

thence south 44 degrees 28 minutes west 124.7 feet to a point of curve;

thence south 37 degrees 25 minutes west 114.9 feet to a point of curve;

thence south 32 degrees 39 minutes west 88.6 feet to a point of curve;

thence south 22 degrees 22 minutes west 136.1 feet to a stake;

thence north 38 degrees 58 minutes west 149 feet to a point of curve;

thence north 42 degrees 53 minutes west 190.7 feet to a point of curve;

thence north 48 degrees 44 minutes west 93.5 feet to a point of curve;

thence north 81 degrees 6 minutes west 114.9 feet to a point of curve;

thence north 55 degrees 54 minutes west 110.1 feet to a point of curve;

thence north 24 degrees 24 minutes west 135.4 feet to a point of curve;

thence north 5 degrees 32 minutes west 86.6 feet to a point of curve;

thence north 30 degrees 9 minutes west 171.5 feet to the point of beginning.

Said tract of land bounded as follows: North by United States Highway 301 and the lands of the San-Man Inn of Manning Incorporated; east by the lands of M. R. Webster and of J. K. Breedin; south and west by the lands now or formerly of Anna and John R. Stewart.

For a more particular description of said land, a comparison may be had of a plat made by W. B. Sykes, surveyor, dated March 16, 1951, and recorded in plat book 14 at page 39 in the Office of the Clerk of Court for Clarendon, a plat made by W. B. Sykes, surveyor, on November 16, 1960, and recorded in plat book 16 at page 157 in the Office of the Clerk of Court for Clarendon County, and a plat made by W. B. Sykes, surveyor, dated December 29, 1961, and recorded in plat book 17 at page 31 in the Office of the Clerk of Court for Clarendon County.

Administrative
costs, payment.

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

Application,
filing date.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

"Administrative
costs."

SEC. 4. The term "administrative costs" as used in this Act, includes, but is not limited to, all costs of (1) conducting such exploratory programs as the Secretary of the Interior deems necessary to determine the character of the mineral deposits in the land, (2) evaluating the data obtained under the exploratory programs to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the mineral or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

Approved June 1, 1974.

Public Law 93-298

AN ACT

June 1, 1974
[S. 2835]

To rename the first Civilian Conservation Corps Center located near Franklin, North Carolina, and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

Lyndon B.
Johnson Civilian
Conservation
Corps Center and
Lyndon B. Johnson
National
Grasslands.
Designation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first Civilian Conservation Corps Center, known as the Arrowood Civilian Conservation Corps Center, located near Franklin, North Carolina, is redesignated as the Lyndon B. Johnson Civilian Conservation Corps Center, and the Cross Timbers National Grasslands, located in Wise and Montague Counties, Texas, is redesignated as the Lyndon B. Johnson National Grasslands.

SEC. 2. Any law, regulation, document, map, or record of the United States in which reference is made to the Arrowood Civilian Conservation Corps Center or to the Cross Timbers National Grasslands shall be held and considered to be a reference to the Lyndon B. Johnson Civilian Conservation Corps Center and the Lyndon B. Johnson National Grasslands, respectively.

Approved June 1, 1974.

Public Law 93-299

AN ACT

To authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina.

June 1, 1974
[H. R. 6542]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed, in accordance with section 3 of this Act, to convey by quitclaim deed to the present owner or owners of record all mineral interest of the United States in the following described lands in Clarendon County, South Carolina:

Clarendon
County, S.C.
Mineral inter-
ests, conveyance.

All that piece, parcel, or tract of land, lying, being, and situate the north corner iron being on the south city limits of Manning, South Carolina, containing one lot of land of .6 acre and described as follows: Beginning at a point on the right-of-way of the United States Highway 301 and running along United States Highway 301 north 60 degrees 10 minutes east 152 feet to a stake; thence south 45 degrees 46 minutes each 156 feet along the south city limits of Manning, South Carolina, to a stake; thence south 60 degrees 10 minutes west 194.8 feet to a stake; thence north 29 degrees 59 minutes west 150 feet to the point of beginning. Said tract of land bounded as follows: North by United States Highway 301; east by the lands of J. K. Breedin; south and west by the lands of B. F. Hill.

For a more particular description of said land reference may be had to a plat made by W. B. Sykes, surveyor, on December 29, 1961, and recorded in plat book 17 at page 31 in the Office of the Clerk of Court for Clarendon County.

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

Administrative
costs, payment.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

Application,
filing date.

SEC. 4. The term "administrative costs" as used in this Act, includes, but is not limited to, all costs of (1) conducting such exploratory programs as the Secretary of the Interior deems necessary to determine the character of the mineral deposits in the land, (2) evaluating

"Administrative
costs."

the data obtained under the exploratory programs to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

Approved June 1, 1974.

Public Law 93-300

June 1, 1974
[H. R. 10942]

AN ACT

To amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction and their environment, concluded at the city of Tokyo, March 4, 1972.

Migratory Bird
Treaty Act,
amendments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Migratory Bird Treaty Act (16 U.S.C. 703) is amended—

(1) by striking out “, or any part, nest, or egg of any such birds,” and insert in lieu thereof “, any part, nest, or egg of any such bird, or any product, whether or not manufactured, which consists, or is composed in whole or part, of any such bird or any part, nest, or egg thereof,”;

(2) by striking out “and” immediately after “1916,”; and

(3) by striking out the period at the end thereof and inserting in lieu thereof the following: “, and the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment concluded March 4, 1972.”.

U.S.-Japanese
convention terms,
addition.

SEC. 2. The title of the Migratory Bird Treaty Act is amended to read as follows: “An Act to give effect to the conventions between the United States and other nations for the protection of migratory birds, birds in danger of extinction, game mammals, and their environment.”.

Effective date.
16 USC 703
note.

SEC. 3. The amendments made by this Act shall take effect on the date on which the President proclaims the exchange of ratifications of the convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded March 4, 1972, or on the date of the enactment of this Act, whichever date is later.

Approved June 1, 1974.

Public Law 93-301

June 1, 1974
[H. R. 10284]

AN ACT

To authorize the Secretary of the Interior to sell certain rights in the State of Florida.

Marion County,
Fla.
Phosphate de-
posits, convey-
ance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey to the record owner thereof, in accordance with section 3 of this Act, all right, title, and interest in phosphate deposits reserved to the United States in land

described as the northwest quarter of the southeast quarter of the northwest quarter, section 29, township 17 south, range 26 east, lying south of right-of-way of State road numbered 42; less the west thirty feet thereof, in Marion County, Florida.

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the Administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

Administrative costs, payments.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

Application, filing date.

SEC. 4. The term "administrative costs", as used in this Act, includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the phosphate deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the phosphate rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

"Administrative costs."

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the phosphate or phosphate interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

Approved June 1, 1974.

Public Law 93-302

AN ACT

To authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

June 1, 1974
[H. R. 12920]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)) as precedes the first proviso thereof is amended to read as follows: "There are authorized to be appropriated for fiscal year 1975 not to exceed \$82,256,000 to carry out the purposes of this Act."

Peace Corps Act, amendments.

SEC. 2. Section 3 of the Peace Corps Act (22 U.S.C. 2502) is amended by adding at the end thereof the following new subsections:

Salary and benefits, increase.

"(c) In addition to the amounts authorized for fiscal year 1975, there are authorized to be appropriated for the Peace Corps for fiscal year 1975 not in excess of \$1,000,000 for increases in salary, pay, retirement, or other employee benefits authorized by law.

"(d) The Director of ACTION is authorized to transfer to the readjustment allowance, ACTION, account at the Treasury Department from any sums appropriated to carry out the purposes of this Act in fiscal year 1975 not to exceed \$315,000 to rectify the imbalance in the Peace Corps readjustment allowance account for the period March 1, 1961, to February 28, 1973.

“(e) The Director of ACTION is authorized to waive claims resulting from erroneous payments of readjustment allowances to Peace Corps Volunteers who terminated their volunteer service between March 1, 1961, and February 28, 1973, notwithstanding the provisions of section 5584 of title 5, United States Code, and notwithstanding the fact that the names of the recipients of such overpayments may be unknown.

“(f) Disbursing and certifying officers of the Peace Corps and ACTION are relieved from liability for improper or incorrect payments of readjustment allowances made to volunteers between March 1, 1961, and February 28, 1973, other than any cases known to have resulted from fraud, notwithstanding the provisions of the first section of the Act entitled ‘An Act to provide permanent authority for the relief of certain disbursing officers, and for other purposes’, approved August 11, 1955 (31 U.S.C. 82a-2), and of section 2 of the Act entitled ‘An Act to fix the responsibilities of disbursing and certifying officers, and for other purposes’, approved December 29, 1941 (31 U.S.C. 82c).”

Approved June 1, 1974.

Public Law 93-303

June 7, 1974
[S. 2844]

AN ACT

To amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes.

Federal recreation areas.
Fees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 460l-6a), is further amended as follows;

(a) The heading of the section is revised to read:

“ADMISSION AND USE FEES; ESTABLISHMENT AND REGULATIONS”.

(b) The second sentence of section 4(a) is amended to read: “No admission fees of any kind shall be charged or imposed for entrance into any other federally owned areas which are operated and maintained by a Federal agency and used for outdoor recreation purposes.”

(c) Subsection (a) (1) is revised to read:

“(1) For admission into any such designated area, an annual admission permit (to be known as the Golden Eagle Passport) shall be available, for a fee of not more than \$10. The permittee and any person accompanying him in a single, private, noncommercial vehicle, or alternatively, the permittee and his spouse, children, and parents accompanying him where entry to the area is by any means other than private, noncommercial vehicle, shall be entitled to general admission into any area designated pursuant to this subsection. The annual permit shall be valid during the calendar year for which the annual fee is paid. The annual permit shall not authorize any uses for which additional fees are charged pursuant to subsections (b) and (c) of this section. The annual permit shall be nontransferable and the unlawful use thereof shall be punishable in accordance with regulations established pursuant to subsection (e). The annual permit shall be available for purchase at any such designated area.”

(d) Subsection (a) (2) is revised by deleting in the first sentence "or who enter such an area by means other than by private, noncommercial vehicle".

16 USC 4601-6a.

(e) Subsection (a) (4) is amended by revising the first two sentences to read: "The Secretary of the Interior and the Secretary of Agriculture shall establish procedures providing for the issuance of a lifetime admission permit (to be known as the 'Golden Age Passport') to any citizen of, or person domiciled in, the United States sixty-two years of age or older applying for such permit. Such permit shall be non-transferable, shall be issued without charge, and shall entitle the permittee and any person accompanying him in a single, private, non-commercial vehicle, or alternatively, the permittee and his spouse and children accompanying him where entry to the area is by any means other than private, noncommercial vehicle, to general admission into any area designated pursuant to this subsection."

Lifetime admission permit.

(f) In subsection (b) the first paragraph is revised to read:

"(b) RECREATION USE FEES.—Each Federal agency developing, administering, providing or furnishing at Federal expense, specialized outdoor recreation sites, facilities, equipment, or services shall, in accordance with this subsection and subsection (d) of this section, provide for the collection of daily recreation use fees at the place of use or any reasonably convenient location: *Provided*, That in no event shall there be a charge by any such agency for the use, either singly or in any combination, of drinking water, wayside exhibits, roads, overlook sites, visitors' centers, scenic drives, toilet facilities, picnic tables, or boat ramps: *Provided, however*, That a fee shall be charged for boat launching facilities only where specialized facilities or services such as mechanical or hydraulic boat lifts or facilities are provided: *And provided further*, That in no event shall there be a charge for the use of any campground not having the following—tent or trailer spaces, drinking water, access road, refuse containers, toilet facilities, personal collection of the fee by an employee or agent of the Federal agency operating the facility, reasonable visitor protection, and simple devices for containing a campfire (where campfires are permitted). At each lake or reservoir under the jurisdiction of the Corps of Engineers, United States Army, where camping is permitted, such agency shall provide at least one primitive campground, containing designated campsites, sanitary facilities, and vehicular access, where no charge shall be imposed. Any Golden Age Passport permittee shall be entitled upon presentation of such permit to utilize such special recreation facilities at a rate of 50 per centum of the established use fee."

(g) In subsection (b) paragraph "(1)" is deleted; the paragraph designation "2" is redesignated as subsection "(c) RECREATION PERMITS.—"; and subsequent subsections are redesignated accordingly.

(h) In new subsection (d) the second sentence is revised to read: "Clear notice that a fee has been established pursuant to this section shall be prominently posted at each area and at appropriate locations therein and shall be included in publications distributed at such areas."

(i) In new subsection (e) the first sentence is revised to read: "In accordance with the provisions of this section, the heads of appropriate departments and agencies may prescribe rules and regulations for areas under their administration for the collection of any fee established pursuant to this section."

Rules and regulations.

16 USC 4601-6a.

(j) In new subsection (f) the first sentence is revised to read as follows:

“(f) Except as otherwise provided by law or as may be required by lawful contracts entered into prior to September 3, 1964, providing that revenues collected at particular Federal areas shall be credited to specific purposes, all fees which are collected by any Federal agency shall be covered into a special account in the Treasury of the United States to be administered in conjunction with, but separate from, the revenues in the Land and Water Conservation Fund: *Provided*, That the head of any Federal agency, under such terms and conditions as he deems appropriate, may contract with any public or private entity to provide visitor reservation services; and any such contract may provide that the contractor shall be permitted to deduct a commission to be fixed by the agency head from the amount charged the public for providing such services and to remit the net proceeds therefrom to the contracting agency.”

16 USC 4601-8.

SEC. 2. Section 6(e) (1) of title I of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601), is further amended by adding at the end thereof the following:

“Whenever a State provides that the owner of a single-family residence may, at his option, elect to retain a right of use and occupancy for not less than six months from the date of acquisition of such residence and such owner elects to retain such a right, such owner shall be deemed to have waived any benefits under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894) and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 101(6) of that Act.”

42 USC 4623-4626.

42 USC 4601.

SEC. 3. Section 9 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), as amended (16 U.S.C. 4601-10a), is further amended by deleting in the first sentence “section 6(a) (1)” and substituting “section 7(a) (1)”.

Approved June 7, 1974.

Public Law 93-304

June 8, 1974
[S. 2662]

AN ACT

To authorize appropriations for United States participation in the International Ocean Exposition '75.

International
Ocean Exposition
Appropriations
Authorization Act
of 1973.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “International Ocean Exposition Appropriations Authorization Act of 1973”.

SEC. 2. There is authorized to be appropriated for the United States Information Agency for “Special International Exhibitions”, for United States participation in the International Ocean Exposition to be held in Okinawa, Japan, in 1975, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), \$5,600,000, to remain available until expended: *Provided*, That the amount authorized to be appropriated herein shall be available without regard to section 3108 of title 5, United States Code.

Approved June 8, 1974.

Public Law 93-305

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1974,
and for other purposes.

June 8, 1974
[H. R. 14013]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the "Second Supplemental Appropriations Act, 1974") for the fiscal year ending June 30, 1974, and for other purposes, namely:

Second Supplemental Appropriations Act, 1974.

TITLE I

CHAPTER I

DEPARTMENT OF AGRICULTURE

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

For an additional amount for "Animal and Plant Health Inspection Service", \$3,730,000, of which \$100,000 shall be for an evaluation of the effectiveness of the screwworm control program: *Provided*, That the Animal and Plant Health Inspection Service is authorized to establish and operate an English language school at Tuxtla Gutierrez, Chiapas, Mexico, or to contract therefor without regard to the provisions of Revised Statutes, section 3648, as amended (31 U.S.C. 529), for children of employees of the Animal and Plant Health Inspection Service engaged in the Mexican-American Screwworm Program.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

For an additional amount to carry out the National School Lunch Act, as amended (42 U.S.C. 1751-1761), and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785), \$86,500,000, to remain available until expended.

FOOD STAMP PROGRAM

For an additional amount for "Food Stamp Program", \$500,000,000, to remain available until expended.

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for "Watershed and flood prevention operations" for emergency measures for runoff retardation and soil-erosion prevention, as authorized by section 216 of the Flood Control Act of 1950 (33 U.S.C. 701b-1), and to implement the provisions of section 5 of Public Law 93-251, \$23,661,000, to remain available until expended.

Ante, p. 15.

CHAPTER II
DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For an additional amount for “Military personnel, Army”, \$40,200,000.

MILITARY PERSONNEL, NAVY

For an additional amount for “Military personnel, Navy”, \$16,000,000.

MILITARY PERSONNEL, MARINE CORPS

For an additional amount for “Military personnel, Marine Corps”, \$8,100,000.

MILITARY PERSONNEL, AIR FORCE

For an additional amount for “Military personnel, Air Force”, \$50,800,000.

RETIRED MILITARY PERSONNEL

RETIRED PAY, DEFENSE

For an additional amount for “Retired pay, Defense”, \$468,800,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for “Operation and maintenance, Army”, \$116,147,000.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for “Operation and maintenance, Navy”, \$309,175,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for “Operation and maintenance, Marine Corps”, \$13,400,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for “Operation and maintenance, Air Force”, \$251,350,000.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For an additional amount for “Operation and maintenance, Defense Agencies”, \$830,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for “Operation and maintenance, Navy Reserve”, \$21,000,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For an additional amount for "Operation and maintenance, Marine Corps Reserve", \$30,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For an additional amount for "Operation and maintenance, Air Force Reserve", \$9,500,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for "Operation and maintenance, Army National Guard", \$780,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for "Operation and maintenance, Air National Guard", \$22,300,000: *Provided*, That not less than ninety-two flying units shall be maintained during fiscal year 1974.

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For an additional amount for "Aircraft procurement, Army", \$16,000,000, to remain available for obligation until June 30, 1976.

MISSILE PROCUREMENT, ARMY

For an additional amount for "Missile procurement, Army", \$76,600,000, to remain available for obligation until June 30, 1976.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For an additional amount for "Procurement of weapons and tracked combat vehicles, Army", \$71,100,000, to remain available for obligation until June 30, 1976.

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of ammunition, Army", \$150,000,000, to remain available for obligation until June 30, 1976.

OTHER PROCUREMENT, ARMY

For an additional amount for "Other procurement, Army", \$35,500,000, to remain available for obligation until June 30, 1976. Amounts available under appropriations under this head shall be available for the purchase of not to exceed three hundred and sixty-six buses and ambulances, for replacement only.

AIRCRAFT PROCUREMENT, NAVY

For an additional amount for "Aircraft procurement, Navy", \$95,000,000, to remain available for obligation until June 30, 1976.

SHIPBUILDING AND CONVERSION, NAVY

For an additional amount for "Shipbuilding and Conversion, Navy", \$24,800,000, to remain available for obligation until June 30, 1978.

OTHER PROCUREMENT, NAVY

For an additional amount for "Other procurement, Navy", \$100,800,000, to remain available for obligation until June 30, 1976. Amounts available under appropriations under this head shall be available for the purchase of not to exceed one hundred and five buses, for replacement only.

PROCUREMENT, MARINE CORPS

For an additional amount for "Procurement, Marine Corps", \$33,800,000, to remain available for obligation until June 30, 1976. Amounts available under appropriations under this head shall be available for the purchase of not to exceed seventeen buses, for replacement only.

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft procurement, Air Force", \$107,700,000, to remain available for obligation until June 30, 1976.

MISSILE PROCUREMENT, AIR FORCE

For an additional amount for "Missile Procurement, Air Force", \$11,400,000, to remain available for obligation until June 30, 1976.

OTHER PROCUREMENT, AIR FORCE

For an additional amount for "Other procurement, Air Force", \$82,400,000, to remain available for obligation until June 30, 1976. Amounts available under appropriations under this head shall be available for the purchase of not to exceed two hundred and sixty-one buses and ambulances, for replacement only.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For an additional amount for "Research, development, test, and evaluation, Air Force", \$5,800,000, to remain available for obligation until June 30, 1975.

CHAPTER III

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

GENERAL OPERATING EXPENSES

For an additional amount for "General operating expenses", \$5,901,000, of which \$1,097,000 shall be available for fiscal year 1973.

PUBLIC SAFETY

For an additional amount for "Public safety", \$2,434,000, of which \$300,000 shall be available for fiscal year 1972 and \$1,000,000 shall be available for fiscal year 1973.

SETTLEMENT OF CLAIMS AND SUITS

For payment of property damage claims in excess of \$500 and of personal injury claims in excess of \$1,000, approved by the Commissioner in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$222,000.

D.C. Code
1-902 to 1-906.

CAPITAL OUTLAY

For an additional amount for "Capital Outlay", to remain available until expended, \$3,577,400, of which \$892,000 shall be payable from the water fund.

DIVISION OF EXPENSES

The sums appropriated herein for the District of Columbia shall be paid out of the general fund of the District of Columbia, except as otherwise specifically provided.

CHAPTER IV

FOREIGN OPERATIONS

FUNDS APPROPRIATED TO THE PRESIDENT

INDOCHINA POSTWAR RECONSTRUCTION ASSISTANCE

For an additional amount for "Indochina postwar reconstruction assistance," \$49,000,000.

DISASTER RELIEF ASSISTANCE

Public Law 93-240 is amended as follows, at title IV, section entitled Disaster Relief Assistance, by striking "Sahel region" and inserting in lieu thereof the words "drought-stricken nations" and by striking the colon and inserting the words "to remain available until expended:":

87 Stat. 1055.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount to enable the Secretary of State to increase the contribution of the United States to the International Committee of the Red Cross, \$250,000: *Provided*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation.

CHAPTER V

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", \$137,800,000, to remain available until expended.

MEDICAL CARE

For an additional amount for “Medical care”, \$39,535,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For an additional amount for “Salaries and expenses”, \$2,010,000.

FUNDS APPROPRIATED TO THE PRESIDENT

FEDERAL DISASTER ASSISTANCE ADMINISTRATION

DISASTER RELIEF

For an additional amount to carry out the functions of the Department of Housing and Urban Development under the Disaster Relief Act of 1970 (Public Law 91-606, as amended, and Reorganization Plan No. 1 of 1973), authorizing assistance to States and local governments in major disasters, \$32,600,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

42 USC 4401
note.
5 USC app. II.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for “Management of lands and resources”, \$19,300,000.

BUREAU OF SPORT FISHERIES AND WILDLIFE

RESOURCE MANAGEMENT

For an additional amount for “Resource management”, \$400,000.

OFFICE OF OIL AND GAS

SALARIES AND EXPENSES

For an additional amount for “Salaries and expenses”, \$18,000,000: *Provided*, That advances, repayments or transfers from appropriations under this head for the current fiscal year may be made to any department or agency for expenses of carrying out fuel allocation activities.

BUREAU OF INDIAN AFFAIRS

RESOURCES MANAGEMENT

For an additional amount for “Resources management”, \$3,000,000.

REVOLVING FUND FOR LOANS

For payment to the revolving fund for loans, for loans as authorized in section 1 of the Act of November 4, 1963, as amended (25 U.S.C. 70n-1), and Public Law 93-37, approved May 24, 1973, \$900,000.

87 Stat. 73.

TERRITORIAL AFFAIRS

TRUST TERRITORY OF THE PACIFIC ISLANDS

For an additional amount for "Trust Territory of the Pacific Islands", \$1,500,000, to remain available until expended.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST PROTECTION AND UTILIZATION

For an additional amount for "Forest protection and utilization", for "Forest land management", \$97,133,000, of which \$6,213,000 for insect and disease control shall remain available until expended.

CONSTRUCTION AND LAND ACQUISITION

For an additional amount for "Construction and land acquisition", \$650,000, to remain available until expended.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

INDIAN HEALTH SERVICES

For an additional amount for "Indian Health Services", \$6,591,000.

OFFICE OF EDUCATION

INDIAN EDUCATION

Notwithstanding any regulation of the Office of Education, Department of Health, Education, and Welfare, amounts for part A appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, shall remain available for allocation as provided by law to local educational agencies in Alaska in response to applications received on or before May 30, 1974.

87 Stat. 444.

HISTORICAL AND MEMORIAL COMMISSIONS

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$12,375,000, of which not to exceed \$1,375,000 shall be for direct annual grants-in-aid as authorized in section 7(a)(1) of Public Law 93-179 and of which not to exceed \$11,000,000 shall be for matching grants-in-aid as authorized in section 7(a)(2) of Public Law 93-179, to remain available until December 31, 1976.

87 Stat. 701.

CHAPTER VII

DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$71,762,000; together with not to exceed \$26,766,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$2,830,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001-2003.

COMPREHENSIVE MANPOWER ASSISTANCE

29 USC 801
note.

29 USC 841.

42 USC 4871
note.
29 USC 801
note.

For expenses necessary to carry into effect the Comprehensive Employment and Training Act of 1973, and sections 326 and 328 of the Trade Expansion Act of 1962 (19 U.S.C. 1951 and 1961), \$2,265,584,000, including \$370,000,000 for activities authorized under Title II of said Comprehensive Employment and Training Act and \$250,000,000 for activities of the type provided in the Emergency Employment Act of 1971 as authorized in Section 3(a) of the Comprehensive Employment and Training Act of 1973, plus reimbursements, to remain available until June 30, 1975: *Provided*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities and for the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act of 1973.

LIMITATION ON GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For an additional amount for "Limitation on grants to States for unemployment insurance and employment services", to remain available until June 30, 1975, \$81,000,000 may be expended from the Employment Security Administration account in the Unemployment Trust Fund and which shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

HEALTH SERVICES DELIVERY

42 USC 241.

To carry out the purposes of title XIII, and, to the extent not otherwise provided, section 301 of the Public Health Service Act, \$60,700,000, of which \$25,000,000 shall remain available until June 30, 1975 for grants and contracts and \$35,000,000 shall remain available until expended for direct loans and loan guarantees, as well as any amounts received by the Secretary in connection with loan guarantees

under said title and any other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets: *Provided*, That grants from funds available for the purposes of sections 508, 509, and 510 of the Social Security Act may be made for projects under those sections for any period prior to July 1, 1975: *Provided further*, That funds previously appropriated for training programs as authorized by the Emergency Medical Services Systems Act of 1973 shall remain available until September 30, 1974.

42 USC 708-710.

42 USC 300d note.

PREVENTIVE HEALTH SERVICES

For an additional amount for "Preventive Health Services", \$3,500,000, of which \$2,500,000 shall be for carrying out Title I of the Lead-Based Paint Poison Prevention Act of 1974.

42 USC 4801.

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For an additional amount for "Elementary and secondary education", \$20,000,000, of which \$8,000,000 shall be for grants pursuant to Title VII of the Elementary and Secondary Education Act to remain available until December 31, 1974, and \$12,000,000 shall be for carrying out section 222(a)(2) of the Economic Opportunity Act of 1964.

20 USC 880b.

42 USC 2809.

HIGHER EDUCATION

For carrying out section 705(a)(2)(c) of the Higher Education Act without regard to other provisions of said Act, \$250,000, to remain available through June 30, 1975.

20 USC 1132a-4.

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$394,000.

STUDENT LOAN INSURANCE FUND

For an additional amount for "Student Loan Insurance Fund", \$30,785,000, to remain available until expended: *Provided*, That \$2,000,000 of the \$269,400,000 appropriated by Public Law 93-25 for title IV, part E of the Higher Education Act of 1965, shall be available until June 30, 1974, for carrying out section 207 of the National Defense Education Act: *Provided further*, That any amounts appropriated for basic opportunity grants for the fiscal year ending June 30, 1973, in excess of the amounts required to meet the payment schedule announced for the academic year 1973-1974, shall remain available for payments under the payment schedule announced for the academic year 1974-1975: *Provided further*, That funds appropriated by Public Law 93-192 for grants to States for State student incentives shall remain available until June 30, 1975, as authorized by section 415A(b)(3) of the Higher Education Act.

87 Stat. 26.

20 USC 1071b.

20 USC 427.

87 Stat. 756.

20 USC 1070c.

SOCIAL AND REHABILITATION SERVICE

GRANTS TO STATES FOR PUBLIC ASSISTANCE

The appropriation for fiscal year 1974 under this heading is hereby reduced in the amount of \$1,188,000,000.

SOCIAL AND REHABILITATION SERVICES

29 USC 730.

For an additional amount for "Social and rehabilitation services", for grants under section 110 of the Rehabilitation Act of 1973 (Public Law 93-112), \$21,000,000, of which \$1,000,000 to remain available until expended shall be for facilities construction as authorized by section 301.

SOCIAL SECURITY ADMINISTRATION

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For an additional amount for "Special benefits for disabled coal miners", \$44,311,000: *Provided*, That the appointments of administrative law judges for this program shall terminate not later than December 31, 1975.

SPECIAL INSTITUTIONS

GALLAUDET COLLEGE

For an additional amount for "Gallaudet College", \$438,000.

HOWARD UNIVERSITY

For an additional amount for "Howard University", \$3,362,000.

OFFICE OF CHILD DEVELOPMENT

CHILD DEVELOPMENT

Ante, p. 4.
42 USC 5101
note.

For an additional amount for "Child Development" for carrying out the Child Abuse Prevention and Treatment Act (P.L. 93-247), \$4,500,000, to remain available until December 31, 1974.

OFFICE OF THE SECRETARY

DEPARTMENTAL MANAGEMENT

For an additional amount for "Departmental management", \$2,950,000.

RELATED AGENCIES

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$170,000.

OFFICE OF ECONOMIC OPPORTUNITY

ECONOMIC OPPORTUNITY PROGRAM

42 USC 2809.

For an additional amount for "Economic Opportunity Program", \$12,500,000 for the Emergency Food and Medical Services program as authorized by section 222(a)(5) of the Economic Opportunity Act of 1964.

CHAPTER VIII
LEGISLATIVE BRANCH
SENATE

SALARIES, OFFICERS AND EMPLOYEES

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", \$13,965: *Provided*, That effective May 1, 1974, the Secretary may appoint and fix the compensation of an auditor, Public Records Office, at not to exceed \$14,535 per annum; a secretary, Public Records Office, at not to exceed \$11,970 per annum; a clerk, Public Records Office, at not to exceed \$10,830 per annum; five technical assistants, Public Records Office, at not to exceed \$11,685 per annum each in lieu of three technical assistants, Public Records Office, at not to exceed such rate; a messenger, stationery room, at not to exceed \$10,545 per annum; four messengers, stationery room, at not to exceed \$9,690 per annum each in lieu of three messengers, stationery room, at not to exceed such rate; and the Secretary may fix the per annum compensation of the Assistant Keeper of Stationery at not to exceed \$21,660 in lieu of \$19,665, and the per annum compensation of the chief clerk, stationery room, at not to exceed \$15,390 in lieu of \$14,535.

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For an additional amount for "Office of Sergeant at Arms and Doorkeeper", \$5,890: *Provided*, That effective May 1, 1974, the Sergeant at Arms may appoint and fix the compensation of a composer at not to exceed \$13,110 per annum and two composer technicians at not to exceed \$11,115 per annum each.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For an additional amount for "Inquiries and Investigations", \$2,000,000.

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", \$1,205,000.

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS
OF CONGRESS

For payment to the Estate of Charles M. Teague, late a Representative from the State of California, \$42,500.

CONTINGENT EXPENSES OF THE HOUSE

TELEGRAPH AND TELEPHONE

For an additional amount for "Telegraph and telephone", \$1,500,000.

STATIONERY (REVOLVING FUND)

For an additional amount for "Stationery (revolving fund)", \$439,000.

JOINT ITEMS

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

For an additional amount for "Joint Committee on Internal Revenue Taxation", \$25,000.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

SENATE OFFICE BUILDINGS

86 Stat. 1498.

For an additional amount for "Senate Office Buildings", \$200,000, to remain available until expended: *Provided*, That any buildings in Square 724 in the District of Columbia, acquired under authority of Public Law 92-607, occupied by the Senate, shall be subject to the provisions of the Act of June 8, 1942 (40 U.S.C. 174 (c) and (d)) and the Act of July 31, 1946, as amended (40 U.S.C. 193a-193m, 212a, and 212b).

ACQUISITION OF PROPERTY AS A SITE FOR PARKING FACILITIES FOR THE UNITED STATES SENATE

40 USC 174b-1
note.

The fifth proviso under this head in the Supplemental Appropriations Act, 1973 (86 Stat. 1511), is amended by inserting after the words "purposes or" and before the words "to lease" a comma and the following language: "without regard to section 3617 of the Revised Statutes, as amended (31 U.S.C. 484) and section 3709 of the Revised Statutes, as amended (41 U.S.C. 5 and 6a-1)."

ADDITIONAL PARKING FACILITIES FOR CONGRESSIONAL EMPLOYEES

40 USC 175
note.
87 Stat. 1079.

Not to exceed \$25,000 of the appropriation provided under this head in the Supplemental Appropriations Act, 1974 is hereby made available for expenditure by the Architect of the Capitol, under the direction of the Select Committee on Parking of the House of Representatives created and appointed under authority of House Resolution 145, Ninety-third Congress, agreed to February 7, 1973, for the employment of consultants, by contract or otherwise, without regard to section 3709 of the Revised Statutes, as amended, to make a detailed study of the House garages located in the Rayburn and Cannon House Office Buildings and in Squares 637 and 691 to determine the feasibility of providing additional parking within such garages and the means by which such additional parking can be effectively so provided.

41 USC 5.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Library of Congress", \$184,800.

COPYRIGHT OFFICE

For an additional amount for "Salaries and expenses, Copyright Office", \$24,700.

DISTRIBUTION OF CATALOG CARDS

For an additional amount for "Salaries and expenses, distribution of catalog cards", \$259,900.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

For an additional amount for "Salaries and expenses, books for the blind and physically handicapped", \$40,600.

ADMINISTRATIVE PROVISION

Funds available to the Library of Congress may be expended to provide additional parking facilities for Library of Congress employees in an area or areas in the District of Columbia outside the limits of the Library of Congress grounds, and to provide for transportation of such employees to and from such area or areas and the Library of Congress grounds without regard to the limitations imposed by 31 U.S.C. 638a(c)(2).

CHAPTER IX

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

For an additional amount for "Flood Control, Mississippi River and Tributaries", \$100,000,000, to remain available until expended.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

OPERATION AND MAINTENANCE

For an additional amount for "Operation and maintenance", \$7,000,000, to be derived from the reclamation fund.

CHAPTER X

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$6,250,000: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For an additional amount for "Acquisition, operation, and maintenance of buildings abroad", \$1,000,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD
(SPECIAL FOREIGN CURRENCY PROGRAM)

For an additional amount for "Acquisition, operation, and maintenance of buildings abroad (special foreign currency program)", \$324,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

PAYMENT TO FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to Foreign Service retirement and disability fund", \$17,563,000: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$1,200,000.

EDUCATIONAL EXCHANGE

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST
AND WEST

For an additional amount for "Center for Cultural and Technical Interchange Between East and West", \$225,000.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and Expenses, Antitrust Division", \$761,000.

FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and Expenses of Witnesses", \$600,000, including not to exceed \$150,000 for compensation and expenses of expert witnesses.

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$75,000.

REGIONAL ACTION PLANNING COMMISSIONS

REGIONAL DEVELOPMENT PROGRAMS

The amount made available in the appropriation under this head in the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1974 shall remain available until expended.

87 Stat. 646.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

ADMINISTRATION OF PRIBILOF ISLANDS

For an additional amount for "Administration of Pribilof Islands", \$330,000.

FISHERMEN'S GUARANTY FUND

For an additional amount for "Fishermen's guaranty fund", \$40,000, to remain available until expended.

OFFSHORE SHRIMP FISHERIES FUND

For expenses necessary to carry out the provisions of the Offshore Shrimp Fisheries Act of 1973 (Public Law 93-242), \$325,000, to remain available until expended.

16 USC 1100b
note.

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT
AUTHORITY)

For an additional amount for "Operating-differential subsidies (Liquidation of contract authority)", \$23,000,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

REPRESENTATION BY COURT-APPOINTED COUNSEL AND OPERATION OF
DEFENDER ORGANIZATIONS

For an additional amount for "Representation by Court-Appointed Counsel and Operation of Defender Organizations", to be available for the compensation and reimbursement of expenses of attorneys appointed by judges of the District of Columbia Court of Appeals or by judges of the Superior Court of the District of Columbia, \$2,000,000, of which not to exceed \$800,000 shall be available for the liquidation of obligations incurred in the prior year.

RELATED AGENCIES

DEPARTMENT OF THE TREASURY

BUREAU OF ACCOUNTS

FISHERMEN'S PROTECTIVE FUND

22 USC 1979.

For payment to the "Fishermen's Protective Fund", in accordance with section 5 of Public Law 92-569 approved October 26, 1972, \$1,000,000, to remain available until expended.

INTERNATIONAL RADIO BROADCASTING

INTERNATIONAL RADIO BROADCASTING ACTIVITIES

For an additional amount for "International radio broadcasting activities", \$4,500,000.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$5,000,000, to be transferred from the "Disaster loan fund".

UNITED STATES INFORMATION AGENCY

SPECIAL INTERNATIONAL EXHIBITIONS

13 UST 1957.

For an additional amount for "Special International Exhibitions", \$6,300,000, to remain available until expended: *Provided*, That not more than \$5,600,000 of the amount appropriated herein shall be used for United States participation in the International Ocean Exposition to be held in Okinawa, Japan in 1975, including not to exceed \$10,000 for representation abroad: *Provided further*, That not less than \$2,500,000 of the amount appropriated for United States participation in the International Ocean Exposition shall be paid in Japanese yen accrued under the Settlement on Post War Economic Assistance between the United States and Japan, dated January 9, 1962: *Provided further*, That this appropriation shall be available only upon enactment into law of appropriate authorizing legislation.

CHAPTER XI

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$7,000,000, to remain available until June 30, 1975.

INTERIM OPERATING ASSISTANCE

For an additional amount for "Interim operating assistance", \$39,800,000, to remain available until expended.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For an additional amount for "Transportation planning, research, and development", \$3,000,000, to remain available until expended.

COAST GUARD

RETIRED PAY

For an additional amount for "Retired pay", \$5,750,000.

FEDERAL HIGHWAY ADMINISTRATION

INTER-AMERICAN HIGHWAY

For expenses necessary to carry out the provisions of title 23 of the United States Code, as amended (sec. 212), \$56,000.

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

For an additional amount for railroad-highway crossings demonstration projects, to remain available until expended, \$2,218,000, to be derived by transfer from amounts available for obligation under Sections 203 and 230 of the Highway Safety Act of 1973.

23 USC 130
note, 405.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

TRAFFIC AND HIGHWAY SAFETY

For an additional amount for "Traffic and highway safety", \$800,000, which shall be derived from the Highway Trust Fund, to remain available until expended.

FEDERAL RAILROAD ADMINISTRATION

RAILROAD RESEARCH

For an additional amount for "Railroad research", \$1,000,000, to remain available until expended and to be derived by transfer from the appropriation "Emergency Rail Facilities Restoration."

HIGH SPEED GROUND TRANSPORTATION RESEARCH AND DEVELOPMENT

For an additional amount for "High speed ground transportation research and development", \$5,000,000, to remain available until expended and to be derived by transfer from the appropriation "Emergency Rail Facilities Restoration."

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation", \$47,000,000, to remain available until expended, of which \$2,000,000 is provided only for the initiation of a new service as set forth in section 403 of Public Law 91-518, as amended.

45 USC 563.

RELATED AGENCIES

CIVIL AERONAUTICS BOARD

PAYMENTS TO AIR CARRIERS

For an additional amount for "Payments to Air Carriers", \$6,834,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$3,500,000, of which \$3,400,000 shall remain available until June 30, 1975, for necessary expenses of the Rail Services Planning Office to carry out the powers and duties authorized by the Regional Rail Reorganization Act of 1973.

45 USC 701
note.

UNITED STATES RAILWAY ASSOCIATION

ADMINISTRATIVE EXPENSES

For an additional amount for "Administrative expenses", \$12,000,000, to remain available until June 30, 1975.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

FEDERAL CONTRIBUTION

For an additional amount for "Federal contribution", to enable the Department of Transportation to pay the Washington Metropolitan Area Transit Authority, \$13,600,000, to remain available until expended, for the design, construction, procurement, and installation of elevators for the handicapped in all stations of a rapid rail transit system as authorized by the Federal-Aid Highway Act of 1973 (Public Law 93-87 approved August 13, 1973).

23 USC 101
note.

CHAPTER XII

DEPARTMENT OF THE TREASURY

BUREAU OF ACCOUNTS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$10,778,000.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For an additional amount for "Administering the public debt", \$2,000,000.

INTERNAL REVENUE SERVICE

ACCOUNTS, COLLECTION AND TAXPAYER SERVICE

For an additional amount for "Accounts, collection and taxpayer service", \$17,000,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", including purchase of an additional eleven passenger motor vehicles for police-type use, \$2,700,000: *Provided*, That funds appropriated to the United States Secret Service shall be available to provide protection to the immediate family of the Vice President of the United States.

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For an additional amount for "Payment to the Postal Service Fund", \$220,000,000.

INDEPENDENT AGENCIES

CIVIL SERVICE COMMISSION

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For an additional amount for "Government payment for annuitants, employees health benefits", \$38,000,000.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to Civil Service Retirement and Disability Fund", \$292,000,000.

CHAPTER XIII

CLAIMS AND JUDGMENTS

CLAIMS AND JUDGMENTS

For payment of claims settled and determined by departments and agencies in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in House Document Numbered 237, Ninety-third Congress, \$20,977,448, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That unless otherwise specifically required by law or by judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of the Act.

TITLE II

INCREASED PAY COSTS

For additional amounts for appropriations for the fiscal year 1974, for increased pay costs authorized by or pursuant to law, as follows:

LEGISLATIVE BRANCH

SENATE

"Salaries, officers and employees", \$1,000,000;
 "Office of the Legislative Counsel of the Senate", \$21,365;

CONTINGENT EXPENSES OF THE SENATE

"Senate policy committees", \$45,330;
 "Inquiries and investigations", \$1,067,975;
 "Folding documents", \$6,635;
 "Miscellaneous items", \$1,545;

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

"Office of the Speaker", \$18,920;
 "Office of the Parliamentarian", \$12,275;
 "Compilation of precedents of House of Representatives", \$1,680;
 "Office of the Clerk", \$274,910;
 "Office of the Sergeant at Arms", \$387,965;
 "Office of the Doorkeeper", \$64,930;
 "Office of the Postmaster", \$53,360;
 "Committee employees", \$100,000;
 Special and minority employees:
 "Six minority employees", \$5,620;
 "House Democratic Steering Committee", \$1,515;
 "House Republican Conference", \$1,515;
 "Office of the majority floor leader", \$10,225;
 "Office of the minority floor leader", \$8,740;
 "Office of the majority whip", \$7,230;
 "Office of the minority whip", \$7,230;
 "Two printing clerks, majority and minority caucus rooms",
 \$2,175;
 "Technical assistant, Office of the Attending Physician", \$1,960;
 "Official reporters of debates", \$15,165;
 "Official reporters to committees", \$15,755;
 "Committee on Appropriations (investigations)", \$12,865;
 "Office of the Legislative Counsel", \$37,825;

MEMBERS' CLERK HIRE

"Members' clerk hire", \$4,715,500;

CONTINGENT EXPENSES OF THE HOUSE

"Government contributions", \$487,460;
 "Special and select committees", \$744,990;
 Leadership automobiles:
 "Speaker's automobile", \$1,395;
 "Majority leader's automobile", \$1,395;
 "Minority leader's automobile", \$1,395;

JOINT ITEMS

"Joint Committee on Reduction of Federal Expenditures", \$6,360,
 to remain available during the existence of the committee;
 "Joint Economic Committee", \$57,390;

"Joint Economic Committee—Subcommittee on Fiscal Policy", \$15,505;

"Joint Committee on Printing", \$19,080;

"Joint Committee on Internal Revenue Taxation", \$58,460;

"Joint Committee on Defense Production", \$12,125;

"Joint Committee on Congressional Operations", \$43,290;

"Capitol Guide Service", \$23,540;

ARCHITECT OF THE CAPITOL

Office of the Architect of the Capitol: "Salaries", \$62,000;

"Capitol buildings", \$110,000;

"Capitol grounds", \$24,000;

"Senate office buildings", \$281,500;

"Senate garage", \$2,800;

"House office buildings", \$371,600;

"Capitol power plant", \$15,000;

"Library buildings and grounds: Structural and mechanical care", \$37,000;

BOTANIC GARDEN

"Salaries and expenses", \$24,500;

LIBRARY OF CONGRESS

"Salaries and expenses", \$2,660,000;

Copyright Office: "Salaries and expenses", \$269,000;

Congressional Research Service: "Salaries and expenses", \$464,000;

Distribution of catalog cards: "Salaries and expenses", \$483,000;

Books for the blind and physically handicapped: "Salaries and expenses", \$49,000;

Revision of annotated Constitution: "Salaries and expenses", \$2,900, to remain available until expended;

Revision of Hinds' and Cannon's Precedents: "Salaries and expenses", \$11,400;

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

"Salaries and expenses", \$400,000;

GENERAL ACCOUNTING OFFICE

"Salaries and expenses", \$5,600,000;

UNITED STATES TAX COURT

"Salaries and expenses", \$58,000;

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

"Salaries", \$190,000;

"Automobile for the Chief Justice", \$1,000;

"Care of the building and grounds", \$16,300;

CUSTOMS COURT

“Salaries and expenses”, \$83,000;

COURT OF CLAIMS

“Salaries and expenses”, \$40,000;

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

“Salaries of supporting personnel”, \$6,550,000;

“Representation by court-appointed counsel and operation of defender organizations”, \$175,000;

“Administrative Office of the United States Courts”, \$302,000;

“Expenses of referees”, \$640,000, to be derived from the Referees’ salary and expense fund established in pursuance of said Act, and, to the extent of any deficiency in said fund, from any moneys in the Treasury not otherwise appropriated;

FEDERAL JUDICIAL CENTER

“Salaries and expenses”, \$73,000;

EXECUTIVE OFFICE OF THE PRESIDENT

THE WHITE HOUSE OFFICE

“Salaries and expenses”, \$650,000;

EXECUTIVE RESIDENCE

“Operating expenses”, \$63,000;

SPECIAL ASSISTANCE TO THE PRESIDENT

“Special assistance to the President”, \$17,000;

COUNCIL OF ECONOMIC ADVISERS

“Salaries and expenses”, \$38,000;

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

“Salaries and expenses”, \$26,000;

OFFICE OF MANAGEMENT AND BUDGET

“Salaries and expenses”, \$900,000;

OFFICE OF TELECOMMUNICATIONS POLICY

“Salaries and expenses”, \$56,000;

SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

“Salaries and expenses”, \$19,000;

FUNDS APPROPRIATED TO THE PRESIDENT

ECONOMIC STABILIZATION ACTIVITIES

“Salaries and expenses”, \$3,395,000;

FOREIGN ASSISTANCE

ECONOMIC ASSISTANCE

“Administrative and other expenses”, \$119,000, to be derived by transfer from other appropriations under the heading Economic assistance, fiscal year 1974;

DEPARTMENT OF AGRICULTURE

“Office of the Secretary”, \$683,000;

“Office of the Inspector General”, \$989,000, and in addition, \$284,000 shall be derived by transfer from the appropriation, “Food stamp program” and merged with this appropriation;

“Office of the General Counsel”, \$572,000;

“Office of Management Services”, \$308,000;

“Agricultural Research Service”, \$12,353,000;

“Animal and Plant Health Inspection Service”, \$17,651,000;

“Cooperative State Research Service”, \$148,000, to be derived by transfer from the appropriation “Salaries and expenses”, Agricultural Stabilization and Conservation Service, fiscal year 1974;

“Extension Service”, for “Federal administration and coordination”, \$308,000, to be derived by transfer from “payments for the nutrition and family education program for low-income areas under section 3(d) of the (Smith-Lever) Act”;

“National Agricultural Library”, \$242,000, to be derived by transfer from the appropriation for the “Cropland adjustment program”, fiscal year 1974;

“Statistical Reporting Service”, \$1,357,000, to be derived by transfer from the appropriation for the “Cropland adjustment program”, fiscal year 1974;

“Economic Research Service”, \$1,307,000;

“Commodity Exchange Authority”, \$214,000, to be derived by transfer from the appropriation, “Salaries and expenses”, Agricultural Stabilization and Conservation Service, fiscal year 1974;

“Packers and Stockyards Administration”, \$276,000;

“Farmer Cooperative Service”, \$141,000;

“Foreign Agricultural Service”, \$881,000;

Federal Crop Insurance Corporation: “Administrative and operating expenses”, \$1,008,000, which may be paid from premium income;

“Rural Development Service”, \$28,000;

Rural Electrification Administration: “Salaries and expenses”, \$769,000;

Farmers Home Administration: “Salaries and expenses”, \$8,350,000;

Soil Conservation Service: “Conservation operations”, \$5,457,000, to remain available until expended;

Agricultural Marketing Service: “Marketing services”, \$2,222,000, to be derived by transfer from the appropriation “Salaries and expenses”, Agricultural Stabilization and Conservation Service, fiscal year 1974;

"Funds for strengthening markets, income, and supply (section 32)" (increase of \$232,000 in the limitation on marketing agreements and orders);

FOREST SERVICE

"Forest protection and utilization", for "forest land management", \$13,400,000, of which \$55,000 for cooperative law enforcement shall remain available until expended; "Forest research", \$3,400,000; and "State and private forestry cooperation", \$262,000;

"Forest roads and trails (Liquidation of contract authority)", \$5,500,000, to remain available until expended;

DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

"Salaries and expenses", \$550,000;

"Administration of economic development assistance programs", \$1,100,000;

SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION

"Salaries and expenses", \$2,700,000;

"Periodic censuses and programs", \$1,300,000, to remain available until expended;

DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION

"Salaries and expenses", \$2,600,000;

FOREIGN DIRECT INVESTMENT REGULATION

"Salaries and expenses", \$100,000;

MINORITY BUSINESS ENTERPRISE

"Minority business development", \$450,000, to remain available until expended;

UNITED STATES TRAVEL SERVICE

"Salaries and expenses", \$100,000;

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

"Operations, research, and facilities", \$17,250,000, to remain available until expended, of which \$2,178,000 shall be derived by transfer from funds appropriated to support the vessel construction and subsidy program;

"Administration of Pribilof Islands", \$155,000;

SCIENCE AND TECHNOLOGY

"Scientific and technical research and services", \$7,350,000, to remain available until expended;

MARITIME ADMINISTRATION

"Operations and training", \$1,800,000, to remain available until expended;

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

“Military personnel, Army”, \$585,850,000;
“Military personnel, Navy”, \$308,650,000;
“Military personnel, Marine Corps”, \$113,834,000;
“Military personnel, Air Force”, \$564,950,000;
“Reserve personnel, Army”, \$23,092,000;
“Reserve personnel, Navy”, \$11,197,000;
“Reserve personnel, Marine Corps”, \$1,527,000;
“Reserve personnel, Air Force”, \$6,885,000;
“National Guard personnel, Army”, \$69,600,000;
“National Guard personnel, Air Force”, \$7,583,000;

OPERATION AND MAINTENANCE

“Operation and maintenance, Army”, \$260,400,000;
“Operation and maintenance, Navy”, \$191,000,000;
“Operation and maintenance, Marine Corps”, \$13,500,000;
“Operation and maintenance, Air Force”, \$155,000,000;
“Operation and maintenance, Defense Agencies”, \$88,000,000;
“Operation and maintenance, Army Reserve”, \$10,200,000;
“Operation and maintenance, Navy Reserve”, \$3,300,000;
“Operation and maintenance, Marine Corps Reserve”, \$48,000;
“Operation and maintenance, Air Force Reserve”, \$7,700,000;
“Operation and maintenance, Army National Guard”, \$20,800,000;
“Operation and maintenance, Air National Guard”, \$16,375,000;
“National Board for the Promotion of Rifle Practice, Army”,
\$10,000;
“Court of Military Appeals, Defense”, \$50,000;

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

“Research, development, test, and evaluation, Army”, \$26,914,000,
to remain available for obligation until June 30, 1975;
“Research, development, test, and evaluation, Navy”, \$28,885,000,
to remain available for obligation until June 30, 1975;
“Research, development, test, and evaluation, Air Force”,
\$22,093,000, to remain available for obligation until June 30, 1975;
“Research, development, test, and evaluation, Defense agencies”,
\$3,761,000, to remain available for obligation until June 30, 1975;

FAMILY HOUSING

“Family housing, Defense”, \$3,866,000 (and an increase of \$3,866,000
in the limitation on Department of Defense, operation, maintenance);

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

“General expenses”, \$2,200,000;

SOLDIERS' AND AIRMEN'S HOME

“Operation and maintenance”, \$516,000;

THE PANAMA CANAL
CANAL ZONE GOVERNMENT

“Operating expenses”, \$1,000,000.

PANAMA CANAL COMPANY

“Limitation on general and administrative expenses” (increase of \$1,294,000 in the limitation on general and administrative expenses);

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

FOOD AND DRUG ADMINISTRATION

“Salaries and expenses”, \$5,370,000, to be derived by transfer from the appropriation for “Health manpower”, fiscal year 1974;

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

“Saint Elizabeths Hospital”, \$3,784,000, to be derived by transfer from the appropriation for “Mental health”, fiscal year 1974;

“Health services delivery”, \$2,470,000, to be derived by transfer from the appropriation for “Health services planning and development”, fiscal year 1974;

“Preventive health services”, \$1,789,000, to be derived by transfer from the appropriation for “Health services planning and development”, fiscal year 1974;

“National health statistics”, \$1,024,000, to be derived by transfer from the appropriation for “Health services planning and development”, fiscal year 1974;

“Office of the Administrator”, \$945,000, to be derived by transfer from the appropriation for “Health services planning and development”, fiscal year 1974;

“Indian health services”, \$9,410,000, to be derived by transfer from the appropriation for “Mental health”, fiscal year 1974;

NATIONAL INSTITUTES OF HEALTH

“National Library of Medicine”, \$458,000 to be derived by transfer from the appropriation for “Research resources”, fiscal year 1974;

“Office of the Director”, \$903,000, to be derived by transfer from the appropriation for “Research resources”, fiscal year 1974;

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

“Salaries and expenses, Assistant Secretary for Education”, \$124,000, to be derived by transfer from the appropriation for “Library resources”, fiscal year 1974;

OFFICE OF EDUCATION

“Salaries and expenses”, \$1,500,000, to be derived by transfer from the appropriation for “Library resources”, fiscal year 1974;

NATIONAL INSTITUTE OF EDUCATION

“National Institute of Education”, \$700,000, to be derived by transfer from the appropriation for “Library resources”, fiscal year 1974;

SOCIAL SECURITY ADMINISTRATION

“Special benefits for disabled coal miners”, \$1,746,000, to be derived by transfer from the appropriation for “Elementary and secondary education”, fiscal year 1974;

OFFICE OF THE SECRETARY

“Office for Civil Rights”, \$1,302,000, to be derived by transfer from the appropriation for “Child development”, fiscal year 1974;

“Office of Consumer Affairs”, \$82,000, to be derived by transfer from the appropriation for “Child development”, fiscal year 1974;

“Departmental management”, \$5,096,000, to be derived by transfer from the appropriation for “Child development”, fiscal year 1974;

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PRODUCTION AND MORTGAGE CREDIT

“Salaries and expenses, Housing production and mortgage credit programs”, \$126,000;

“Limitation on administrative and nonadministrative expenses, Federal Housing Administration” (increase of \$365,000 in the limitation on administrative expenses and increase of \$945,000 in the limitation on nonadministrative expenses);

“Limitation on administrative expenses, Government National Mortgage Association” (increase of \$22,000 in the limitation on administrative expenses);

HOUSING MANAGEMENT

“Salaries and expenses, Housing management programs”, \$621,000;

COMMUNITY PLANNING AND MANAGEMENT

“Salaries and expenses, Community planning and management programs”, \$225,000;

COMMUNITY DEVELOPMENT

“Salaries and expenses, Community development programs”, \$591,000;

RESEARCH AND TECHNOLOGY

“Research and technology” (increase of \$109,000 in the limitation on administrative expenses);

FAIR HOUSING AND EQUAL OPPORTUNITY

“Fair housing and equal opportunity”, \$231,000;

DEPARTMENTAL MANAGEMENT

“General departmental management”, \$119,000;

“Salaries and expenses, Office of general counsel”, \$87,000;

“Salaries and expenses, Office of inspector general”, \$174,000;

“Administration and staff services”, \$190,000;

“Regional management and services”, \$444,000;

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

"Management of lands and resources", \$5,000,000;

BUREAU OF INDIAN AFFAIRS

"Education and welfare services", \$10,400,000;

"Resources management", \$4,500,000;

"General administrative expenses", \$350,000;

BUREAU OF OUTDOOR RECREATION

"Salaries and expenses", \$300,000;

"Land and water conservation" (increase of \$350,000 in the limitation on administrative expenses);

GEOLOGICAL SURVEY

"Surveys, investigations, and research", \$9,500,000;

BUREAU OF MINES

"Mines and minerals", \$6,746,000;

BUREAU OF SPORT FISHERIES AND WILDLIFE

"Resource management", \$5,250,000;

NATIONAL PARK SERVICE

"Operation of the National Park System", \$10,700,000;

"Preservation of historic properties", \$283,000, to remain available until expended;

OFFICE OF WATER RESOURCES RESEARCH

"Salaries and expenses", \$80,000;

BUREAU OF RECLAMATION

"General administrative expenses", \$1,200,000, to be derived from the reclamation fund;

BONNEVILLE POWER ADMINISTRATION

"Operation and maintenance", \$1,833,000;

SOUTHWESTERN POWER ADMINISTRATION

"Operation and maintenance", \$67,000;

OFFICE OF THE SOLICITOR

"Salaries and expenses", \$590,000;

OFFICE OF THE SECRETARY

"Salaries and expenses", \$1,070,000;

"Departmental operations", \$340,000;

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

"Salaries and expenses, general administration", \$900,000;
"Salaries and expenses, general legal activities", \$3,250,000;
"Salaries and expenses, Antitrust Division", \$1,010,000;
"Salaries and expenses, United States attorneys and marshals",
\$6,650,000;
"Salaries and expenses, Community Relations Service", \$233,000;

FEDERAL BUREAU OF INVESTIGATION

"Salaries and expenses", \$25,788,000;

IMMIGRATION AND NATURALIZATION SERVICE

"Salaries and expenses", \$10,406,000;

FEDERAL PRISON SYSTEM

"Salaries and expenses, Bureau of Prisons", \$8,103,000;

FEDERAL PRISON INDUSTRIES, INCORPORATED

"Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated" (increase of \$79,000 in the limitation on administrative expenses and of \$350,000 in the limitation on vocational training expenses);

DRUG ENFORCEMENT ADMINISTRATION

"Salaries and expenses", \$5,434,000;

DEPARTMENT OF LABOR

LABOR-MANAGEMENT SERVICES ADMINISTRATION

"Salaries and expenses", \$898,000;

EMPLOYMENT STANDARDS ADMINISTRATION

"Salaries and expenses", \$2,218,000;

BUREAU OF LABOR STATISTICS

"Salaries and expenses", \$1,235,000, of which \$444,000 shall be available, in addition to the amount heretofore made available, for expenses of revising the Consumer Price Index;

DEPARTMENTAL MANAGEMENT

"Salaries and expenses", \$1,249,000, of which \$24,000 shall be available, in addition to the amount heretofore made available, for the President's Committee on Employment of the Handicapped.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

“Salaries and expenses”, \$13,130,000;
“Acquisition, operation, and maintenance of buildings abroad”,
\$185,000, to remain available until expended;

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

“Missions to international organizations”, \$226,000;
“International trade negotiations”, \$44,000;

INTERNATIONAL COMMISSIONS

International Boundary and Water Commission, United States and
Mexico: “Salaries and expenses”, \$311,000;
“American sections, international commissions”, \$53,000;
“International fisheries commissions”, \$58,000;

EDUCATIONAL EXCHANGE

“Mutual educational and cultural exchange activities”, \$787,000;

OTHER

“Migration and refugee assistance”, \$25,000;

DEPARTMENT OF TRANSPORTATION

COAST GUARD

“Operating expenses”, \$39,500,000;
“Reserve training”, \$1,770,000;

FEDERAL AVIATION ADMINISTRATION

“Operations”, \$82,000,000;
“Operation and maintenance, National Capital Airports”, \$342,000;

FEDERAL HIGHWAY ADMINISTRATION

“Salaries and expenses”, \$300,000 and in addition, not to exceed
\$5,000,000 shall be transferred from the appropriation for “Federal-
aid highways (liquidation of contract authorization) (Trust fund)”;

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

“Traffic and highway safety”, \$1,000,000, to be derived by transfer
from the appropriation “Emergency Rail Facilities Restoration”;

FEDERAL RAILROAD ADMINISTRATION

“Office of the Administrator, salaries and expenses”, \$200,000, to be
derived by transfer from the appropriation “Emergency Rail Facilities
Restoration”;

“Railroad Safety”, \$448,000, of which \$111,000 is to be derived by
transfer from the appropriation “Emergency Rail Facilities Restora-
tion”;

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

"Limitation on administrative expenses, Saint Lawrence Seaway Development Corporation", (increase of \$26,000 in the limitation on administrative expenses);

NATIONAL TRANSPORTATION SAFETY BOARD

"Salaries and expenses", \$280,000;

DEPARTMENT OF THE TREASURY

OFFICE OF THE SECRETARY

"Salaries and expenses", \$950,000;

FEDERAL LAW ENFORCEMENT TRAINING CENTER

"Salaries and expenses", \$50,000;

BUREAU OF ACCOUNTS

"Salaries and expenses", \$1,300,000;

BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS

"Salaries and expenses", \$5,448,000;

BUREAU OF CUSTOMS

"Salaries and expenses", \$15,500,000;

BUREAU OF THE MINT

"Salaries and expenses", \$1,915,000;

BUREAU OF THE PUBLIC DEBT

"Administering the public debt", \$1,880,000;

INTERNAL REVENUE SERVICE

"Salaries and expenses", \$2,400,000;

"Accounts, collection and taxpayer service", \$36,000,000, including \$5,240,000 for temporary employment in addition to that heretofore authorized;

"Compliance", \$44,000,000;

OFFICE OF THE TREASURER

"Salaries and expenses", \$800,000;

UNITED STATES SECRET SERVICE

"Salaries and expenses", \$3,350,000;

ATOMIC ENERGY COMMISSION

"Operating expenses", \$11,200,000, to remain available until expended;

ENVIRONMENTAL PROTECTION AGENCY

“Research and development”, \$1,200,000;
“Abatement and control”, \$2,300,000;
“Enforcement”, \$1,000,000;
“Agency and regional management”, \$1,100,000;

GENERAL SERVICES ADMINISTRATION

PUBLIC BUILDING SERVICE

“Operating expenses”, \$11,250,000;

FEDERAL SUPPLY SERVICE

“Operating expenses”, \$5,950,000;

NATIONAL ARCHIVES AND RECORD SERVICE

“Operating expenses”, \$850,000;
“Records declassification”, \$85,000;

AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

“Operating expenses”, \$500,000;

PROPERTY MANAGEMENT AND DISPOSAL SERVICE

“Operating expenses”, \$1,700,000;

OFFICE OF THE ADMINISTRATOR

“Salaries and expenses”, \$200,000;
“Consumer Information Center”, \$30,000;
“Indian tribal claims”, \$90,000;
“Administrative Operations Fund”, In addition to the amount available for obligation in this account, \$2,957,000 shall also be available for such obligation;

EMERGENCY PREPAREDNESS

“Salaries and expenses”, \$250,000;
“Defense mobilization functions of Federal agencies”, \$260,000;

NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

“Research and program management”, \$37,600,000;

VETERANS ADMINISTRATION

“Medical care”, \$143,377,000;
“Medical administration and miscellaneous operating expenses”, \$1,463,000;
“General operating expenses”, \$21,623,000;
“Construction, minor projects”, \$315,000, to remain available until expended;

OTHER INDEPENDENT AGENCIES

ACTION

“Operating expenses, domestic programs”, \$899,000;
“International Programs, Peace Corps”, \$1,000,000;

AMERICAN BATTLE MONUMENTS COMMISSION

“Salaries and expenses”, \$300,000;

ARMS CONTROL AND DISARMAMENT AGENCY

“Arms control and disarmament activities”, \$330,000;

CIVIL AERONAUTICS BOARD

“Salaries and expenses”, \$770,000;

CIVIL SERVICE COMMISSION

“Salaries and expenses”, \$4,700,000; together with an additional amount of \$1,016,800 for current fiscal year administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Commission in amounts determined by the Commission without regard to other statutes;

FEDERAL LABOR RELATIONS COUNCIL

“Salaries and expenses”, \$57,000;

COMMISSION OF FINE ARTS

“Salaries and expenses”, \$10,000;

COMMISSION ON CIVIL RIGHTS

“Salaries and expenses”, \$250,000;

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

“Salaries and expenses”, \$1,400,000;

FARM CREDIT ADMINISTRATION

“Limitation on administrative expenses” (increase of \$126,000 in the limitation on administrative expenses);

FEDERAL COMMUNICATIONS COMMISSION

“Salaries and expenses”, \$295,000;

FEDERAL HOME LOAN BANK BOARD

“Limitation on administrative and nonadministrative expenses, Federal Home Loan Bank Board” (increase of \$450,000 in the limitation on administrative expenses and increase of \$430,000 in the limitation on nonadministrative expenses);

FEDERAL MARITIME COMMISSION

“Salaries and expenses”, \$385,000;

FEDERAL MEDIATION AND CONCILIATION SERVICE

“Salaries and expenses”, \$770,000;

FEDERAL POWER COMMISSION

“Salaries and expenses”, \$1,500,000;

FEDERAL TRADE COMMISSION

“Salaries and expenses”, \$1,896,000;

FOREIGN CLAIMS SETTLEMENT COMMISSION

“Salaries and expenses”, \$42,000;

HISTORICAL AND MEMORIAL COMMISSIONS

American Revolution Bicentennial Administration

“Salaries and expenses”, \$130,000;

INDIAN CLAIMS COMMISSION

“Salaries and expenses”, \$78,000;

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

“Salaries and expenses”, \$70,000;

INTERSTATE COMMERCE COMMISSION

“Salaries and expenses”, \$2,340,000;

NATIONAL CAPITAL PLANNING COMMISSION

“Salaries and expenses”, \$100,000;

NATIONAL COUNCIL ON INDIAN OPPORTUNITY

“Salaries and expenses”, \$7,000.

NATIONAL LABOR RELATIONS BOARD

“Salaries and expenses”, \$1,007,000;

NATIONAL MEDIATION BOARD

“Salaries and expenses”, \$63,000;

NATIONAL SCIENCE FOUNDATION

“Salaries and expenses”, \$1,860,000: (and an increase of \$1,860,000 in the limitation on program development and management);

RAILROAD RETIREMENT BOARD

"Limitation on salaries and expenses" (increase in the limitation on salaries and expenses of \$1,387,000, to be derived from the railroad retirement accounts) ;

RENEGOTIATION BOARD

"Salaries and expenses", \$115,000 ;

SECURITIES AND EXCHANGE COMMISSION

"Salaries and expenses", \$2,200,000, of which \$160,000 shall be available for expenses of travel.

SELECTIVE SERVICE SYSTEM

"Salaries and expenses", \$4,250,000 ;

SMALL BUSINESS ADMINISTRATION

"Salaries and expenses", \$4,300,000, of which \$3,450,000 shall be derived by transfer from the "Business loan and investment fund", from the "Disaster loan fund", and from the "Lease and surety bond guarantees revolving fund" ;

SMITHSONIAN INSTITUTION

"Salaries and expenses", \$3,105,000 ;

"Science information exchange", \$45,000 ;

"Salaries and expenses, National Gallery of Art", \$370,000 ;

TARIFF COMMISSION

"Salaries and expenses", \$300,000 ;

UNITED STATES INFORMATION AGENCY

"Salaries and expenses", \$7,062,000 ;

"Special international exhibitions", \$138,000, to remain available until expended ;

DISTRICT OF COLUMBIA

(OUT OF DISTRICT OF COLUMBIA FUNDS)

"General operating expenses", \$1,437,000, of which \$16,321 shall be payable from the highway fund (including \$4,102 from the motor vehicle parking account), \$2,663 from the water fund, and \$1,155 from the sanitary sewage works fund ;

"Public safety", \$1,398,000 ;

"Education", \$1,261,000 ;

"Recreation", \$240,000 ;

"Human Resources", \$2,737,000 ;

"Highways and Traffic", \$394,000, of which \$340,721 shall be payable from the highway fund ;

“Environmental Services”, \$1,191,000, of which \$333,830 shall be payable from the water fund, and \$247,863 from the sanitary sewage works fund.

DIVISION OF EXPENSES

The sums appropriated herein for the District of Columbia shall be paid out of the general fund of the District of Columbia, except as otherwise specifically provided.

ANNEXED BUDGETS

EXPORT-IMPORT BANK OF THE UNITED STATES

“Limitation on administrative expenses” (Increase of \$525,000 in the limitation on administrative expenses).

TITLE III

FISCAL YEAR 1973 RETROACTIVE PAY COSTS

SEC. 301. For costs arising from the fiscal year 1973 pay increases granted by or pursuant to the Federal Pay Comparability Act of 1970 and the Act of December 16, 1967 (81 Stat. 649), for any branch of the Federal Government or the municipal government of the District of Columbia, to be available immediately, such amounts as may be necessary, to be determined as hereinafter provided in this title, but no appropriation, fund, limitation, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost to such appropriation, fund, limitation, or authorization related to increased compensation pursuant to such statutes.

SEC. 302. Whenever any officer referred to in section 303 of this title shall determine that he has exhausted the possibilities of meeting the cost of pay increases, first, through the use of the unobligated balances of the fiscal year 1973 appropriations, funds, limitations, or authorizations properly chargeable with the costs in fiscal year 1973, which are hereby restored and made available for this purpose, and, secondly, through the use of the corresponding appropriations, funds, limitations, or authorizations for the fiscal year 1974, he shall certify the additional amount required to meet such costs for each appropriation, fund, limitation, or authorization under his administrative control, and with respect to retired pay he shall certify the additional amount required for the fiscal year 1974 costs resulting from such pay increases in fiscal year 1973, and the amounts so certified shall be added to the pertinent appropriation, fund, limitation, or authorization for the fiscal year 1974: *Provided*, That any certification made under the authority of this section by an officer in or under the executive branch of the Federal Government shall be valid only when approved by the Director of the Office of Management and Budget.

SEC. 303. For the purposes of the certifications authorized by section 302 of this title, the following officers shall be deemed to have administrative control of appropriations, funds, limitations, or authorizations available within their respective organization units—

- (a) The legislative branch:
 - The Clerk of the House;
 - The Secretary of the Senate;

The Librarian of Congress;
 The Architect of the Capitol;
 The Public Printer;
 The Comptroller General of the United States;
 The Chief Judge of the United States Tax Court;
 The chairman of any commission in or under the legislative branch.

(b) For the Judiciary:

The Administrative Officer of the United States Courts;
 The Marshal of the Supreme Court.

(c) For the executive branch:

The head of each department, agency, or corporation in or under the executive branch.

(d) For the municipal government of the District of Columbia:

The Commissioner of the District of Columbia.

SEC. 304. Obligations or expenditures incurred for pay increases and related costs pursuant to this title, shall not be regarded or reported as violations of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

SEC. 305. (a) Amounts made available by this title shall be derived from the same source as the appropriation, fund, limitation, or authorization to which such amounts are added.

(b) Appropriations made pursuant to this title shall be recorded on the books of the Government as of June 30, 1974: *Provided*, That no appropriation made by this title shall be warranted after August 15, 1974.

(c) A complete report of the appropriations made by or pursuant to this title shall be made not later than September 15, 1974, by the officers described in section 303 to the Director of the Office of Management and Budget, who shall compile and transmit to the Congress a consolidated report not later than October 15, 1974.

Report to
Congress.

SEC. 306. With respect to the application of Executive Order Numbered 11691 of December 15, 1972, as amended by Executive Order Numbered 11777 of April 12, 1974, relating to the change from January 1, 1973, to October 1, 1972, as the effective date for certain adjustments of rates of pay of certain statutory pay systems, the Clerk of the House of Representatives, in the administration of and in accordance with section 5 of the Federal Pay Comparability Act of 1970 (84 Stat. 1952-53; Public Law 91-656), with respect to each employee or former employee who was on the employment rolls of the House for any period occurring on or after October 1, 1972, and ending at the close of December 31, 1972, whose pay was disbursed in such period by the Clerk of the House, may make adjustments in the rate of pay of such employee or former employee for such period who was then on the employment rolls of the House, if, in the determination of the Clerk, the pay fixing authority governing the adjustment of pay under such Executive Order Numbered 11691, as in effect on January 1, 1973, has changed.

5 USC 5332
note.

2 USC 60a note.

TITLE IV

GENERAL PROVISIONS

SEC. 401. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Fiscal year
limitation.

SEC. 402. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or pro-

visions affecting appropriations or other funds, available during the fiscal year 1974, limiting the amounts which may be expended for personal services, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by or pursuant to law.

Retroactive pay
increases.

SEC. 403. Applicable appropriations or funds available for the fiscal year 1974 shall also be available for payment of prior fiscal year obligations for retroactive pay increases granted pursuant to 5 U.S.C. 5341.

North Vietnam
reconstruction
funds, prohibition.

SEC. 404. No funds appropriated in this Act shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

U.S. combat
activities in
Southeast Asia,
funds, prohibition.

SEC. 405. None of the funds herein appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

SEC. 406. Appropriations and authority provided in this Act shall be available from June 1, 1974, and all obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

Approved June 8, 1974.

Public Law 93-306

June 8, 1974
[H. R. 11223]

AN ACT

To authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam.

Vessels.
Exchange con-
tracts, amend-
ment.

81 Stat. 581.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce (hereinafter referred to as the "Secretary"), acting by and through the Maritime Administration, is authorized to remove from any and all contracts made under authority of the Act of December 14, 1967 (Public Law 90-195) or otherwise affecting the two C-4-type vessels traded out under authority of that Act, the terms and conditions which were deemed necessary to insure that if the person who acquired the two C-4-type vessels discontinues his operation of unsubsidized service between the west coast of the United States and the territory of Guam, the vessels will be sold to his successor in such service at their fair and reasonable value as determined by the Secretary, and any other requirements the Secretary determined were necessary to insure continued operation of the two C-4-type vessels in such unsubsidized service. At the request of the other party to any such contract, the Secretary shall amend such contract in accordance with the provisions of this Act.

Approved June 8, 1974.

Public Law 93-307

AN ACT

To authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes.

June 8, 1974
[H. R. 12565]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Department of
Defense Supple-
mental Appropri-
ation Authoriza-
tion Act, 1974.

TITLE I—PROCUREMENT

SEC. 101. In addition to the funds authorized to be appropriated under Public Law 93-155 there is hereby authorized to be appropriated during fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons authorized by law, in amounts as follows:

87 Stat. 605.

Aircraft

For aircraft: for the Army, \$15,000,000; for the Navy and the Marine Corps, \$201,200,000; for the Air Force, \$187,800,000.

Missiles

For missiles: for the Army, \$76,600,000; for the Navy, \$17,000,000; for the Marine Corps, \$22,300,000; for the Air Force, \$39,000,000.

Naval Vessels

For naval vessels: for the Navy, \$24,800,000.

Tracked Combat Vehicles

For tracked combat vehicles: For the Army, \$63,400,000.

Other Weapons

For other weapons: For the Army, \$8,200,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND
EVALUATION

SEC. 201. In addition to the funds authorized to be appropriated under Public Law 93-155, there is hereby authorized to be appropriated during the fiscal year 1974, for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army \$35,898,000;

For the Navy (including the Marine Corps), \$38,528,000,

For the Air Force, \$29,466,000, and

For the Defense agencies, \$5,991,000.

TITLE III—MILITARY CONSTRUCTION

87 Stat. 661.

SEC. 301. In addition to the funds authorized to be appropriated under Public Law 93-166, there is hereby authorized to be appropriated during the fiscal year 1974, for use by the Secretary of Defense, or his designee, for military family housing, for operating expenses and maintenance of real property in support of military family housing, an amount not to exceed \$3,866,000.

SEC. 302. Authorizations contained in this title shall be subject to the authorizations and limitations of the Military Construction Authorization Act, 1974 (Public Law 93-166), in the same manner as if such authorizations had been included in that Act.

TITLE IV—GENERAL PROVISIONS

Enlistment.

SEC. 401. No volunteer for enlistment into the Armed Forces shall be denied enlistment solely because of his not having a high school diploma.

Short title.

SEC. 402. This Act may be cited as the "Department of Defense Supplemental Appropriation Authorization Act, 1974".

Approved June 8, 1974.

Public Law 93-308

June 8, 1974
[H. R. 12925]

AN ACT

To amend the Act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce.

Commerce Department maritime programs.
Appropriation authorization.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of July 10, 1973 (87 Stat. 168; Public Law 93-70) is amended by striking out in paragraph (b), section 1, the figure "\$221,515,000" and inserting in lieu thereof the figure "\$244,515,000".

Approved June 8, 1974.

Public Law 93-309

June 8, 1974
[H. R. 1817]

AN ACT

To provide for the striking of national medals to honor the late J. Edgar Hoover.

J. Edgar Hoover.
Commemorative medals.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in honor of the late J. Edgar Hoover, the Secretary of the Treasury (hereafter referred to as the "Secretary") shall make available medals in accordance with this Act. The medals authorized under this Act are national medals within the meaning of section 3351 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The medals shall bear such emblems, devices, and inscriptions, shall be of such size or sizes, shall be made of such materials, and shall be made in such quantity, as the Secretary may determine.

Cost.

SEC. 3. The Secretary shall cause such medals to be struck, and he shall cause them to be sold to the general public, under such rules and regulations as he may provide, at a price not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses.

Approved June 8, 1974.

Public Law 93-310

AN ACT

To provide for the suspension of duty on certain copying shoe lathes until the close of June 30, 1976, and for other purposes.

June 8, 1974
[H. R. 8215]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That item 911.70 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "6/30/72" and inserting in lieu thereof "6/30/76".

Copying shoe
lathes.
Duty suspen-
sion, extension.

SEC. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of the enactment of this Act.

19 USC 1202
note.

(b) Upon request therefor filed with the customs officer concerned on or before the one hundred and twentieth day after the date of the enactment of this Act, the entry or withdrawal of any article—

(1) which was made after June 30, 1972, and on or before the date of the enactment of this Act, and

(2) with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry or withdrawal,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the day after the date of the enactment of this Act.

19 USC 1514.

SEC. 3. (a) Section 501 of the Internal Revenue Code of 1954 (relating to exemption from tax on corporations, etc.), is amended by redesignating subsection (f) as (g), and by inserting after subsection (e) the following new subsection:

Exempt organi-
zations.
26 USC 501.

"(f) COOPERATIVE SERVICE ORGANIZATIONS OF OPERATING EDUCATIONAL ORGANIZATIONS.—For purposes of this title, if an organization is—

"(1) organized and operated solely to hold, commingle, and collectively invest and reinvest (including arranging for and supervising the performance by independent contractors of investment services related thereto) in stocks and securities, the moneys contributed thereto by each of the members of such organization, and to collect income therefrom and turn over the entire amount thereof, less expenses, to such members,

"(2) organized and controlled by one or more such members, and

"(3) comprised solely of members that are organizations described in clause (ii) or (iv) of section 170(b)(1)(A)—

26 USC 170.

"(A) which are exempt from taxation under subsection (a), or

"(B) the income of which is excluded from taxation under section 115(a),

26 USC 115.

then such organization shall be treated as an organization organized and operated exclusively for charitable purposes."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1973.

26 USC 501
note.

Approved June 8, 1974.

Public Law 93-311

June 8, 1974
[S. 1752]

AN ACT

Prescribing the objectives and functions of the National Commission on Productivity and Work Quality.

National Commission on Productivity and Work Quality.
15 USC 1026.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) it is the policy of the United States to promote increased productivity and to improve the morale and quality of work of the American worker, for the purpose of providing goods and services at low cost to American consumers, improving the competitive position of the United States in the international economy, and facilitating a more satisfying work experience for American workers.

(b) The President's National Commission on Productivity shall hereafter be referred to as the National Commission on Productivity and Work Quality (hereinafter referred to as the "Commission"). The Commission shall carry out the objectives and exercise the functions hereinafter prescribed.

Objectives.

(c) The objectives of the Commission shall be to help increase the productivity of the American economy and to help improve the morale and quality of work of the American worker.

Functions.

(d) To achieve the objectives of subsection (c), the Commission shall have the following primary functions:

(1) To encourage and assist in the organization and work of labor-management committees which may also include public members, on a plant, community, regional, and industry basis. Such committees may be specifically designed to facilitate labor-management cooperation to increase productivity or to help improve the morale and quality of work of the American worker.

(2) To conduct such research as is directly necessary to achieve each of the objectives set forth in subsection (c) when such research cannot appropriately be accomplished by other Government agencies or private organizations.

Publicity and promotion.

(3) To publicize, disseminate, and otherwise promote material and ideas relating to its objectives.

(e) In addition to its functions under subsection (d) the Commission shall—

(1) advise the President and the Congress with respect to Government policy affecting productivity and the quality of work;

(2) coordinate and promote Government research and technical assistance efforts relating to productivity; and

(3) provide technical and consulting assistance.

Areas of concentration.

(f) In pursuing its objectives under subsection (c), and in carrying out its functions under subsections (d) and (e), the Commission shall concentrate its efforts on those areas where such efforts are likely to make the most substantial impact on—

(A) the morale and quality of work of the American worker;

(B) the international competitive position of the United States;

(C) the efficiency of government; or

(D) the cost of those goods and services which are generally considered to fulfill the most basic needs of Americans.

(g)(1) The Executive Director of the Commission shall be the principal executive officer of the Commission in carrying out the objectives and functions of the Commission under this section.

(2) The Executive Director of the Commission, with the approval of the Chairman of the Commission, is authorized (A) to appoint and fix the compensation of such officers and employees, and prescribe their functions and duties, as may be necessary to carry out the provisions of this section, and (B) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

Experts and consultants.

(3) The Commission may accept gifts or bequests, either for carrying out specific programs which it deems desirable or for its general activities.

Gifts, acceptance.

(h) In carrying out its activities under this section, the Commission shall consult with the Council of Economic Advisers.

(i) The Commission shall transmit to the President and to the Congress, not later than July 1, 1974, a report covering its activities during Fiscal Year 1974 and describing in detail the program to be carried out by the Commission under this section during Fiscal Year 1975. Such report shall include an explanation of how the Commission's program has complied or will comply, as the case may be, with the provisions of subsection (f).

Report to President and Congress.

(j) There is hereby authorized to be appropriated such sums, not to exceed \$2,500,000, as may be necessary to carry out the purposes of this section during the period from July 1, 1974, through June 30, 1975.

Appropriation.

Approved June 8, 1974.

Public Law 93-312

AN ACT

To amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes.

June 8, 1974
[H. R. 12466]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Department of State Appropriations Authorization Act of 1973, amendments.

AUTHORIZATION OF APPROPRIATIONS

SECTION 1. Section 2(a) (1) of the Department of State Appropriations Authorization Act of 1973 (87 Stat. 451), providing authorization of appropriations for the Administration of Foreign Affairs, is amended by striking out "\$282,565,000" and inserting in lieu thereof "\$304,568,000".

SEC. 2. Section 2(a) (2) of such Act (87 Stat. 451), providing authorization of appropriations for International Organizations and Conferences, is amended by striking out "\$211,279,000" and inserting in lieu thereof "\$212,777,000".

SEC. 3. Section 2(a) (3) of such Act (87 Stat. 451), providing authorization of appropriations for International Commissions, is amended by striking out "\$15,568,000" and inserting in lieu thereof "\$12,528,000".

SEC. 4. Section 2(a) (4) of such Act (87 Stat. 451), providing authorization of appropriations for Educational Exchange, is amended by striking out "\$59,800,000" and inserting in lieu thereof "\$57,170,000".

SEC. 5. Section 2(b) (1) of such Act (87 Stat. 451), providing authorization of appropriations for increases in salary, pay, retirement, or other employee benefits authorized by law, is amended by striking out "\$9,328,000" and inserting in lieu thereof "\$16,711,000".

SEC. 6. Section 2(b)(2) of such Act (87 Stat. 451), providing authorization of appropriations for additional overseas costs resulting from the devaluation of the dollar, is amended by striking out "\$12,307,000" and inserting in lieu thereof "\$9,905,000".

SEC. 7. Section 2(c) of such Act (87 Stat. 451), providing authorization of appropriations for protection of personnel and facilities from threats or acts of terrorism, is amended by striking out "\$40,000,000" and inserting in lieu thereof "\$20,000,000".

INTERNATIONAL COMMITTEE OF THE RED CROSS

SEC. 8. (a) The Act entitled "An Act to authorize a contribution by the United States to the International Committee of the Red Cross", approved October 1, 1965 (79 Stat. 901), is amended by striking out "\$50,000" and inserting in lieu thereof "\$500,000".

(b) The amendment made by subsection (a) shall apply with respect to contributions to be made commencing in 1974.

BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

22 USC 2655a.

SEC. 9. Section 9 of such Act (87 Stat. 453), providing for an additional Assistant Secretary to head the Bureau of Oceans and International Environmental and Scientific Affairs, is amended by inserting "(a)" immediately after "Sec. 9." and by adding at the end thereof the following new subsections:

"(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(99) Assistant Secretary for Oceans and International Environmental and Scientific Affairs, Department of State."

Repeal.

"(c) Paragraph (109) of section 5316 of title 5, United States Code, relating to the Director of International Scientific Affairs, Department of State, is repealed."

Approved June 8, 1974.

Public Law 93-313

June 8, 1974
[H. R. 10972]

AN ACT

To delay for six months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects.

Wildlife restoration projects.
Funds, extension.

16 USC 669b
note, 669c note.
26 USC 4161
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide additional funds for certain wildlife restoration projects, and for other purposes", approved October 25, 1972 (Public Law 92-558, 86 Stat. 1172-1173), is amended by striking out "July 1, 1974" in sections 101(c) and 201(b) thereof and inserting in lieu thereof "January 1, 1975".

Approved June 8, 1974.

Public Law 93-314

AN ACT

Relating to the sale and distribution of the Congressional Record.

June 8, 1974
[S. 3373]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 910 of title 44, United States Code, is amended to read as follows:

Congressional
Record.
Sale and dis-
tribution.

“§ 910. Congressional Record: subscriptions; sale of current, individual numbers, and bound sets; postage rate

“(a) Under the direction of the Joint Committee, the Public Printer may sell—

“(1) subscriptions to the daily Record; and

“(2) current, individual numbers, and bound sets of the Congressional Record.

“(b) The price of a subscription to the daily Record and of current, individual numbers, and bound sets shall be determined by the Public Printer based upon the cost of printing and distribution. Any such price shall be paid in advance. The money from any such sale shall be paid into the Treasury and accounted for in the Public Printer’s annual report to Congress.

Price.

“(c) The Congressional Record shall be entitled to be mailed at the same rates of postage at which any newspaper or other periodical publication, with a legitimate list of paid subscribers, is entitled to be mailed.”

Postage rates.

(b) Section 906 of such title 44 is amended—

(1) by striking out of the section caption the last semicolon and “SUBSCRIPTIONS”; and

(2) by striking out the last full paragraph thereof.

(c) The analysis of chapter 9 of such title 44, immediately preceding section 901, is amended—

(1) by striking out of item 906 the last semicolon and “subscription”; and

(2) by striking out item 910 and inserting in lieu thereof the following:

“910. Congressional Record: subscriptions; sale of current, individual numbers, and bound sets; postage rate.”

Approved June 8, 1974.

Public Law 93-315

AN ACT

To authorize appropriations for carrying out the provisions of the International Economic Policy Act of 1972, as amended.

June 22, 1974
[H. R. 13839]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Economic Policy Act of 1972, as amended, is further amended by striking out section 210 and inserting in lieu thereof the following:

International
Economic Policy
Act of 1972,
amendment.
22 USC 2849.

“SEC. 210. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated \$1,800,000 for the fiscal year ending June 30, 1975.”

Approved June 22, 1974.

Public Law 93-316

June 22, 1974
[H. R. 13998]

AN ACT

To authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes.

National Aeronautics and Space Administration Authorization Act, 1975.

Research and development.

Construction of facilities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the National Aeronautics and Space Administration:

(a) For "Research and development," for the following programs:

- (1) Space Shuttle, \$805,000,000;
- (2) Space flight operations, \$313,300,000;
- (3) Advanced missions, \$1,500,000;
- (4) Physics and astronomy, \$140,515,000;
- (5) Lunar and planetary exploration, \$266,000,000;
- (6) Launch vehicle procurement, \$143,500,000;
- (7) Space applications, \$196,300,000, of which \$2,000,000 is designated for research on Short Term Weather Phenomena; and \$1,000,000 is designated for research on ground propulsion systems;
- (8) Aeronautical research and technology, \$171,500,000;
- (9) Space and nuclear research and technology, \$79,700,000, of which \$1,000,000 is designated for research on hydrogen production and utilization systems;
- (10) Tracking and data acquisition, \$250,000,000;
- (11) Technology utilization, \$5,500,000;

(b) For "Construction of facilities," including land acquisition, as follows:

- (1) Addition to flight and guidance simulation laboratory, Ames Research Center, \$3,660,000;
- (2) Rehabilitation and modification of science and applications laboratories, Goddard Space Flight Center, \$890,000;
- (3) Modifications for fire protection and safety, Goddard Space Flight Center, \$1,220,000;
- (4) Acquisition of land, Jet Propulsion Laboratory, \$150,000;
- (5) Addition to systems development laboratory, Jet Propulsion Laboratory, \$4,880,000;
- (6) Addition for integrated systems testing facility, Jet Propulsion Laboratory, \$3,790,000;
- (7) Modification of water supply system, Lyndon B. Johnson Space Center, \$935,000;
- (8) Modification of 6,000 pounds per square inch air storage system, Langley Research Center, \$515,000;
- (9) Rehabilitation of 16-foot transonic wind tunnel, Langley Research Center, \$2,990,000;
- (10) Modification of propulsion systems laboratory, Lewis Research Center, \$2,580,000;
- (11) Modification of rocket engine test facility, Lewis Research Center, \$660,000;
- (12) Construction of X-ray telescope facility, Marshall Space Flight Center, \$4,060,000;
- (13) Modification of beach protection system, Wallops Station, \$1,370,000;
- (14) Construction of infrared telescope facility, Mauna Kea, Hawaii, \$6,040,000;
- (15) Modifications for fire protection and safety at various tracking and data stations, \$1,430,000;

(16) Space Shuttle facilities at various locations as follows:

(A) Construction of Orbiter landing facilities, John F. Kennedy Space Center, \$15,880,000;

(B) Construction of Orbiter processing facility, John F. Kennedy Space Center, \$13,380,000;

(C) Modifications to launch complex 39, John F. Kennedy Space Center, \$37,690,000;

(D) Modifications for dynamic test facilities, Marshall Space Flight Center, and National Aeronautics and Space Administration Industrial Plant, Downey, California, \$3,920,000;

(E) Construction of Orbiter horizontal flight test facilities, Flight Research Center, \$3,940,000;

(F) Modifications for crew training facilities, Lyndon B. Johnson Space Center, \$420,000;

(G) Modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center, \$410,000;

(H) Construction of materials test facility, White Sands Test Facility, \$790,000;

(I) Modifications for solid rocket booster structural test facilities, Marshall Space Flight Center, \$2,590,000;

(17) Rehabilitation and modification of facilities at various locations, not in excess of \$500,000 per project, \$14,900,000;

(18) Minor construction of new facilities and additions to existing facilities at various locations not in excess of \$250,000 per project, \$4,500,000;

(19) Facility planning and design not otherwise provided for, \$10,900,000.

(c) For "Research and program management," \$749,624,000, and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law.

Research and
program manage-
ment.

(d) Notwithstanding the provisions of subsection 1(g), appropriations for "Research and development" may be used (1) for any items of a capital nature (other than acquisition of land) which may be required at locations other than installations of the Administration for the performance of research and development contracts, and (2) for grants to nonprofit institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, for purchase or construction of additional research facilities, and title to such facilities shall be vested in the United States unless the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title in any such grantee institution or organization. Each such grant shall be made under such conditions as the Administrator shall determine to be required to insure that the United States will receive therefrom benefit adequate to justify the making of that grant. None of the funds appropriated for "Research and development" pursuant to this Act may be used in accordance with this subsection for the construction of any major facility, the estimated cost of which, including collateral equipment, exceeds \$250,000, unless the Administrator or his designee has notified the Speaker of the House of Representatives and the President of the Senate and the Committee on Science and Astronautics of the House of Representatives and the Committee on Aeronautical and Space Sciences of the Senate of the nature, location, and estimated cost of such facility.

Program speci-
fications.

Notice to
Speaker of the
House, President
of the Senate and
congressional
committees.

(e) When so specified in an appropriation Act, (1) any amount appropriated for "Research and development" or for "Construction of facilities" may remain available without fiscal year limitation, and (2) maintenance and operation of facilities, and support services contracts may be entered into under the "Research and program management" appropriation for periods not in excess of twelve months beginning at any time during the fiscal year.

Scientific consultations or extraordinary expenses.

(f) Appropriations made pursuant to subsection 1(c) may be used, but not to exceed \$35,000, for scientific consultations or extraordinary expenses upon the approval or authority of the Administrator and his determination shall be final and conclusive upon the accounting officers of the Government.

Limitations.

(g) Of the funds appropriated pursuant to subsections 1(a) and 1(c), not in excess of \$10,000 for each project, including collateral equipment, may be used for construction of new facilities and additions to existing facilities, and not in excess of \$25,000 for each project, including collateral equipment, may be used for rehabilitation or modification of facilities: *Provided*, That of the funds appropriated pursuant to subsection 1(a), not in excess of \$250,000 for each project, including collateral equipment, may be used for any of the foregoing for unforeseen programmatic needs.

(h) The authorization for the appropriation to the National Aeronautics and Space Administration of \$10,900,000, which amount represents that part of the authorization provided for in section 1(b) (12) (I) of the National Aeronautics and Space Administration Authorization Act, 1974, for which appropriations have not been made, shall expire on the date of the enactment of this Act.

87 Stat. 171.

Unappropriated 1974 funds, expiration date.

Cost variations, authority of Administrator.

SEC. 2. Authorization is hereby granted whereby any of the amounts prescribed in paragraphs (1) through (18), inclusive, of subsection 1(b) may, in the discretion of the Administrator or his designee, be varied upward 10 per centum to meet unusual cost variations, but the total cost of all work authorized under such paragraphs shall not exceed the total of the amounts specified in such paragraphs.

Unforeseen program changes, transfer of research funds to construction.

SEC. 3. Not to exceed one-half of 1 per centum of the funds appropriated pursuant to subsection 1(a) hereof may be transferred to the "Construction of facilities" appropriation, and, when so transferred, together with \$10,000,000 of the funds appropriated pursuant to subsection 1(b) hereof (other than funds appropriated pursuant to paragraph (19) of such subsection) shall be available for expenditure to construct, expand, or modify laboratories and other installations at any location (including locations specified in subsection 1(b)), if (1) the Administrator determines such action to be necessary because of changes in the national program of aeronautical and space activities or new scientific or engineering developments, and (2) he determines that deferral of such action until the enactment of the next Authorization Act would be inconsistent with the interest of the Nation in aeronautical and space activities. The funds so made available may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment. No portion of such sums may be obligated for expenditure or expended to construct, expand, or modify laboratories and other installations unless (A) a period of thirty days has passed after the Administrator or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a written report containing a full and complete statement concerning (1) the nature of such construction, expansion, or modification, (2) the cost

Report to Speaker of the House, President of the Senate and congressional committees.

thereof including the cost of any real estate action pertaining thereto, and (3) the reason why such construction, expansion, or modification is necessary in the national interest, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 4. Notwithstanding any other provision of this Act—

Use of funds,
restriction.

(1) no amount appropriated pursuant to this Act may be used for any program deleted by the Congress from requests as originally made to either the House Committee on Science and Astronautics or the Senate Committee on Aeronautical and Space Sciences,

(2) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by sections 1(a) and 1(c), and

(3) no amount appropriated pursuant to this Act may be used for any program which has not been presented to or requested of either such committee,

unless (A) a period of thirty days has passed after the receipt by the Speaker of the House of Representatives and the President of the Senate and each such committee of notice given by the Administrator or his designee containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (B) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

Notice to
Speaker of the
House, President
of the Senate and
congressional
committees.

SEC. 5. It is the sense of the Congress that it is in the national interest that consideration be given to geographical distribution of Federal research funds whenever feasible, and that the National Aeronautics and Space Administration should explore ways and means of distributing its research and development funds whenever feasible.

Research funds,
geographical
distribution.
42 USC 2459
note.

SEC. 6. Section 203(b) (9) of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2473(b) (9)), is amended to read as follows:

“(9) to obtain services as authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18;”.

SEC. 7. The National Aeronautics and Space Administration is authorized, when so provided in an appropriation Act, to enter into a contract for tracking and data relay satellite services. Such services shall be furnished to the National Aeronautics and Space Administration in accordance with applicable authorization and appropriation Acts. The Government shall incur no costs under such contract prior to the furnishing of such services except that the contract may provide for the payment for contingent liability of the Government which may accrue in the event the Government should decide for its convenience to terminate the contract before the end of the period of the contract. Title to any facilities which may be required in the performance of the contract and constructed on Government-owned land shall vest in the United States upon the termination of the contract. The Administrator shall in January of each year report to the Committee on Science and Astronautics and the Committee on Appropriations of the House of Representatives and the Committee on Aeronautical and Space Sciences and the Committee on Appropriations of the Senate the projected aggregate contingent liability of the Government under

5 USC 5332
note.
Satellite serv-
ices, contract
authorization.
42 USC 2463.

Report to con-
gressional com-
mittees.

termination provisions of any contract authorized in this section through the next fiscal year. The authority of the National Aeronautics and Space Administration to enter into and to maintain the contract authorized hereunder shall remain in effect as long as provision therefor is included in Acts authorizing appropriations to the National Aeronautics and Space Administration for subsequent fiscal years.

Short title.

SEC. 8. This Act may be cited as the "National Aeronautics and Space Administration Authorization Act, 1975".

Approved June 22, 1974.

Public Law 93-317

June 22, 1974
[S. J. Res. 206]

JOINT RESOLUTION

Authorizing the Secretary of the Army to receive for instruction at the United States Military Academy one citizen of the Kingdom of Laos.

U.S. Military
Academy.
Laotian citizen,
attendance.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to permit within 18 months after the date of enactment of this joint resolution, one person, who is a citizen of the Kingdom of Laos, to receive instruction at the United States Military Academy, but the United States shall not be subject to any expense on account of such instruction.

SEC. 2. Except as may be otherwise determined by the Secretary of the Army, the said person shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Military Academy appointed from the United States, but he shall not be entitled to appointment to any office or position in the Armed Forces of the United States by reason of his graduation from the United States Military Academy, or subject to an oath of allegiance to the United States of America.

Approved June 22, 1974.

Public Law 93-318

June 22, 1974
[S. 1585]

AN ACT

To prevent the unauthorized manufacture and use of the character "Woodsy Owl", and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. As used in this Act—

"Woodsy Owl"
and "Smokey
Bear."

Unauthorized
use, prevention.
Definitions.
31 USC 488b-3.

(1) the term "Woodsy Owl" means the name and representation of a fanciful owl, who wears slacks (forest green when colored), a belt (brown when colored), and a Robin Hood style hat (forest green when colored) with a feather (red when colored), and who furthers the slogan, "Give a Hoot, Don't Pollute", originated by the Forest Service of the United States Department of Agriculture;

(2) the term "Smokey Bear" means the name and character "Smokey Bear" originated by the Forest Service of the United States Department of Agriculture in cooperation with the Association of State Foresters and the Advertising Council.

(3) the term "Secretary" means the Secretary of Agriculture.

SEC. 2. The following are hereby declared the property of the United States:

31 USC 488b-4.

(1) The name and character "Smokey Bear".

(2) The name and character "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute".

SEC. 3. (a) The Secretary may establish and collect use or royalty fees for the manufacture, reproduction, or use of the name or character "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute", as a symbol for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

Royalty fees.
31 USC 488b-5.

(b) The Secretary shall deposit into a special account all fees collected pursuant to this Act. Such fees are hereby made available for obligation and expenditure for the purpose of furthering the "Woodsy Owl" campaign.

Special account.

SEC. 4. (a) Whoever, except as provided by rules and regulations issued by the Secretary, manufactures, uses, or reproduces the character "Smokey Bear" or the name "Smokey Bear", or a facsimile or simulation of such character or name in such a manner as suggests "Smokey Bear" may be enjoined from such manufacture, use, or reproduction at the suit of the Attorney General upon complaint by the Secretary.

Violations subject to suit.
31 USC 488b-6.

(b) Whoever, except as provided by rules and regulations issued by the Secretary, manufactures, uses, or reproduces the character "Woodsy Owl", the name "Woodsy Owl", or the slogan "Give a Hoot, Don't Pollute", or a facsimile or simulation of such character, name, or slogan in such a manner as suggests "Woodsy Owl" may be enjoined from such manufacture, use, or reproduction at the suit of the Attorney General upon complaint by the Secretary.

SEC. 5. Section 711 of title 18 of the United States Code is amended—

(1) by inserting "and for profit" immediately after "knowingly", and

(2) by deleting "as a trade name or in such manner as suggests the character 'Smokey Bear'".

SEC. 6. Chapter 33 of title 18 of the United States Code is amended by adding after section 711 a new section, as follows:

"§ 711a. 'Woodsy Owl' character, name, or slogan

18 USC 711a.

"Whoever, except as authorized under rules and regulations issued by the Secretary, knowingly and for profit manufactures, reproduces, or uses the character 'Woodsy Owl', the name 'Woodsy Owl', or the associated slogan, 'Give a Hoot, Don't Pollute' shall be fined not more than \$250 or imprisoned not more than six months, or both."

Penalties.

SEC. 7. Section 3 of the Act entitled "An Act prohibiting the manufacture or use of the character 'Smokey Bear' by unauthorized persons" (31 U.S.C. 488a) is amended by striking out "under the provisions of section 711 of title 18".

SEC. 8. The table of sections of chapter 33 of title 18, United States Code, is amended by inserting immediately after the item relating to section 711 the following:

"711a. 'Woodsy Owl' character, name, or slogan."

Approved June 22, 1974.

Public Law 93-319

AN ACT

June 22, 1974
[H. R. 14368]

To provide for means of dealing with energy shortages by requiring reports with respect to energy resources, by providing for temporary suspension of certain air pollution requirements, by providing for coal conversion, and for other purposes.

Energy Supply
and Environmental
Coordination Act
of 1974.
15 USC 791
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; PURPOSE.

(a) This Act, including the following table of contents, may be cited as the "Energy Supply and Environmental Coordination Act of 1974".

TABLE OF CONTENTS

- Sec. 1. Short title; purpose.
- Sec. 2. Coal conversion and allocation.
- Sec. 3. Suspension authority.
- Sec. 4. Implementation plan revisions.
- Sec. 5. Motor vehicle emissions.
- Sec. 6. Conforming amendments.
- Sec. 7. Protection of public health and environment.
- Sec. 8. Energy conservation study.
- Sec. 9. Report.
- Sec. 10. Fuel economy study.
- Sec. 11. Reporting of energy information.
- Sec. 12. Enforcement.
- Sec. 13. Extension of Clean Air Act authorization.
- Sec. 14. Definitions.

15 USC 791.

(b) The purposes of this Act are (1) to provide for a means to assist in meeting the essential needs of the United States for fuels, in a manner which is consistent, to the fullest extent practicable, with existing national commitments to protect and improve the environment, and (2) to provide requirements for reports respecting energy resources.

15 USC 792.

SEC. 2. COAL CONVERSION AND ALLOCATION.

(a) The Federal Energy Administrator—

Powerplant and
fuel burning in-
stallations.

(1) shall, by order, prohibit any powerplant, and
(2) may, by order, prohibit any major fuel burning installation, other than a powerplant, from burning natural gas or petroleum products as its primary energy source, if the Federal Energy Administrator determines such powerplant or installation on the date of enactment of this Act has the capability and necessary plant equipment to burn coal, and if the requirements of subsection (b) are met.

(b) The requirements referred to in subsection (a) are as follows:

(1) An order under subsection (a) may not be issued with respect to a powerplant or installation unless the Federal Energy Administrator finds (A) that the burning of coal by such plant or installation, in lieu of petroleum products or natural gas, is practicable and consistent with the purposes of this Act, (B) that coal and coal transportation facilities will be available during the period the order is in effect, and (C) in the case of a powerplant, that the prohibition under subsection (a) will not impair the reliability of service in the area served by such plant. Such an order shall be rescinded or modified to the extent the Federal Energy Administrator determines that any requirement described in subparagraph (A), (B), or (C) of this paragraph is no longer met; and such an order may at any time be modified if the Federal Energy Administrator determines that such order, as modified, complies with the requirements of this section.

(2) (A) Before issuing an order under subsection (a) which is applicable to a powerplant or installation for a period ending on or before June 30, 1975, the Federal Energy Administrator (i) shall give notice to the public and afford interested persons an opportunity for written presentations of data, views, and arguments, (ii) shall consult with the Administrator of the Environmental Protection Agency, and (iii) shall take into account the likelihood that the powerplant or installation will be permitted to burn coal after June 30, 1975.

Public notice.

(B) An order described in subparagraph (A) of this paragraph shall not become effective until the date which the Administrator of the Environmental Protection Agency certifies pursuant to section 119(d) (1) (A) of such Act is the earliest date that such plant or installation will be able to comply with the air pollution requirements which will be applicable to it. Such order shall not be effective for any period certified by the Administrator of the Environmental Protection Agency pursuant to section 119(d) (3) (B) of such Act.

(3) (A) Before issuing an order under subsection (a) which is applicable to a powerplant or installation after June 30, 1975 (or modifying an order to which paragraph (2) applies, so as to apply such order to a powerplant or installation after such date), the Federal Energy Administrator shall give notice to the public and afford interested persons an opportunity for oral and written presentations of data, views, and arguments.

(B) An order (or modification thereof) described in subparagraph (A) of this paragraph shall not become effective until (i) the Administrator of the Environmental Protection Agency notifies the Federal Energy Administrator under section 119(d) (1) (B) of the Clean Air Act that such plant or installation will be able on and after July 1, 1975, to burn coal and to comply with all applicable air pollution requirements without a compliance date extension under section 119(c) of such Act, or (ii) if such notification is not given, the date which the Administrator of the Environmental Protection Agency certifies pursuant to section 119(d) (1) (B) of such Act is the earliest date that such plant or installation will be able to comply with all applicable requirements of such section 119. Such order (or modification) shall not be effective during any period certified by the Administrator of the Environmental Protection Agency under section 119(d) (3) (B) of such Act.

Post, p. 248.

(c) The Federal Energy Administrator may require that any powerplant in the early planning process (other than a combustion gas turbine or combined cycle unit) be designed and constructed so as to be capable of using coal as its primary energy source. No powerplant may be required under this subsection to be so designed and constructed, if the Administrator determines that (1) to do so is likely to result in an impairment of reliability or adequacy of service, or (2) an adequate and reliable supply of coal is not expected to be available. In considering whether to impose a design and construction requirement under this subsection, the Federal Energy Administrator shall consider the existence and effects of any contractual commitment for the construction of such facilities and the capability of the owner to recover any

Powerplant,
construction
design.

capital investment made as a result of any requirement imposed under this subsection.

(d) The Federal Energy Administrator may, by rule or order, allocate coal (1) to any powerplant or major fuel-burning installation to which an order under subsection (a) has been issued, or (2) to any other person to the extent necessary to carry out the purposes of this Act.

(e) For purposes of this section:

“Powerplant.”

(1) The term “powerplant” means a fossil-fuel fired electric generating unit which produces electric power for purposes of sale or exchange.

“Coal.”

(2) The term “coal” includes coal derivatives.

Expiration and effective dates.

(f) (1) Authority to issue orders or rules under subsections (a) through (d) of this section shall expire at midnight, June 30, 1975. Such a rule or order may take effect at any time before January 1, 1979.

(2) Authority to amend, repeal, rescind, modify, or enforce such rules or orders shall expire at midnight, December 31, 1978; but the expiration of such authority shall not affect any administrative or judicial proceeding which relates to any act or omission which occurred prior to January 1, 1979.

SEC. 3. SUSPENSION AUTHORITY.

42 USC 1857.

Title I of the Clean Air Act is amended by adding at the end thereof the following new section:

“ENERGY-RELATED AUTHORITY

Definitions.

42 USC 1857c-10.

“SEC. 119. (a) For purposes of this section:

“(1) The term ‘stationary source fuel or emission limitation’ means any emission limitation, schedule or timetable of compliance, or other requirement, which is prescribed under this Act (other than this section, or section 111(b), 112, or 303) or contained in an applicable implementation plan (other than a requirement imposed under authority described in section 110(a) (2) (F) (v)), and which limits, or is designed to limit, stationary source emissions resulting from combustion of fuels, including a prohibition on, or specification of, the use of any fuel of any type, grade, or pollution characteristic.

42 USC 1857c-6, 1857c-7, 1857h-1.

“(2) The term ‘air pollution requirement’ means any emission limitation, schedule or timetable for compliance, or other requirement, which is prescribed under any Federal, State, or local law or regulation, including this Act (except for any requirement prescribed under subsection (c) or (d) of this section, section 110(a) (2) (F) (v), or section 303), and which limits stationary source emissions resulting from combustion of fuels (including a prohibition on, or specification of, the use of any fuel of any type, grade, or pollution characteristic).

42 USC 1857c-5.

“(3) The terms ‘stationary source’ and ‘source’ have the same meaning as the term ‘stationary source’ has under section 111(a) (3); except that such terms include any owner or operator (as defined in section 111(a) (5)) of such source.

“(4) The term ‘coal’ includes coal derivatives.

“(5) The term ‘primary standard condition’ means a limitation, requirement, or other measure, prescribed by the Administrator under subsection (d) (2) (A) of this section.

“(6) The term ‘regional limitation’ means the requirement of subsection (c) (2) (D) of this section.

“(b) (1) (A) The Administrator may, for any period beginning on or after the date of enactment of this section and ending on or before June 30, 1975, temporarily suspend any stationary source fuel or emission limitation as it applies to any person—

Temporary suspension.

“(i) if the Administrator finds that such person will be unable to comply with any such limitation during such period solely because of unavailability of types or amounts of fuels (unless such unavailability results from an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974), or

“(ii) if such person is a source which is described in subsection (c) (1) (A) or (B) of this section and which has converted to coal, and the Administrator finds that the source will be able to comply during the period of the suspension with all primary standard conditions which will be applicable to such source.

Any suspension under this paragraph, the imposition of any interim requirement on which such suspension is conditioned under paragraph (3) of this subsection, and the imposition of any primary standard condition which relates to such suspension, shall be exempted from any procedural requirements set forth in this Act or in any other provision of Federal, State, or local law; except as provided in subparagraph (B) of this paragraph.

“(B) The Administrator shall give notice to the public and afford interested persons an opportunity for written and oral presentations of data, views, and arguments prior to issuing a suspension under subparagraph (A), or denying an application for such a suspension, unless otherwise provided by the Administrator for good cause found and published in the Federal Register. In any case, before issuing such a suspension, he shall give actual notice to the Governor of the State in which the affected source or sources are located, and to appropriate local governmental officials (as determined by the Administrator). The issuing or denial of such a suspension, the imposition of an interim requirement, and the imposition of any primary standard condition shall be subject to judicial review only on the grounds specified in paragraph (2) (B), (2) (C), or (2) (D), of section 706 of title 5, United States Code, and shall not be subject to any proceeding under section 304(a) (2) or 307 (b) and (c) of this Act.

Public notice.

Publication in Federal Register. Notice to State Governor and local officials.

Judicial review.

42 USC 1857h-2, 1857h-5.

“(2) In issuing any suspension under paragraph (1), the Administrator is authorized to act on his own motion or upon application by any person (including a public officer or public agency).

“(3) Any suspension under paragraph (1) shall be conditioned upon compliance with such interim requirements as the Administrator determines are reasonable and practicable. Such interim requirements shall include, but need not be limited to, (A) a requirement that the persons receiving the suspension comply with such reporting requirements as the Administrator determines may be necessary, (B) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons, and

Interim requirements, compliance.

(C) in the case of a suspension under paragraph (1) (A) (i), requirements that the suspension shall be inapplicable during any period during which fuels which would enable compliance with the suspended stationary source fuel or emission limitations are in fact reasonably available (as determined by the Administrator) to such person.

Compliance
date, extension.

“(c) (1) Except as provided in paragraph (2) of this subsection, the Administrator shall issue a compliance date extension to any fuel-burning stationary source—

“(A) which is prohibited from using petroleum products or natural gas by reason of an order which is in effect under section 2 (a) and (b) of the Energy Supply and Environmental Coordination Act of 1974, or

“(B) which the Administrator determines began conversion to the use of coal as its primary energy source during the period beginning on September 15, 1973, and ending on March 15, 1974, and which, on or after September 15, 1973, converts to the use of coal as its primary energy source. If a compliance date extension is issued to a source, such source shall not, until January 1, 1979, be prohibited, by reason of the application of any air pollution requirement, from burning coal which is available to such source, except as provided in subsection (d) (3). For purposes of this paragraph, the term ‘began conversion’ means action by the source during the period beginning on September 15, 1973, and ending on March 15, 1974 (such as entering into a contract binding on such source for obtaining coal, or equipment or facilities to burn coal; expanding substantial sums to permit such source to burn coal; or applying for an air pollution variance to enable such source to burn coal) which the Administrator finds evidences a decision (made prior to March 15, 1974) to convert to burning coal as a result of the unavailability of an adequate supply of fuels required for compliance with the applicable implementation plan, and a good faith effort to expeditiously carry out such decision.

“Began conver-
sion.”

Conditions.

“(2) (A) A compliance date extension under paragraph (1) of this subsection may be issued to a source only if—

(i) the Administrator finds that such source will not be able to burn coal which is available to such source in compliance with all applicable air pollution requirements without a compliance date extension,

(ii) the Administrator finds that the source will be able during the period of the compliance date extension to comply with all the primary standard conditions which are required under subsection (d) (2) to be applicable to such source, and with the regional limitation if applicable to such source, and

(iii) the source has submitted to the Administrator a plan for compliance for such source which the Administrator has approved. A plan submitted under clause (iii) of the preceding sentence shall be approved only if it meets the requirements of regulations prescribed under subparagraph (B). The Administrator shall approve or disapprove any such plan within 60 days after such plan is submitted.

Regulations.

Compliance
schedule.

“(B) Not later than 90 days after the date of enactment of this section, the Administrator shall prescribe regulations requiring that any source to which a compliance date extension applies submit and obtain approval of its means for and schedule of compliance with the require-

ments of subparagraph (C) of this paragraph. Such regulations shall include requirements that such schedules shall include dates by which any such source must—

“(i) enter into contracts (or other obligations enforceable against such source) which the Administrator has approved as being adequate to provide for obtaining a long-term supply of coal which enables such source to achieve the emission reduction required by subparagraph (C), or

Contracts,
approval.

“(ii) if coal which enables such source to achieve such emission reduction is not available to such source, enter into contracts (or other obligations enforceable against such source) which the Administrator has approved as being adequate to provide for obtaining (I) a long-term supply of other coal, and (II) continuous emission reduction systems necessary to permit such source to burn such coal, and to achieve the degree of emission reduction required by subparagraph (C).

Regulations under this subparagraph shall provide that contracts or other obligations required to be approved under this subparagraph must be approved before they are entered into (except that a contract or obligation which was entered into before the date of enactment of this section may be approved after such date).

“(C) Regulations under subparagraph (B) shall require that the source achieve the most stringent degree of emission reduction that such source would have been required to achieve under the applicable implementation plan which was in effect on the date of submittal (under subparagraph (B) of this paragraph) of the means for and schedule of compliance (or if no applicable implementation plan was in effect on such date, under the first applicable implementation plan which takes effect after such date). Such degree of emission reduction shall be achieved as soon as practicable, but not later than December 31, 1978; except that, in the case of a source for which a continuous emission reduction system is required for sulfur-related emissions, reduction of such emissions shall be achieved on a date designated by the Administrator (but not later than January 1, 1979). Such regulations shall also include such interim requirements as the Administrator determines are reasonable and practicable, including requirements described in subparagraphs (A) and (B) of subsection (b) (3) and requirements to file progress reports.

Emission re-
duction, require-
ments.

“(D) A source which is issued a compliance date extension under this subsection, and which is located in an air quality control region in which a national primary ambient air quality standard for an air pollutant is not being met, may not emit such pollutant in amounts which exceed any emission limitation (and may not violate any other requirement) which applies to such source, under the applicable implementation plan for such pollutant. For purposes of this subparagraph, applicability of any such limitation or requirement to a source shall be determined without regard to this subsection or subsection (b).

Progress
reports.

“(3) A source to which this subsection applies may, upon the expiration of a compliance date extension, receive a one-year postponement of the application of any requirement of an applicable implementation plan under the conditions and in the manner provided in section 110(f).

Public notice.

“(4) The Administrator shall give notice to the public and afford an opportunity for oral and written presentations of data, views, and arguments before issuing any compliance date extension, prescribing any regulation under paragraph (2) of this subsection, making any finding under paragraph (2)(A) of this subsection, imposing any requirement on a source pursuant to paragraph (2) or any regulation thereunder, prescribing a primary standard condition under subsection (d)(2) which applies to a source to which an extension is issued under this subsection, or acting on any petition under subsection (d)(2)(C).

“(d)(1)(A) Whenever the Federal Energy Administrator issues an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974 which will not apply after June 30, 1975, the Administrator of the Environmental Protection Agency shall certify to him—

“(i) in the case of a source to which no suspension will be issued under subsection (b), the earliest date on which such source will be able to burn coal and to comply with all applicable air pollution requirements, or

“(ii) in the case of a source to which a suspension will be issued under subsection (b) of this section, the date determined under paragraph (2)(B) of this subsection.

“(B) Whenever the Federal Energy Administrator issues an order under section 2(a) of such Act which will apply after June 30, 1975, the Administrator of the Environmental Protection Agency shall notify him if such source will be able, on and after July 1, 1975, to burn coal and to comply with all applicable air pollution requirements without a compliance date extension under subsection (c). If such notification is not given—

“(i) in the case of a source which is eligible for a compliance date extension under subsection (c), the Administrator of the Environmental Protection Agency shall certify to the Federal Energy Administrator the date determined under paragraph (2)(B) of this subsection, and

“(ii) in the case of a source which is not eligible for such an extension, the Administrator of the Environmental Protection Agency shall certify to the Federal Energy Administrator the earliest date on which the source will be able to burn coal and to comply with all applicable air pollution requirements.

Emission limitations.

“(2)(A) The Administrator of the Environmental Protection Agency, after consultation with appropriate States, shall prescribe (and may from time to time, after such consultation, modify) emission limitations, requirements respecting pollution characteristics of coal, or other enforceable measures for control of emissions, for each source to which a suspension under subsection (b)(1)(A)(ii) will apply, and for each source to which a compliance date extension under subsection (c)(1) will apply. Such limitations, requirements, and measures shall be those which he determines must be complied with by the source in order to assure (throughout the period that the suspension or extension will be in effect) that the burning of coal by such source will not result in emissions which cause or contribute to concentrations of any air pollutant in excess of any national primary ambient air quality standard for such pollutant.

“(B) Whenever the Administrator prescribes a limitation, requirement, or measure under subparagraph (A) of this paragraph with respect to a source, he shall determine the earliest date on which such source will be able to comply with such limitation, requirement, or measure, and with any regional limitation applicable to such source.

“(C) An air pollution control agency may petition the Administrator (A) to modify any limitation, requirement, or other measure under this paragraph so as to assure compliance with the requirements of this paragraph, or (B) to issue to the Federal Energy Administration the certification described in paragraph (3)(B) on the grounds described in clause (iii) thereof. The Administrator shall take the action requested in the petition, or deny the petition, within 90 days after the date of receipt of the petition.

Emission limitations, petition for modification.

“(3) (A) If the Administrator determines that a source to which a suspension under subsection (b) (1) (A) (ii) or to which a compliance date extension under subsection (c) (1) applies is not in compliance with any primary standard condition, or that a source to which a compliance date extension applies is not in compliance with a regional limitation applicable to it, he shall (except as provided in subparagraph (B)) either—

Compliance.

“(i) enforce compliance with such condition or limitation under section 113, or

“(ii) (after notice to the public and affording an opportunity for interested persons to present data, views, and arguments, including oral presentations, to the extent practicable) revoke such suspension or compliance date extension.

Public notice.

“(B) If the Administrator finds that for any period—

“(i) a source, to which an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974 applies, will be unable to comply with a primary standard condition or regional limitation,

“(ii) such a source will not be in compliance with such a condition or limitation, but such condition or limitation cannot be enforced because of a court order restraining its enforcement, or

“(iii) the burning of coal by such a source will result in an increase in emissions of any air pollutant for which national ambient air quality standards have not been promulgated (or an air pollutant which is transformed in the atmosphere into an air pollutant for which such a standard has not been promulgated), and that such increase may cause (or materially contribute to) a significant risk to public health,

he shall notify the Federal Energy Administrator of his finding and certify the period for which such order under such section 2(a) shall not be in effect with respect to such source. Subject to the conditions of the preceding sentence, such certification may be modified from time to time. For purposes of this subsection, subsection (c), and section 2 (a) or (b) of the Energy Supply and Environmental Coordination Act of 1974, a source shall be considered unable to comply with an air pollution requirement (including a primary standard condition or regional limitation) only if necessary technology or other alternative methods of control are not available or have not been available for a sufficient period of time.

"(4) Nothing in this Act shall prohibit a State, political subdivision of a State, or agency or instrumentality of either, from enforcing any primary standard condition or regional limitation.

"(5) A conversion to coal (A) to which a suspension under subsection (b) or a compliance date extension under subsection (c) applies or (B) by reason of an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974 shall not be deemed to be a modification for purposes of section 111(a) (2) and (4) of this Act.

42 USC 1857c-6.
Continuous
emission reduc-
tion systems,
manufacturing
priorities, rules.

"(e) The Administrator may, by rule, establish priorities under which manufacturers of continuous emission reduction systems necessary to carry out subsection (c) shall provide such systems to users thereof, if he finds that priorities must be imposed in order to assure that such systems are first provided to sources in air quality control regions in which national primary ambient air quality standards have not been achieved. No rule under this subsection may impair the obligation of any contract entered into before the date of enactment of this section. To the extent necessary to carry out this section, the Administrator may prohibit any State or political subdivision of a State, or an agency or instrumentality of either, from requiring any person to use a continuous emission reduction system for which priorities have been established under this subsection, except in accordance with such priorities.

"(f) No State, political subdivision of a State, or agency or instrumentality of either, may require any person to whom a suspension has been issued under subsection (b) (1) to use any fuel the unavailability of which is the basis of such person's suspension (except that this subsection shall not apply to requirements identical to Federal requirements under subsection (b) (3) or subsection (d) (2)).

Unlawful acts.

"(g) (1) It shall be unlawful for any person to whom a suspension has been issued under subsection (b) (1) to violate any requirement on which the suspension is conditioned pursuant to subsection (b) (3) or any primary standard condition applicable to him.

"(2) It shall be unlawful for any person to fail to comply with any requirement under subsection (c), or any regulation, plan, or schedule thereunder (including a primary standard condition or regional limitation), which is applicable to such person.

"(3) It shall be unlawful for any person to violate any rule under subsection (e).

"(4) It shall be unlawful for any person to fail to comply with an interim requirement under subsection (i) (3).

"(h) Nothing in this section shall affect the power of the Administrator to deal with air pollution presenting an imminent and substantial endangerment to the health of persons under section 303 of this Act.

42 USC 1857h-1.
Electric gener-
ating powerplants,
cessation of
operation, post-
ponement.

"(i) (1) In order to reduce the likelihood of early phaseout of existing electric generating powerplants, any electric generating powerplant (A) which, because of the age and condition of the plant, is to be taken out of service permanently no later than January 1, 1980, according to the power supply plan (in existence on January 1, 1974) of the owner or operator of such plant, (B) for which a certification to that effect has been filed by the owner or operator of the plant with the Environmental Protection Agency and the Federal Power Commission, and (C) for which such Commission has determined that

the certification has been made in good faith and that the plan to cease operations no later than January 1, 1980, will be carried out as planned in light of existing and prospective power supply requirements, shall be eligible for a single one-year postponement as provided in paragraph (2).

“(2) Prior to the date on which any powerplant eligible under paragraph (1) is required to comply with any requirement of an applicable implementation plan, such plant may apply (with the concurrence of the Governor of the State in which such plant is located) to the Administrator to postpone the applicability of such requirement to such plant for not more than one year. If the Administrator determines, after considering the risk to public health and welfare which may be associated with a postponement, that compliance with any such requirement is not reasonable in light of the projected useful life of the plant, the availability of rate base increases to pay for the costs of such compliance, and other appropriate factors, then the Administrator shall grant a postponement of any such requirement.

“(3) The Administrator shall, as a condition of any postponement under paragraph (2), prescribe such interim requirements as are practicable and reasonable in light of the criteria in paragraph (2).

“(j) (1) The Administrator may, after public notice and opportunity for presentation of data, views, and arguments in accordance with section 553 of title 5, United States Code, and after consultation with the Federal Energy Administrator, designate persons with respect to whom fuel exchange requirements should be imposed under paragraph (2) of this subsection. The purpose of such designation shall be to avoid or minimize the adverse impact on public health and welfare of any suspension under subsection (b) of this section or conversion to coal to which subsection (c) applies or of any allocation under section 2(d) of the Energy Supply and Environmental Coordination Act of 1974 or under the Emergency Petroleum Allocation Act of 1973.

Public notice.

“(2) The Federal Energy Administrator shall exercise his authority under section 2(d) of the Energy Supply and Environmental Coordination Act of 1974 and under the Emergency Petroleum Allocation Act of 1973 with respect to persons designated by the Administrator of the Environmental Protection Agency under paragraph (1) in order to require the exchange of any fuel subject to allocation under such Acts effective no later than forty-five days after the date of such designation, unless the Federal Energy Administrator determines, after consultation with the Administrator of the Environmental Protection Agency, that the costs or consumption of fuel, resulting from requiring such exchange, will be excessive.

15 USC 751
note.

“(k) (1) The Administrator shall study, and report to Congress not later than six months after the date of enactment of this section, with respect to—

Study; report to
Congress.

“(A) the present and projected impact of fuel shortages and fuel allocation programs on the program under this Act;

“(B) availability of continuous emission reduction technology (including projections respecting the time, cost, and number of units available) and the effects that continuous emission reduc-

tion systems would have on the total environment and on supplies of fuel and electricity;

“(C) the number of sources and locations which must use such technology based on projected fuel availability data;

“(D) a priority schedule for installation of continuous emission reduction technology, based on public health or air quality;

“(E) evaluation of availability of technology to burn municipal solid waste in electric powerplants or other major fuel burning installations, including time schedules, priorities, analysis of pollutants which may be emitted (including those for which national ambient air quality standards have not been promulgated), and a comparison of health benefits and detriments from burning solid waste and of economic costs;

“(F) evaluation of alternative control strategies for the attainment and maintenance of national ambient air quality standards for sulfur oxides within the time for attainment prescribed in this Act, including associated considerations of cost, time for attainment, feasibility, and effectiveness of such alternative control strategies as compared to stationary source fuel and emission regulations;

“(G) proposed priorities, for continuous emission reduction systems which do not produce solid waste, for sources which are least able to handle solid waste byproducts of such systems;

“(H) plans for monitoring or requiring sources to which this section applies to monitor the impact of actions under this section on concentrations of sulfur dioxide in the ambient air; and

“(I) steps taken pursuant to authority of section 110(a)(3)(B) of this Act.

Publication in
Federal Register.

“(2) Beginning January 1, 1975, the Administrator shall publish in the Federal Register, at no less than one-hundred-and-eighty-day intervals, the following:

“(A) A concise summary of progress reports which are required to be filed by any person or source owner or operator to which subsection (c) applies. Such progress reports shall report on the status of compliance with all requirements which have been imposed by the Administrator under such subsection.

“(B) Up-to-date findings on the impact of this section upon—

“(i) applicable implementation plans, and

“(ii) ambient air quality.”

SEC. 4. IMPLEMENTATION PLAN REVISIONS.

42 USC 1857c-5.

(a) Section 110(a) of the Clean Air Act is amended in paragraph (3) by inserting “(A)” after “(3)” and by adding at the end thereof the following new subparagraph:

Review.

“(B) As soon as practicable, the Administrator shall, consistent with the purposes of this Act and the Energy Supply and Environmental Coordination Act of 1974, review each State's applicable implementation plans and report to the State on whether such plans can be revised in relation to fuel burning stationary sources (or persons supplying fuel to such sources) without interfering with the attainment and maintenance of any national ambient air quality standard within the period permitted in this section. If the Administrator determines that any such plan can be revised, he shall notify the State that a plan revision may be submitted by the State. Any plan revision

Report to State.

Revised plans,
submittal.

which is submitted by the State shall, after public notice and opportunity for public hearing, be approved by the Administrator if the revision relates only to fuel burning stationary sources (or persons supplying fuel to such sources), and the plan as revised complies with paragraph (2) of this subsection. The Administrator shall approve or disapprove any revision no later than three months after its submission."

Public notice
and hearing op-
portunity.

(b) Subsection (c) of section 110 of the Clean Air Act is amended by inserting "(1)" after "(c)"; by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively, and by adding at the end thereof the following new paragraph:

42 USC 1857c-5.

"(2)(A) The Administrator shall conduct a study and shall submit a report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committee on Public Works of the United States Senate not later than three months after date of enactment of this paragraph on the necessity of parking surcharge, management of parking supply, and preferential bus/carpool lane regulations as part of the applicable implementation plans required under this section to achieve and maintain national primary ambient air quality standards. The study shall include an assessment of the economic impact of such regulations, consideration of alternative means of reducing total vehicle miles traveled, and an assessment of the impact of such regulations on other Federal and State programs dealing with energy or transportation. In the course of such study, the Administrator shall consult with other Federal officials including, but not limited to, the Secretary of Transportation, the Federal Energy Administrator, and the Chairman of the Council on Environmental Quality.

Transportation
regulations study.
Report, sub-
mittal to congres-
sional commit-
tees.

"(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Administrator shall be void upon the date of enactment of this subparagraph. This subparagraph shall not prevent the Administrator from approving parking surcharges if they are adopted and submitted by a State as part of an applicable implementation plan. The Administrator may not condition approval of any implementation plan submitted by a State on such plan's including a parking surcharge regulation.

Parking sur-
charge.

"(C) The Administrator is authorized to suspend until January 1, 1975, the effective date or applicability of any regulations for the management of parking supply or any requirement that such regulations be a part of an applicable implementation plan approved or promulgated under this section. The exercise of the authority under this subparagraph shall not prevent the Administrator from approving such regulations if they are adopted and submitted by a State as part of an applicable implementation plan. If the Administrator exercises the authority under this subparagraph, regulations requiring a review or analysis of the impact of proposed parking facilities before construction which take effect on or after January 1, 1975, shall not apply to parking facilities on which construction has been initiated before January 1, 1975.

Regulations,
suspension au-
thority.

Definitions.

“(D) For purposes of this paragraph—

“(i) The term ‘parking surcharge regulation’ means a regulation imposing or requiring the imposition of any tax, surcharge, fee, or other charge on parking spaces, or any other area used for the temporary storage of motor vehicles.

“(ii) The term ‘management of parking supply’ shall include any requirement providing that any new facility containing a given number of parking spaces shall receive a permit or other prior approval, issuance of which is to be conditioned on air quality considerations.

“(iii) The term ‘preferential bus/carpool lane’ shall include any requirement for the setting aside of one or more lanes of a street or highway on a permanent or temporary basis for the exclusive use of buses or carpools, or both.

Promulgation.

“(E) No standard, plan, or requirement, relating to management of parking supply or preferential bus/carpool lanes shall be promulgated after the date of enactment of this paragraph by the Administrator pursuant to this section, unless such promulgation has been subjected to at least one public hearing which has been held in the area affected and for which reasonable notice has been given in such area. If substantial changes are made following public hearings, one or more additional hearings shall be held in such area after such notice.”

Public hearing, notice.

SEC. 5. MOTOR VEHICLE EMISSIONS.

42 USC 1857f-1.

(a) Section 202(b)(1)(A) of the Clean Air Act is amended by striking out “1975” and inserting in lieu thereof “1977”; and by inserting after “(A)” the following: “The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the interim standards which were prescribed (as of December 1, 1973) under paragraph (5)(A) of this subsection for light-duty vehicles and engines manufactured during model year 1975.”

Model years
1975 and 1976,
standards.

(b) Section 202(b)(1)(B) of such Act is amended by striking out “1976” and inserting in lieu thereof “1978”; and by inserting after “(B)” the following: “The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1975 and 1976 shall contain standards which are identical to the standards which were prescribed (as of December 1, 1973) under subsection (a) for light-duty vehicles and engines manufactured during model year 1975. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model year 1977 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 2.0 grams per vehicle mile.”

(c) Section 202(b)(5)(A) of such Act is amended to read as follows:

“(5)(A) At any time after January 1, 1975, any manufacturer may file with the Administrator an application requesting the suspension for one year only of the effective date of any emission standard required by paragraph (1)(A) with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977. The Administrator shall make his determination with respect to any such application within sixty days. If he determines, in accordance

Model year
1977, suspension
request.

with the provisions of this subsection, that such suspension should be granted, he shall simultaneously with such determination prescribe by regulation interim emission standards which shall apply (in lieu of the standards required to be prescribed by paragraph (1)(A) of this subsection) to emissions of carbon monoxide or hydrocarbons (or both) from such vehicles and engines manufactured during model year 1977."

(d) Section 202(b)(5)(B) of the Clean Air Act is repealed and the following subparagraphs redesignated accordingly.

Repeal.
42 USC 1857f-1.

SEC. 6. CONFORMING AMENDMENTS.

(a) (1) Section 113(a)(3) of the Clean Air Act is amended by striking out "or" before "112(c)", by inserting a comma in lieu thereof, and by inserting after "hazardous emissions)" the following: ", or 119(g) (relating to energy-related authorities)".

42 USC 1857c-8.

(2) Section 113(b)(3) of such Act is amended by striking out "or 112(c)" and inserting in lieu thereof ", 112(c), or 119(g)".

(3) Section 113(c)(1)(C) of such Act is amended by striking out "or section 112(c)" and inserting in lieu thereof ", section 112(c), or section 119(g)".

(4) Section 114(a) of such Act is amended by inserting "119 or" before "303".

42 USC 1857c-9.

(b) Section 116 of the Clean Air Act is amended by inserting "119 (c), (e), and (f)," before "209".

42 USC 1857d-1.

(c) (1) The second sentence of subsection (b) of section 307 of such Act is amended by inserting ", or his action under section 119(c)(2) (A), (B), or (C) or under regulations thereunder," after "111(d)".

42 USC 1857h-5.

(2) The third sentence of such subsection is amended by striking out "or approval" and inserting in lieu thereof ", approval, or action".

SEC. 7. PROTECTION OF PUBLIC HEALTH AND ENVIRONMENT.

15 USC 793.

(a) Any allocation program provided for in section 2 of this Act or in the Emergency Petroleum Allocation Act of 1973, shall, to the maximum extent practicable, include measures to assure that available low sulfur fuel will be distributed on a priority basis to those areas of the United States designated by the Administrator of the Environmental Protection Agency as requiring low sulfur fuel to avoid or minimize adverse impact on public health.

15 USC 751
note.

(b) In order to determine the health effects of emissions of sulfur oxides to the air resulting from any conversions to burning coal to which section 119 of the Clean Air Act applies, the Department of Health, Education, and Welfare shall, through the National Institute of Environmental Health Sciences and in cooperation with the Environmental Protection Agency, conduct a study of chronic effects among exposed populations. The sum of \$3,500,000 is authorized to be appropriated for such a study. In order to assure that long-term studies can be conducted without interruption, such sums as are appropriated shall be available until expended.

Study.

Ante, p. 248.

Appropriation.

(c) (1) No action taken under the Clean Air Act shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 856).

42 USC 1857.

(2) No action under section 2 of this Act for a period of one year after initiation of such action shall be deemed a major Federal action significantly affecting the quality of the human environment within

42 USC 4321
note.

42 USC 4321
note.

Environment
evaluation, avail-
ability.
42 USC 4332.

Hearing.

Hydroelectric
energy facilities,
construction.

16 USC 824a
note.

42 USC 4332.

15 USC 794.

Report to
Congress.

Emergency Mass
Transportation
Assistance Plan,
submittal to Con-
gress.

the meaning of the National Environmental Policy Act of 1969. However, before any action under section 2 of this Act that has a significant impact on the environment is taken, if practicable, or in any event within sixty days after such action is taken, an environmental evaluation with analysis equivalent to that required under section 102(2) (C) of the National Environmental Policy Act, to the greatest extent practicable within this time constraint, shall be prepared and circulated to appropriate Federal, State, and local government agencies and to the public for a thirty-day comment period after which a public hearing shall be held upon request to review outstanding environmental issues. Such an evaluation shall not be required where the action in question has been preceded by compliance with the National Environmental Policy Act by the appropriate Federal agency. Any action taken under section 2 of this Act which will be in effect for more than a one-year period or any action to extend an action taken under section 2 of this Act to a total period of more than one year shall be subject to the full provisions of the National Environmental Policy Act, notwithstanding any other provision of this Act.

(d) In order to expedite the prompt construction of facilities for the importation of hydroelectric energy thereby helping to reduce the shortage of petroleum products in the United States, the Federal Power Commission is hereby authorized and directed to issue a Presidential permit pursuant to Executive Order 10485 of September 3, 1953, for the construction, operation, maintenance, and connection of facilities for the transmission of electric energy at the borders of the United States without preparing an environmental impact statement pursuant to section 102 of the National Environmental Policy Act of 1969 (83 Stat. 856) for facilities for the transmission of electric energy between Canada and the United States in the vicinity of Fort Covington, New York.

SEC. 8. ENERGY CONSERVATION STUDY.

(a) The Federal Energy Administrator shall conduct a study on potential methods of energy conservation and, not later than six months after the date of enactment of this Act, shall submit to Congress a report on the results of such study. The study shall include, but not be limited to, the following:

(1) the energy conservation potential of restricting exports of fuels or energy-intensive products or goods, including an analysis of balance-of-payments and foreign relations implications of any such restrictions;

(2) alternative requirements, incentives, or disincentives for increasing industrial recycling and resource recovery in order to reduce energy demand, including the economic costs and fuel consumption tradeoff which may be associated with such recycling and resource recovery in lieu of transportation and use of virgin materials; and

(3) means for incentives or disincentives to increase efficiency of industrial use of energy.

(b) Within ninety days of the date of enactment of this Act, the Secretary of Transportation, after consultation with the Federal Energy Administrator, shall submit to the Congress for appropriate action an "Emergency Mass Transportation Assistance Plan" for the purpose of conserving energy by expanding and improving public

mass transportation systems and encouraging increased ridership as alternatives to automobile travel.

(c) Such plan shall include, but shall not be limited to—

(1) recommendations for emergency temporary grants to assist States and local public bodies and agencies thereof in the payment of operating expenses incurred in connection with the provision of expanded mass transportation service in urban areas;

Grants.

(2) recommendations for additional emergency assistance for the purchase of buses and rolling stock for fixed rail, including the feasibility of accelerating the timetable for such assistance under section 142(a)(2) of title 23, United States Code (the “Federal Aid Highway Act of 1973”), for the purpose of providing additional capacity for and encouraging increased use of public mass transportation systems;

(3) recommendations for a program of demonstration projects to determine the feasibility of fare-free and low-fare urban mass transportation systems, including reduced rates for elderly and handicapped persons during nonpeak hours of transportation;

Fares.

(4) recommendations for additional emergency assistance for the construction of fringe and transportation corridor parking facilities to serve bus and other mass transportation passengers;

Fringe parking.

(5) recommendations on the feasibility of providing tax incentives for persons who use public mass transportation systems.

Tax incentives.

SEC. 9. REPORT.

15 USC 795.

The Administrator of the Environmental Protection Agency shall report to Congress not later than January 31, 1975, on the implementation of sections 3 through 7 of this Act.

Report to Congress.

SEC. 10. FUEL ECONOMY STUDY.

Title II of the Clean Air Act is amended by redesignating section 213 as section 214 and by adding the following new section :

42 USC 1857f-1.

“FUEL ECONOMY IMPROVEMENT FROM NEW MOTOR VEHICLES

“SEC. 213. (a) (1) The Administrator and the Secretary of Transportation shall conduct a joint study, and shall report to the Committee on Interstate and Foreign Commerce of the United States House of Representatives and the Committees on Public Works and Commerce of the United States Senate within one hundred and twenty days following the date of enactment of this section, concerning the practicability of establishing a fuel economy improvement standard of 20 per centum for new motor vehicles manufactured during and after model year 1980. Such study and report shall include, but not be limited to, the technological problems of meeting any such standard, including the leadtime involved; the test procedures required to determine compliance; the economic costs associated with such standard, including any beneficial economic impact; the various means of enforcing such standard; the effect on consumption of natural resources, including energy consumed; and the impact of applicable safety and emission standards. In the course of performing such study, the Administrator and the Secretary of Transportation shall utilize the research previously performed in the Department of Transportation, and the Administrator and the Secretary shall consult with the Federal Energy

42 USC 1857f-6f.
Report to congressional committees.

OMB review and
comments.

Administrator, the Chairman of the Council on Environmental Quality, and the Secretary of the Treasury. The Office of Management and Budget may review such report before its submission to such committees of the Congress, but such Office may not revise the report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting such report. In connection with such study, the Administrator may utilize the authority provided in section 307(a) of this Act to obtain necessary information.

42 USC 1857h-5.

"Fuel economy
improvement
standard."

"(2) For the purpose of this section, the term 'fuel economy improvement standard' means a requirement of a percentage increase in the number of miles of transportation provided by a manufacturer's entire annual production of new motor vehicles per unit of fuel consumed, as determined for each manufacturer in accordance with test procedures established by the Administrator pursuant to this Act. Such term shall not include any requirement for any design standard or any other requirement specifying or otherwise limiting the manufacturer's discretion in deciding how to comply with the fuel economy improvement standard by any lawful means."

15 USC 796.

SEC. 11. REPORTING OF ENERGY INFORMATION.

(a) For the purpose of assuring that the Federal Energy Administrator, the Congress, the States, and the public have access to and are able to obtain reliable energy information, the Federal Energy Administrator shall request, acquire, and collect such energy information as he determines to be necessary to assist in the formulation of energy policy or to carry out the purposes of this Act or the Emergency Petroleum Allocation Act of 1973. The Federal Energy Administrator shall promptly promulgate rules pursuant to subsection (b) (1) (A) of this section requiring reports of such information to be submitted to the Federal Energy Administrator at least every ninety calendar days.

15 USC 751
note.
Rules.

(b) (1) In order to obtain energy information for the purpose of carrying out the provisions of subsection (a), the Federal Energy Administrator is authorized—

(A) to require, by rule, any person who is engaged in the production, processing, refining, transportation by pipeline, or distribution (at other than the retail level) of energy resources to submit reports;

(B) to sign and issue subpoenas for the attendance and testimony of witnesses and the production of books, records, papers, and other documents;

(C) to require any person, by general or special order, to submit answers in writing to interrogatories, requests for reports or for other information; and such answers or other submissions shall be made within such reasonable period, and under oath or otherwise, as the Federal Energy Administrator may determine; and

(D) to administer oaths.

Accuracy, veri-
fication.

(2) For the purpose of verifying the accuracy of any energy information requested, acquired, or collected by the Federal Energy Administrator, the Federal Energy Administrator, or any officer or

employer duly designated by him, upon presenting appropriate credentials and a written notice from the Federal Energy Administrator to the owner, operator, or agent in charge, may—

(A) enter, at reasonable times, any business premise or facility; and

(B) inspect, at reasonable times and in a reasonable manner, any such premise or facility, inventory and sample any stock of energy resources therein, and examine and copy books, records, papers, or other documents, relating to any such energy information.

(3) Any United States district court within the jurisdiction of which any inquiry is carried on may, upon petition by the Attorney General at the request of the Federal Energy Administrator, in the case of refusal to obey a subpoena or order of the Federal Energy Administrator issued under this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

Compliance
order.

(c)(1) The Federal Energy Administrator shall exercise the authorities granted to him under subsection (b)(1)(A) to develop, within thirty days after the date of enactment of this Act, as full and accurate a measure as is reasonably practicable of—

(A) domestic reserves and production;

(B) imports; and

(C) inventories;

of crude oil, residual fuel oil, refined petroleum products, natural gas, and coal.

(2) For each calendar quarter beginning with the first complete calendar quarter following the date of enactment of this Act, the Federal Energy Administrator shall develop and publish a report containing the following energy information:

Energy information,
quarterly
report.

(A) Imports of crude oil, residual fuel oil, refined petroleum products (by product), natural gas, and coal, identifying (with respect to each such oil, product, gas, or coal) country of origin, arrival point, quantity received, and the geographic distribution within the United States.

(B) Domestic reserves and production of crude oil, natural gas, and coal.

(C) Refinery activities, showing for each refinery within the United States (i) the amounts of crude oil run by such refinery, (ii) amounts of crude oil allocated to such refinery pursuant to regulations and orders of the Federal Energy Administrator, his delegate pursuant to the Emergency Petroleum Allocation Act of 1973, or any other person authorized by law to issue regulations and orders with respect to the allocation of crude oil, (iii) percentage of refinery capacity utilized, and (iv) amounts of products refined from such crude oil.

(D) Report of inventories, on a national, regional, and State-by-State basis—

(i) of various refined petroleum products, relating refiners, refineries, suppliers to refiners, share of market, and allocation fractions;

(ii) of various refined petroleum products, previous quarter deliveries and anticipated three-month available supplies;

(iii) of anticipated monthly supply of refined petroleum products, amount of set-aside for assignment by the State, anticipated State requirements, excess or shortfall of supply, and allocation fraction of base year; and

(iv) of LPG by State and owner: quantities stored, and existing capacities, and previous priorities on types, inventories of suppliers, and changes in supplier inventories.

Confidential information.

(d) Upon a showing satisfactory to the Federal Energy Administrator by any person that any energy information obtained under this section from such person would, if made public, divulge methods or processes entitled to protection as trade secrets or other proprietary information of such person, such information, or portion thereof, shall be confidential in accordance with the provisions of section 1905 of title 18, United States Code; except that such information, or part thereof, shall not be deemed confidential for purposes of disclosure, upon request, to (1) any delegate of the Federal Energy Administrator for the purpose of carrying out this Act and the Emergency Petroleum Allocation Act of 1973, (2) the Attorney General, the Secretary of the Interior, the Federal Trade Commission, the Federal Power Commission, or the General Accounting Office, when necessary to carry out those agencies' duties and responsibilities under this and other statutes, and (3) the Congress, or any committee of Congress upon request of the Chairman.

15 USC 751 note.

Definitions.

(e) As used in this section:

(1) The term "energy information" includes (A) all information in whatever form on (i) fuel reserves, exploration, extraction, and energy resources (including petrochemical feedstocks) wherever located; (ii) production, distribution, and consumption of energy and fuels wherever carried on; and (B) matters relating to energy and fuels, such as corporate structure and proprietary relationships, costs, prices, capital investment, and assets, and other matters directly related thereto, wherever they exist.

(2) The term "person" means any natural person, corporation, partnership, association, consortium, or any entity organized for a common business purpose, wherever situated, domiciled, or doing business, who directly or through other persons subject to their control does business in any part of the United States.

(3) The term "United States" when used in the geographical sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

Information, availability.

(f) Information obtained by the Administration under authority of this Act shall be available to the public in accordance with the provisions of section 552 of title 5, United States Code.

(g) (1) The authority contained in this section is in addition to, independent of, not limited by, and not in limitation of, any other authority of the Federal Energy Administrator.

Expiration date.

(2) The provisions of this section expire at midnight, June 30, 1975, but such expiration shall not affect any administrative or judicial proceeding which relates to any act or failure to act if such act or failure to act was not in compliance with the requirements and authorities of this section and occurred prior to midnight, June 30, 1975.

15 USC 797.

SEC. 12. ENFORCEMENT.

(a) It shall be unlawful for any person to violate any provision of section 2 (relating to coal conversion and allocation) or section 11 (relating to energy information) or to violate any rule, regulation, or order issued pursuant to any such provision.

Penalties.

(b) (1) Whoever violates any provision of subsection (a) shall be subject to a civil penalty of not more than \$2,500 for each violation.

(2) Whoever willfully violates any provision of subsection (a) shall be fined not more than \$5,000 for each violation.

(3) It shall be unlawful for any person to offer for sale or distribute in commerce any coal in violation of an order or regulation issued pursuant to section 2(d). Any person who knowingly and willfully violates this paragraph after having been subjected to a civil penalty for a prior violation of the same provision of any order or regulation issued pursuant to section 2(d) shall be fined not more than \$50,000, or imprisoned not more than six months, or both.

(4) Whenever it appears to the Federal Energy Administrator or any person authorized by the Federal Energy Administrator to exercise authority under this section 2 or section 11 of this Act that any individual or organization has engaged, is engaged, or is about to engage in acts or practices constituting a violation of subsection (a) the Federal Energy Administrator or such person may request the Attorney General to bring a civil action to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. In such action, the court may also issue mandatory injunctions commanding any person to comply with any provision, the violation of which is prohibited by subsection (a).

(5) Any person suffering legal wrong because of any act or practice arising out of any violation of subsection (a) may bring a civil action for appropriate relief, including an action for a declaratory judgment or writ of injunction. United States district courts shall have jurisdiction of actions under this paragraph without regard to the amount in controversy. Nothing in this paragraph shall authorize any person to recover damages.

SEC. 13. EXTENSION OF CLEAN AIR ACT AUTHORIZATION.

(a) Section 104(c) of the Clean Air Act is amended by striking "and \$150,000,000 for the fiscal year ending June 30, 1974" and inserting in lieu thereof ", \$150,000,000 for the fiscal year ending June 30, 1974, and \$150,000,000 for the fiscal year ending June 30, 1975."

42 USC 1857b-1.

(b) Section 212(i) of such Act is amended by striking "three succeeding fiscal years." and inserting in lieu thereof "four succeeding fiscal years."

42 USC 1857f-6e.

(c) Section 316 of such Act is amended by striking "and \$300,000,000 for the fiscal year ending June 30, 1974" and inserting in lieu thereof ", \$300,000,000 for the fiscal year ending June 30, 1974, and \$300,000,000 for the fiscal year ending June 30, 1975".

42 USC 1857l.

SEC. 14. DEFINITIONS.

(a) For purposes of this Act and the Clean Air Act the term "Federal Energy Administrator" means the Administrator of the Federal Energy Administration established by Federal Energy Administration Act of 1974 (Public Law 93-275); except that until such Administrator takes office and after such Administration ceases to exist, such term means any officer of the United States designated as Federal Energy Administrator by the President for purposes of this Act and section 119 of the Clean Air Act.

15 USC 798.

42 USC 1857 note.

Ante, p. 96.

Ante, p. 248.

(b) For purposes of this Act, the term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (as defined in section 3(5) of the Emergency Petroleum Allocation Act of 1973).

15 USC 752.

Approved June 22, 1974.

Public Law 93-320

June 24, 1974
[H. R. 12165]

AN ACT

To authorize the construction, operation, and maintenance of certain works in the Colorado River Basin to control the salinity of water delivered to users in the United States and Mexico.

Colorado River
Basin Salinity
Control Act.
43 USC 1571
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Colorado River Basin Salinity Control Act".

TITLE I—PROGRAMS DOWNSTREAM FROM IMPERIAL DAM

U.S. and Mex-
ico, water quality
improvement.
43 USC 1571.

SEC. 101. (a) The Secretary of the Interior, hereinafter referred to as the "Secretary", is authorized and directed to proceed with a program of works of improvement for the enhancement and protection of the quality of water available in the Colorado River for use in the United States and the Republic of Mexico, and to enable the United States to comply with its obligations under the agreement with Mexico of August 30, 1973 (Minute No. 242 of the International Boundary and Water Commission, United States and Mexico), concluded pursuant to the Treaty of February 3, 1944 (TS 994), in accordance with the provisions of this Act.

24 UST 1968.
59 Stat. 1219.

Desalting com-
plexes, construc-
tion and mainte-
nance.

(b)(1) The Secretary is authorized to construct, operate, and maintain a desalting complex, including (1) a desalting plant to reduce the salinity of drain water from the Wellton-Mohawk division of the Gila project, Arizona (hereinafter referred to as the division), including a pretreatment plant for settling, softening, and filtration of the drain water to be desalted; (2) the necessary appurtenant works including the intake pumping plant system, product waterline, power transmission facilities, and permanent operating facilities; (3) the necessary extension in the United States and Mexico of the existing bypass drain to carry the reject stream from the desalting plant and other drainage waters to the Santa Clara Slough in Mexico, with the part in Mexico, subject to arrangements made pursuant to section 101(d); (4) replacement of the metal flume in the existing main outlet drain extension with a concrete siphon; (5) reduction of the quantity of irrigation return flows through acquisition of lands to reduce the size of the division, and irrigation efficiency improvements to minimize return flows; (6) acquire on behalf of the United States such lands or interest in lands in the Painted Rock Reservoir as may be necessary to operate the project in accordance with the obligations of Minute No. 242, and (7) all associated facilities including roads, railroad spur, and transmission lines.

Desalting
plants, treatment
capacity.

(2) The desalting plant shall be designed to treat approximately one hundred and twenty-nine million gallons a day of drain water using advanced technology commercially available. The plant shall effect recovery initially of not less than 70 per centum of the drain water as product water, and shall effect reduction of not less than 90 per centum of the dissolved solids in the feed water. The Secretary shall use sources of electric power supply for the desalting complex that will not diminish the supply of power to preference customers from Federal power systems operated by the Secretary. All costs associated with the desalting plant shall be nonreimbursable.

Nonreimbursable
costs.

(c) Replacement of the reject stream from the desalting plant and of any Wellton-Mohawk drainage water bypassed to the Santa Clara Slough to accomplish essential operation except at such times when there exists surplus water of the Colorado River under the terms of the Mexican Water Treaty of 1944, is recognized as a national obligation as provided in section 202 of the Colorado River Basin Project Act (82 Stat. 895). Studies to identify feasible measures to provide adequate replacement water shall be completed not later than June 30, 1980. Said studies shall be limited to potential sources within the States of Arizona, California, Colorado, New Mexico, and those portions of Nevada, Utah, and Wyoming which are within the natural drainage basin of the Colorado River. Measures found necessary to replace the reject stream from the desalting plant and any Wellton-Mohawk drainage bypassed to the Santa Clara Slough to accomplish essential operations may be undertaken independently of the national obligation set forth in section 202 of the Colorado River Basin Project Act.

Replacement
water, studies.

59 Stat. 1219.

43 USC 1512.

(d) The Secretary is hereby authorized to advance funds to the United States section, International Boundary and Water Commission (IBWC), for construction, operation, and maintenance by Mexico pursuant to Minute No. 242 of that portion of the bypass drain within Mexico. Such funds shall be transferred to an appropriate Mexican agency, under arrangements to be concluded by the IBWC providing for the construction, operation, and maintenance of such facility by Mexico.

U.S. section,
IBWC, advance
funds.

24 UST 1968.

(e) Any desalted water not needed for the purposes of this title may be exchanged at prices and under terms and conditions satisfactory to the Secretary and the proceeds therefrom shall be deposited in the General Fund of the Treasury. The city of Yuma, Arizona, shall have first right of refusal to any such water.

Desalted water
exchange.

(f) For the purpose of reducing the return flows from the division to one hundred and seventy-five thousand acre-feet or less, annually, the Secretary is authorized to:

Return flow
reduction.

(1) Accelerate the cooperative program of Irrigation Management Services with the Wellton-Mohawk Irrigation and Drainage District, hereinafter referred to as the district, for the purpose of improving irrigation efficiency. The district shall bear its share of the cost of such program as determined by the Secretary.

(2) Acquire, by purchase or through eminent domain or exchange, to the extent determined by him to be appropriate, lands or interests in lands to reduce the existing seventy-five thousand developed and undeveloped irrigable acres authorized by the Act of July 30, 1947 (61 Stat. 628), known as the Gila Reauthorization Act. The initial reduction in irrigable acreage shall be limited to approximately ten thousand acres. If the Secretary determines that the irrigable acreage of the division must be reduced below sixty-five thousand acres of irrigable lands to carry out the purpose of this section, the Secretary is authorized, with the consent of the district, to acquire additional lands, as may be deemed by him to be appropriate.

Irrigable acre-
age reduction.

43 USC 613.
Limitation.

(g) The Secretary is authorized to dispose of the acquired lands and interests therein on terms and conditions satisfactory to him and meeting the objective of this Act.

Acquired lands,
disposal.

(h) The Secretary is authorized, either in conjunction with or in lieu of land acquisition, to assist water users in the division in installing system improvements, such as ditch lining, change of field layouts, automatic equipment, sprinkler systems and bubbler systems, as a means of increasing irrigation efficiencies: *Provided, however, That*

System improve-
ments, instal-
lation assistance.

Costs, reimbursement to U.S.

all costs associated with the improvements authorized herein and allocated to the water users on the basis of benefits received, as determined by the Secretary, shall be reimbursed to the United States in amounts and on terms and conditions satisfactory to the Secretary.

Contract amendment.

(i) The Secretary is authorized to amend the contract between the United States and the district dated March 4, 1952, as amended, to provide that—

(1) the portion of the existing repayment obligation owing to the United States allocable to irrigable acreage eliminated from the division for the purposes of this title, as determined by the Secretary, shall be nonreimbursable; and

(2) if deemed appropriate by the Secretary, the district shall be given credit against its outstanding repayment obligation to offset any increase in operation and maintenance assessments per acre which may result from the district's decreased operation and maintenance base, all as determined by the Secretary.

Land acquisition for storage.

(j) The Secretary is authorized to acquire through the Corps of Engineers fee title to, or other necessary interests in, additional lands above the Painted Rock Dam in Arizona that are required for the temporary storage capacity needed to permit operation of the dam and reservoir in times of serious flooding in accordance with the obligations of the United States under Minute No. 242. No funds shall be expended for acquisition of land or interests therein until it is finally determined by a Federal court of competent jurisdiction that the Corps of Engineers presently lacks legal authority to use said lands for this purpose. Nothing contained in this title nor any action taken pursuant to it shall be deemed to be a recognition or admission of any obligation to the owners of such land on the part of the United States or a limitation or deficiency in the rights or powers of the United States with respect to such lands or the operation of the reservoir.

24 UST 1968.

Transfer of funds.

(k) To the extent desirable to carry out sections 101(f)(1) and 101(h), the Secretary may transfer funds to the Secretary of Agriculture as may be required for technical assistance to farmers, conduct of research and demonstrations, and such related investigations as are required to achieve higher on-farm irrigation efficiencies.

Nonreimbursable costs.

(l) All cost associated with the desalting complex shall be nonreimbursable except as provided in sections 101(f) and 101(h).

Canal or canal lining, construction.

43 USC 1572.

Sec. 102. (a) To assist in meeting salinity control objectives of Minute No. 242 during an interim period, the Secretary is authorized to construct a new concrete-lined canal or, to line the presently unlined portion of the Coachella Canal of the Boulder Canyon project, California, from station 2 plus 26 to the beginning of siphon numbered 7, a length of approximately forty-nine miles. The United States shall be entitled to temporary use of a quantity of water, for the purpose of meeting the salinity control objectives of Minute No. 242, during an interim period, equal to the quantity of water conserved by constructing or lining the said canal. The interim period shall commence on completion of construction or lining said canal and shall end the first year that the Secretary delivers main stream Colorado River water to California in an amount less than the sum of the quantities requested by (1) the California agencies under contracts made pursuant to section 5 of the Boulder Canyon Project Act (45 Stat. 1057), and (2) Federal establishments to meet their water rights acquired in California in accordance with the Supreme Court decree in Arizona against California (376 U.S. 340).

43 USC 617d.

Repayment.

(b) The charges for total construction shall be repayable without interest in equal annual installments over a period of forty years beginning in the year following completion of construction: *Provided*,

That, repayment shall be prorated between the United States and the Coachella Valley County Water District, and the Secretary is authorized to enter into a repayment contract with Coachella Valley County Water District for that purpose. Such contract shall provide that annual repayment installments shall be nonreimbursable during the interim period, defined in section 102(a) of this title and shall provide that after the interim period, said annual repayment installments or portions thereof, shall be paid by Coachella Valley County Water District.

Repayment contract.

(c) The Secretary is authorized to acquire by purchase, eminent domain, or exchange private lands or interests therein, as may be determined by him to be appropriate, within the Imperial Irrigation District on the Imperial East Mesa which receive, or which have been granted rights to receive, water from Imperial Irrigation District's capacity in the Coachella Canal. Costs of such acquisitions shall be nonreimbursable and the Secretary shall return such lands to the public domain. The United States shall not acquire any water rights by reason of this land acquisition.

Private lands, acquisition.

(d) The Secretary is authorized to credit Imperial Irrigation District against its final payments for certain outstanding construction charges payable to the United States on account of capacity to be relinquished in the Coachella Canal as a result of the canal lining program, all as determined by the Secretary: *Provided*, That, relinquishment of capacity shall not affect the established basis for allocating operation and maintenance costs of the main All-American Canal to existing contractors.

Imperial Irrigation District, construction charges, credit.

(e) The Secretary is authorized and directed to cede the following land to the Cocopah Tribe of Indians, subject to rights-of-way for existing levees, to be held in trust by the United States for the Cocopah Tribe of Indians:

Cocopah Tribe of Indians, lands in trust.

Township 9 south, range 25 west of the Gila and Salt River meridian, Arizona;

Section 25: Lots 18, 19, 20, 21, 22, and 23;

Section 26: Lots 1, 12, 13, 14, and 15;

Section 27: Lot 3; and all accretion to the above described lands.

The Secretary is authorized and directed to construct three bridges, one of which shall be capable of accommodating heavy vehicular traffic, over the portion of the bypass drain which crosses the reservation of the Cocopah Tribe of Indians. The transfer of lands to the Cocopah Indian Reservation and the construction of bridges across the bypass drain shall constitute full and complete payment to said tribe for the rights-of-way required for construction of the bypass drain and electrical transmission lines for works authorized by this title.

Bridges, construction.

SEC. 103. (a) The Secretary is authorized to:

43 USC 1573.

(1) Construct, operate, and maintain, consistent with Minute No. 242, well fields capable of furnishing approximately one hundred and sixty thousand acre-feet of water per year for use in the United States and for delivery to Mexico in satisfaction of the 1944 Mexican Water Treaty.

Well fields, construction and maintenance.
24 UST 1968.

(2) Acquire by purchase, eminent domain, or exchange, to the extent determined by him to be appropriate, approximately twenty-three thousand five hundred acres of lands or interests therein within approximately five miles of the Mexican border on the Yuma Mesa: *Provided, however*, That any such lands which are presently owned by the State of Arizona may be acquired or exchanged for Federal lands.

59 Stat. 1219.
Land acquisition.

Land replace-
ment.

43 USC 613.

(3) Any lands removed from the jurisdiction of the Yuma Mesa Irrigation and Drainage District pursuant to clause (2) of this subsection which were available for use under the Gila Reauthorization Act (61 Stat. 628), shall be replaced with like lands within or adjacent to the Yuma Mesa division of the project. In the development of these substituted lands or any other lands within the Gila project, the Secretary may provide for full utilization of the Gila Gravity Main Canal in addition to contracted capacities.

Nonreimbursable
costs.

(b) The cost of work provided for in this section, including delivery of water to Mexico, shall be nonreimbursable; except to the extent that the waters furnished are used in the United States.

Project modifi-
cation.

43 USC 1574.

SEC. 104. The Secretary is authorized to provide for modifications of the projects authorized by this title to the extent he determines appropriate for purposes of meeting the international settlement objective of this title at the lowest overall cost to the United States. No funds for any such modification shall be expended until the expiration of sixty days after the proposed modification has been submitted to the appropriate committees of the Congress, unless the Congress approves an earlier date by concurrent resolution. The Secretary shall notify the Governors of the Colorado River Basin States of such modifications.

Contract
authority.

43 USC 1575.

SEC. 105. The Secretary is hereby authorized to enter into contracts that he deems necessary to carry out the provisions of this title in advance of the appropriation of funds therefor.

Interagency
cooperation.

43 USC 1576.

SEC. 106. In carrying out the provisions of this title, the Secretary shall consult and cooperate with the Secretary of State, the Administrator of the Environmental Protection Agency, the Secretary of Agriculture, and other affected Federal, State, and local agencies.

43 USC 1577.

42 USC 4321
note.

33 USC 1251
note.

SEC. 107. Nothing in this Act shall be deemed to modify the National Environmental Policy Act of 1969, the Federal Water Pollution Control Act, as amended, or, except as expressly stated herein, the provisions of any other Federal law.

Appropriation.
43 USC 1578.

SEC. 108. There is hereby authorized to be appropriated the sum of \$121,500,000 for the construction of the works and accomplishment of the purposes authorized in sections 101 and 102, and \$34,000,000 to accomplish the purposes of section 103, based on April 1973 prices, plus or minus such amounts as may be justified by reason of ordinary fluctuations in construction costs involved therein, and such sums as may be required to operate and maintain such works and to provide for such modifications as may be made pursuant to section 104. There is further authorized to be appropriated such sums as may be necessary to pay condemnation awards in excess of appraised values and to cover costs required in connection with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 90-646).

42 USC 4601
note.

TITLE II—MEASURES UPSTREAM FROM IMPERIAL DAM

43 USC 1591.

SEC. 201. (a) The Secretary of the Interior shall implement the salinity control policy adopted for the Colorado River in the "Conclusions and Recommendations" published in the Proceedings of the Reconvened Seventh Session of the Conference in the Matter of Pollution of the Interstate Waters of the Colorado River and Its Tributaries in the States of California, Colorado, Utah, Arizona, Nevada, New Mexico, and Wyoming, held in Denver, Colorado, on April 26-27, 1972, under the authority of section 10 of the Federal Water Pollution Control Act (33 U.S.C. 1160), and approved by the Administrator of the Environmental Protection Agency on June 9, 1972.

(b) The Secretary is hereby directed to expedite the investigation, planning, and implementation of the salinity control program generally as described in chapter VI of the Secretary's report entitled, "Colorado River Water Quality Improvement Program, February 1972".

(c) In conformity with section 201 (a) of this title and the authority of the Environmental Protection Agency under Federal laws, the Secretary, the Administrator of the Environmental Protection Agency, and the Secretary of Agriculture are directed to cooperate and coordinate their activities effectively to carry out the objective of this title.

Interagency
cooperation.

SEC. 202. The Secretary is authorized to construct, operate, and maintain the following salinity control units as the initial stage of the Colorado River Basin salinity control program.

Salinity control
units, construc-
tion and mainte-
nance.
43 USC 1592.

(1) The Paradox Valley unit, Montrose County, Colorado, consisting of facilities for collection and disposition of saline ground water of Paradox Valley, including wells, pumps, pipelines, solar evaporation ponds, and all necessary appurtenant and associated works such as roads, fences, dikes, power transmission facilities, and permanent operating facilities.

(2) The Grand Valley unit, Colorado, consisting of measures and all necessary appurtenant and associated works to reduce the seepage of irrigation water from the irrigated lands of Grand Valley into the ground water and thence into the Colorado River. Measures shall include lining of canals and laterals, and the combining of existing canals and laterals into fewer and more efficient facilities. Prior to initiation of construction of the Grand Valley unit the Secretary shall enter into contracts through which the agencies owning, operating, and maintaining the water distribution systems in Grand Valley, singly or in concert, will assume all obligations relating to the continued operation and maintenance of the unit's facilities to the end that the maximum reduction of salinity inflow to the Colorado River will be achieved. The Secretary is also authorized to provide, as an element of the Grand Valley unit, for a technical staff to provide information and assistance to water users on means and measures for limiting excess water applications to irrigated lands: *Provided*, That such assistance shall not exceed a period of five years after funds first become available under this title. The Secretary will enter into agreements with the Secretary of Agriculture to develop a unified control plan for the Grand Valley unit. The Secretary of Agriculture is directed to cooperate in the planning and construction of on-farm system measures under programs available to that Department.

(3) The Crystal Geyser unit, Utah, consisting of facilities for collection and disposition of saline geyser discharges; including dikes, pipelines, solar evaporation ponds, and all necessary appurtenant works including operating facilities.

(4) The Las Vegas Wash unit, Nevada, consisting of facilities for collection and disposition of saline ground water of Las Vegas Wash, including infiltration galleries, pumps, desalter, pipelines, solar evaporation facilities, and all appurtenant works including but not limited to roads, fences, power transmission facilities, and operating facilities.

SEC. 203. (a) The Secretary is authorized and directed to—

43 USC 1593.

(1) Expedite completion of the planning reports on the following units, described in the Secretary's report, "Colorado River Water Quality Improvement Program, February 1972":

Planning
reports.

- (i) Irrigation source control :
 - Lower Gunnison
 - Uintah Basin
 - Colorado River Indian Reservation
 - Palo Verde Irrigation District
- (ii) Point source control :
 - LaVerkin Springs
 - Littlefield Springs
 - Glenwood-Dotsero Springs
- (iii) Diffuse source control :
 - Price River
 - San Rafael River
 - Dirty Devil River
 - McElmo Creek
 - Big Sandy River

Reports.

Submittal to
President and
Congress.

(2) Submit each planning report on the units named in section 203(a)(1) of this title promptly to the Colorado River Basin States and to such other parties as the Secretary deems appropriate for their review and comments. After receipt of comments on a unit and careful consideration thereof, the Secretary shall submit each final report with his recommendations, simultaneously, to the President, other concerned Federal departments and agencies, the Congress, and the Colorado River Basin States.

Research and
demonstration
projects.

(b) The Secretary is directed—

(1) in the investigation, planning, construction, and implementation of any salinity control unit involving control of salinity from irrigation sources, to cooperate with the Secretary of Agriculture in carrying out research and demonstration projects and in implementing on-the-farm improvements and farm management practices and programs which will further the objective of this title;

(2) to undertake research on additional methods for accomplishing the objective of this title, utilizing to the fullest extent practicable the capabilities and resources of other Federal departments and agencies, interstate institutions, States, and private organizations.

Colorado River
Basin Salinity
Control Advisory
Council.
Establishment;
membership.
43 USC 1594.
Duties.

SEC. 204. (a) There is hereby created the Colorado River Basin Salinity Control Advisory Council composed of no more than three members from each State appointed by the Governor of each of the Colorado River Basin States.

(b) The Council shall be advisory only and shall—

(1) act as liaison between both the Secretaries of Interior and Agriculture and the Administrator of the Environmental Protection Agency and the States in accomplishing the purposes of this title;

(2) receive reports from the Secretary on the progress of the salinity control program and review and comment on said reports; and

(3) recommend to both the Secretary and the Administrator of the Environmental Protection Agency appropriate studies of further projects, techniques, or methods for accomplishing the purposes of this title.

Costs, allocation.
43 USC 1595.

SEC. 205. (a) The Secretary shall allocate the total costs of each unit or separable feature thereof authorized by section 202 of this title, as follows:

(1) In recognition of Federal responsibility for the Colorado River as an interstate stream and for international comity with Mexico, Federal ownership of the lands of the Colorado River Basin from which most of the dissolved salts originate, and the policy embodied in the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816), 75 per centum of the total costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof shall be nonreimbursable.

33 USC 1251
note.

(2) Twenty-five per centum of the total costs shall be allocated between the Upper Colorado River Basin Fund established by section 5(a) of the Colorado River Storage Project Act (70 Stat. 107) and the Lower Colorado River Basin Development Fund established by section 403(a) of the Colorado River Basin Project Act (82 Stat. 895), after consultation with the Advisory Council created in section 204(a) of this title and consideration of the following items:

43 USC 620d.

43 USC 1543.

(i) benefits to be derived in each basin from the use of water of improved quality and the use of works for improved water management;

(ii) causes of salinity; and

(iii) availability of revenues in the Lower Colorado River Basin Development Fund and increased revenues to the Upper Colorado River Basin Fund made available under section 205(d) of this title: *Provided*, That costs allocated to the Upper Colorado River Basin Fund under section 205(a)(2) of this title shall not exceed 15 per centum of the costs allocated to the Upper Colorado River Basin Fund and the Lower Colorado River Basin Development Fund.

Costs, limitation.

(3) Costs of construction of each unit or separable feature thereof allocated to the upper basin and to the lower basin under section 205(a)(2) of this title shall be repaid within a fifty-year period without interest from the date such unit or separable feature thereof is determined by the Secretary to be in operation.

Construction costs, repayment.

(b) (1) Costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof allocated for repayment by the lower basin under section 205(a)(2) of this title shall be paid in accordance with subsection 205(b)(2) of this title, from the Lower Colorado River Basin Development Fund.

(2) Section 403(g) of the Colorado River Basin Project Act (82 Stat. 896) is hereby amended as follows: strike the word "and" after the word "Act," in line 8; insert after the word "Act," the following "(2) for repayment to the general fund of the Treasury the costs of each salinity control unit or separable feature thereof payable from the Lower Colorado River Basin Development Fund in accordance with sections 205(a)(2), 205(a)(3), and 205(b)(1) of the Colorado River Salinity Control Act and"; change paragraph (2) to paragraph (3).

43 USC 1543.

(c) Costs of construction, operation, maintenance, and replacement of each unit or separable feature thereof allocated for repayment by the upper basin under section 205(a)(2) of this title shall be paid in accordance with section 205(d) of this title from the Upper Colorado River Basin Fund within the limit of the funds made available under section 205(e) of this title.

(d) Section 5(d) of the Colorado River Storage Project Act (70 Stat. 108) is hereby amended as follows: strike the word "and" at the end of paragraph (3); strike the period after the word "years" at the end of paragraph (4) and insert a semicolon in lieu thereof followed by the word "and"; add a new paragraph (5) reading:

43 USC 620d.

“(5) the costs of each salinity control unit or separable feature thereof payable from the Upper Colorado River Basin Fund in accordance with sections 205(a)(2), 205(a)(3), and 205(c) of the Colorado River Salinity Control Act.”.

Electrical
energy rates,
adjustments.

(e) The Secretary is authorized to make upward adjustments in rates charged for electrical energy under all contracts administered by the Secretary under the Colorado River Storage Project Act (70 Stat. 105, 43 U.S.C. 620) as soon as practicable and to the extent necessary to cover the costs of construction, operation, maintenance, and replacement of units allocated under section 205(a)(2) and in conformity with section 205(a)(3) of this title: *Provided*, That revenues derived from said rate adjustments shall be available solely for the construction, operation, maintenance, and replacement of salinity control units in the Colorado River Basin herein authorized.

Report to
President, Con-
gress and Advi-
sory Council.
43 USC 1596.

SEC. 206. Commencing on January 1, 1975, and every two years thereafter, the Secretary shall submit, simultaneously, to the President, the Congress, and the Advisory Council created in section 204(a) of this title, a report on the Colorado River salinity control program authorized by this title covering the progress of investigations, planning, and construction of salinity control units for the previous fiscal year, the effectiveness of such units, anticipated work needed to be accomplished in the future to meet the objectives of this title, with emphasis on the needs during the five years immediately following the date of each report, and any special problems that may be impeding progress in attaining an effective salinity control program. Said report may be included in the biennial report on the quality of water of the Colorado River Basin prepared by the Secretary pursuant to section 15 of the Colorado River Storage Project Act (70 Stat. 111; 43 U.S.C. 602n), section 15 of the Navajo Indian irrigation project, and the initial stage of the San Juan Chama Project Act (76 Stat. 102), and section 6 of the Fryingpan-Arkansas Project Act (76 Stat. 393).

43 USC 615ww.

43 USC 616c.

43 USC 1597.

SEC. 207. Except as provided in section 205(b) and 205(d) of this title, with respect to the Colorado River Basin Project Act and the Colorado River Storage Project Act, respectively, nothing in this title shall be construed to alter, amend, repeal, modify, interpret, or be in conflict with the provisions of the Colorado River Compact (45 Stat. 1057), the Upper Colorado River Basin Compact (63 Stat. 31), the Water Treaty of 1944 with the United Mexican States (Treaty Series 994; 59 Stat. 1219), the decree entered by the Supreme Court of the United States in Arizona against California and others (376 U.S. 340), the Boulder Canyon Project Act (45 Stat. 1057), Boulder Canyon Project Adjustment Act (54 Stat. 774; 43 U.S.C. 618a), section 15 of the Colorado River Storage Project Act (70 Stat. 111; 43 U.S.C. 620n), the Colorado River Basin Project Act (82 Stat. 885), section 6 of the Fryingpan-Arkansas Project Act (76 Stat. 393), section 15 of the Navajo Indian irrigation project and initial stage of the San Juan-Chama Project Act (76 Stat. 102), the National Environmental Policy Act of 1969, and the Federal Water Pollution Control Act, as amended.

43 USC 1501
note.

42 USC 4321
note.

33 USC 1251
note.

Project modifi-
cations.
Funds, expendi-
ture.

43 USC 1598.

SEC. 208. (a) The Secretary is authorized to provide for modifications of the projects authorized by this title as determined to be appropriate for purposes of meeting the objective of this title. No funds for any such modification shall be expended until the expiration of sixty days after the proposed modification has been submitted to appropriate committees of the Congress, and not then if disapproved by said com-

mittees, except that funds may be expended prior to the expiration of such sixty days in any case in which the Congress approves an earlier date by concurrent resolution. The Governors of the Colorado River Basin States shall be notified of these changes.

(b) The Secretary is hereby authorized to enter into contracts that he deems necessary to carry out the provisions of this title, in advance of the appropriation of funds therefor. There is hereby authorized to be appropriated the sum of \$125,100,000 for the construction of the works and for other purposes authorized in section 202 of this title, based on April 1973 prices, plus or minus such amounts as may be justified by reason of ordinary fluctuations in costs involved therein, and such sums as may be required to operate and maintain such works. There is further authorized to be appropriated such sums as may be necessary to pay condemnation awards in excess of appraised values and to cover costs required in connection with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 90-646).

Contract
authority.

Appropriation.

42 USC 4601
note.

43 USC 1599.

SEC. 209. As used in this title—

(a) all terms that are defined in the Colorado River Compact shall have the meanings therein defined;

(b) "Colorado River Basin States" means the States of Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming.

"Colorado
River Basin
States."

Approved June 24, 1974.

Public Law 93-321

JOINT RESOLUTION

Making further urgent supplemental appropriations for the fiscal year ending June 30, 1974, for the Veterans Administration, and for other purposes

June 30, 1974
[H. J. Res. 1061]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1974, namely:

Veterans
Administration.
Supplemental
appropriation.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for Compensation and Pensions, \$100,000,000, to remain available until expended.

READJUSTMENT BENEFITS

For an additional amount for Readjustment Benefits, \$77,000,000, to remain available until expended.

GENERAL OPERATING EXPENSES

For an additional amount for General Operating Expenses, \$2,000,000.

Approved June 30, 1974.

Public Law 93-322

June 30, 1974
[H. R. 14434]

AN ACT

Making appropriations for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes.

Special Energy
Research and
Development
Appropriation
Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for energy research and development activities of certain departments, independent executive agencies, bureaus, offices, and commissions for the fiscal year ending June 30, 1975, and for other purposes, namely:

TITLE I

CHAPTER I

ENVIRONMENTAL PROTECTION AGENCY

ENERGY RESEARCH AND DEVELOPMENT

For energy research and development activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by section 5901-5902, United States Code, title 5; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate of GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; \$54,000,000, to remain available until expended.

5 USC 5332
note.

CHAPTER II

NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

RESEARCH AND DEVELOPMENT

For necessary expenses of the National Aeronautics and Space Administration relating to programs and other activities in research and development, including services as authorized by 5 U.S.C. 3109, \$4,435,000, to remain available until expended.

NATIONAL SCIENCE FOUNDATION

SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), title IX of the National Defense Education Act of 1958 (42 U.S.C. 1876-1879), including award of graduate fellowships; services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchases of flight services for research support; hire of passenger motor vehicles; not to exceed \$2,200,000 for program development and management; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District

of Columbia; and reimbursement of the General Services Administration for security guard services; \$101,800,000, to remain available until expended, to be used for programs and other activities in support of energy related basic and applied research.

CHAPTER III

DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses related to the energy activities of the Geological Survey, \$43,125,000.

ADMINISTRATIVE PROVISION

The amount appropriated for the Geological Survey shall be available for the acquisition of one additional aircraft and for contracting for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary to enable the Bureau of Mines to perform research and development programs relating to the extraction, processing, and utilization of energy resources without objectionable social and environmental costs; to foster and encourage private enterprise in the development of energy resources; and for other related purposes as authorized by law; \$142,298,000 of which \$103,500,000 shall remain available until expended: *Provided*, That no part of the sum herein appropriated shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

ADMINISTRATIVE PROVISION

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF COAL RESEARCH

SALARIES AND EXPENSES

For necessary expenses to encourage and stimulate the production and conservation of coal in the United States through research and development, as authorized by law (30 U.S.C. 661-668), \$261,278,000, to remain available until expended, of which not to exceed \$6,541,000 shall be available for administration and supervision.

FUEL ALLOCATION, OIL AND GAS PROGRAMS

SALARIES AND EXPENSES

For necessary expenses to enable the Secretary to discharge his responsibilities with respect to oil and gas, including cooperation with the petroleum and natural gas industries and State and local authorities in the production, processing, and utilization of petroleum and its products, and natural gas, \$69,590,000, of which \$10,000,000, to remain available until expended, shall be available for reimbursement of State and local public agencies as authorized by Public Law 93-275, section 7(d).

Ante, p. 100.

OFFICE OF THE SECRETARY

ENERGY CONSERVATION AND ANALYSIS

For necessary expenses to support energy conservation research, data collection, and analysis, \$26,875,000.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Warehouses and
garages.

SEC. 101. Appropriations made in this chapter shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 686): *Provided*, That reimbursements for costs of supplies, materials and equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Experts and
consultants.

SEC. 102. Appropriations made to the Department of the Interior in this chapter shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Uniforms.

SEC. 103. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefore, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

CHAPTER IV

ATOMIC ENERGY COMMISSION

OPERATING EXPENSES

42 USC 2011
note.

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; hire, maintenance, and operation of aircraft; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms; reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; \$1,032,690,000 and any moneys (except sums received from disposal of property under

the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), to remain available until expended: *Provided*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That no part of the sum herein appropriated shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

PLANT AND CAPITAL EQUIPMENT

For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and the acquisition of capital equipment and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; \$453,970,000, to remain available until expended.

42 USC 2011
note.

DEPARTMENT OF THE INTERIOR

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, as authorized by law, \$5,500,000, to remain available until expended.

OFFICE OF THE SECRETARY

UNDERGROUND AND OTHER ELECTRIC POWER TRANSMISSION RESEARCH

For necessary expenses of research and development in underground and other electric power transmission, \$8,498,000, to remain available until expended.

CHAPTER V

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For necessary expenses of the National Oceanic and Atmospheric Administration to reactivate, equip, and operate certain oceanographic research vessels for the purpose of conducting assessments of energy-related offshore environmental problems associated with energy activities, \$6,630,000, to remain available until expended.

CHAPTER VI

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, to remain available until expended, \$6,400,000.

CHAPTER VII

FEDERAL ENERGY OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Office established by Executive Order Numbered 11748, dated December 4, 1973, including hire of passenger motor vehicles, reimbursements to the Emergency Fund of the President for allocations to the Office, and services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18, \$19,000,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

TITLE II

GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 202. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

This Act may be cited as the "Special Energy Research and Development Appropriation Act, 1975".

Approved June 30, 1974.

Public Law 93-323

JOINT RESOLUTION

To extend by thirty days the expiration date of the Defense Production Act of 1950.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking out "June 30" and inserting in lieu thereof "July 30".

Approved June 30, 1974.

15 USC 754
note.

5 USC 5332
note.

Fiscal year
limitation.

40 USC 490.

Short title.

June 30, 1974
[H. J. Res. 1056]

Public Law 93-324

JOINT RESOLUTION

June 30, 1974
[H. J. Res. 1062]

Making continuing appropriations for the fiscal year 1975, and for other purposes.

Continuing
appropriations,
1975.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units of the Government for the fiscal year 1975, namely:

SEC. 101. (a) (1) Such amounts as may be necessary for continuing projects or activities (not otherwise specifically provided for in this joint resolution or other enacted Appropriation Acts for the fiscal year 1975) which were conducted in the fiscal year 1974 and for which appropriations, funds, or other authority would be available in the following Appropriation Acts for the fiscal year 1975:

Agriculture-Environmental and Consumer Protection Appropriation Act;

District of Columbia Appropriation Act;

Department of Housing and Urban Development; Space, Science, Veterans, and Certain Other Independent Agencies Appropriation Act;

Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act;

Legislative Branch Appropriation Act;

Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act;

Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended;

Department of Transportation and Related Agencies Appropriation Act; and

Treasury, Postal Service, and General Government Appropriation Act including not to exceed one quarter of the "Payment to the Postal Service Fund".

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided by the pertinent Appropriation Act.

(3) Whenever the amount which would be made available or the authority which would be granted under an Act listed in this subsection as passed by the House as of July 1, 1974, is different from that which would be available or granted under such Act as passed by the Senate as of July 1, 1974, the pertinent project or activity shall be continued under the lesser amount or the more restrictive authority: *Provided*, That no provision in any Appropriation Act for the fiscal year 1975; which makes the availability of any appropriation provided therein dependent upon the enactment of additional authorizing or other legislation, shall be effective before the date set forth in section 102(c) of this joint resolution.

(4) Whenever an Act listed in this subsection has been passed by only one House as of July 1, 1974, or where an item is included in only one version of an Act as passed by both Houses as of July 1, 1974, the pertinent project or activity shall be continued under the appropriation, fund, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower: *Provided*, That no provision which is included in an Appropriation Act enumerated in this

22 USC 1476.

subsection but which was not included in the applicable appropriation Act for 1974, and which by its terms is applicable to more than one appropriation, fund, or authority shall be applicable to any appropriation, fund, or authority provided in this joint resolution unless such provision shall have been included in identical form in such bill as enacted by both the House and the Senate: *Provided further*, That with respect to appropriations, including any activity, program, or project, contained in the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1974 (Public Law 93-192), the current rate for operations shall be that permitted by the specific provisions set forth in the enacting clause of Public Law 93-192.

(b) Such amounts as may be necessary for continuing projects or activities (not otherwise provided for in this joint resolution or other enacted Appropriation Acts for the fiscal year 1975) which were conducted in the fiscal year 1974 and are listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the more restrictive authority—

activities for which provision was made in the Department of Interior and Related Agencies Appropriation Act, 1974;

activities for which provision was made in the Military Construction Appropriation Act, 1974;

activities for which provision was made in the Department of Defense Appropriation Act, 1974: *Provided*, That the continuation of support for South Vietnamese military forces shall be administered and accounted for from one fund, at an annual rate of \$1,000,000,000, to be obligated only by the issuance of orders by the Secretary of Defense for such support: *Provided further*, That the fund for support of Vietnamese military forces shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind, which obligations shall in the case of non-excess materials and supplies to be furnished from the inventory of Department of Defense be equal to the replacement costs thereof at the time such obligation is incurred and in the case of excess materials and supplies be equal to the actual value thereof at the time such obligation is incurred: *Provided further*, That none of the activities for support of South Vietnamese military forces contained in this paragraph should be funded at a rate exceeding one quarter of the annual rate as provided by this joint resolution;

activities for which provision was made in the Foreign Assistance and Related Programs Appropriations Act, 1974, notwithstanding section 10 of Public Law 91-672, and section 655(c) of the Foreign Assistance Act of 1961, as amended: *Provided*, That in computing the current rate of operations of military assistance there shall be included: (1) the amount of contract authority used during the fiscal year 1974 pursuant to section 506(a) of the Foreign Assistance Act of 1961, as amended, for military assistance to Cambodia, and (2) the amount of obligations incurred in Department of Defense appropriations during the fiscal year 1974 for military assistance to Laos;

The following activities for which provision was made in the Departments of Labor and Health, Education, and Welfare Appropriation Act, 1974, the Supplemental Appropriations Act, 1974, or the Second Supplemental Appropriations Act, 1974:

activities under sections 301(h), 304, 305, 310, 314 (d) and (e) and 329 of the Public Health Service Act, as amended; activities under title III, part J, and title X of the Public Health Service Act, as amended;

87 Stat. 746.

87 Stat. 429.

87 Stat. 766.

87 Stat. 1026.

South Vietnamese military forces, fund for support.

87 Stat. 1049.

22 USC 2412.

22 USC 2415.

22 USC 2318.

87 Stat. 746.

87 Stat. 1071.
Ante, p. 195.

42 USC 241,
242b, 242c, 242h,
246, 254b,
42 USC 280b,
300.

activities under title VII of the Elementary and Secondary Education Act of 1965, as amended; 20 USC 880b.
 activities under the Education of the Handicapped Act; 20 USC 1401
 activities under the Economic Opportunity Act of 1964, as note.
 amended; 42 USC 2701
 activities under section 1113 of the Social Security Act, as note.
 amended; 42 USC 1313.
 activities under the Developmental Disabilities Services and Facilities Construction Act; 42 USC 2661
 activities under the Youth Development and Delinquency note.
 Prevention Act; 42 USC 3801
 activities under title VII of the Older Americans Act; note.
 and 42 USC 3045.
 activities for "Health resources" as set forth in the 1975 budget;
 activities of the American Revolution Bicentennial Administration;
 activities of the Cabinet Committee on Opportunities for Spanish-Speaking People;
 activities under the Natural Gas Pipeline Safety Act of 1968, as amended; 49 USC 1671
 activities of the Federal Railroad Administration for Grants note.
 to National Railroad Passenger Corporation;
 activities of the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped; and
 activities of the Council on International Economic Policy.

(c) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the budget estimate—

activities under title XVI of the Social Security Act, as amended; 42 USC 1381.
 activities related to terminating the economic stabilization program;
 activities of the Veterans' Administration's program to provide representatives on college campuses;
 activities necessary for studies related to oil and gas leasing on the Outer Continental Shelf; and
 activities necessary to respond to energy-related right-of-way requests across public lands including such features as oil and gas pipelines, power transmission lines, railroad, and tramroads.

(d) Such amounts as may be necessary for continuing the following activities, but at a rate for operations not in excess of the current rate—

The following activities for which provision was made in the Departments of Labor and Health, Education, and Welfare Appropriations Act, 1974, the Supplemental Appropriations Act, 1974, or the Second Supplemental Appropriations Act, 1974:

health planning activities under section 314 of the Public Health Service Act, as amended; 42 USC 246.
 activities under titles VI and IX, and sections 306, 309, 720, 792-794, 801, 805(b), 806, 810(d), and 821(a) of the Public Health Service Act; 42 USC 291,
 299, 242d, 242g,
 293, 295h-1,
 295h-3, 296, 296d,
 296e, 296i, 297.
 construction under section 201 of the Community Mental Health Centers Act; 42 USC 2681.
 activities under the Drug Abuse Education Act; 21 USC 1001
 training under section 707 of the Social Security Act; note.
 activities under part B of the Education of the Handicapped Act; 42 USC 908.
 activities under the Adult Education Act; 20 USC 1411.
 20 USC 1201
 note.

20 USC 821
note, 821, 841,
861, 881, 900.

20 USC 441.
20 USC 1601
note.

20 USC 631.
20 USC 236.

20 USC 241aa
note.

activities under titles I, II, III, V, VIII, and IX of the Elementary and Secondary Education Act of 1965, as amended: *Provided*, That distribution of funds under title I shall be based upon the provisions contained in title I of H.R. 69 as passed by the Senate;

activities under title III of the National Defense Education Act of 1958;

activities under the Emergency School Aid Act;

school assistance in federally affected areas authorized by Public Law 81-815 and Public Law 81-874;

all remaining activities except titles I and III (B) under the Economic Opportunity Act of 1964, as amended;

activities of the National Council on Indian Opportunity;

activities under Part A of the Indian Education Act; and

notwithstanding the fourth clause of subsection (b) of this section, activities of the Department of Health, Education, and Welfare for assistance to refugees in the United States (Cuban program) shall be funded at not to exceed the annual rate for obligations of \$100,000,000.

(e) Applicable appropriations made by this joint resolution shall be available in such amounts as may be necessary for departments, agencies, corporations, and other organizational units of the Government to pay not in excess of 90 per centum of the amount contained in the budget estimates for fiscal year 1975 of the first quarter standard level user charges pursuant to section 210(j), of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j)).

(f) Such amounts as may be necessary for continuing projects or activities for which disbursements are made by the Secretary of the Senate, and the Senate items under the Architect of the Capitol, to the extent and in the manner which would be provided for in the budget estimates for fiscal year 1975.

(g) Such amount as may be necessary for continuing activities of the Parliamentarian of the House of Representatives for compiling the precedents of the House of Representatives to the extent and in the manner which would be provided for in the budget estimates for the fiscal year 1975.

(h) Such amount as may be necessary for continuing activities of the Subcommittee on Fiscal Policy of the Joint Economic Committee to the extent and manner as provided in the Legislative Branch Appropriations Act, 1975, as passed by the Senate.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this joint resolution shall be available from July 1, 1974, and shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this joint resolution, or (b) enactment of the applicable appropriation Act by both Houses without any provision for such project or activity, or (c) September 30, 1974, whichever first occurs.

SEC. 103. Appropriations and funds made available or authority granted pursuant to this joint resolution may be used without regard to the time limitations for submission and approval of apportionments set forth in subsection (d) (2) of section 3679 of the Revised Statutes, as amended, but nothing herein shall be construed to waive any other provision of law governing the apportionment of funds.

SEC. 104. Appropriations made and authority granted pursuant to this joint resolution shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this joint resolution.

31 USC 665.

SEC. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 106. Except as provided in section 101(e) no appropriation or fund made available or authority granted pursuant to this joint resolution shall be used to initiate or resume any project or activity for which appropriations, funds, or other authority were not available during the fiscal year 1974.

Ante, p. 284.

SEC. 107. Any appropriation for the fiscal year 1975 required to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, may be apportioned on a basis indicating the need (to the extent any such increases cannot be absorbed within available appropriations) for a supplemental or deficiency estimate of appropriation to the extent necessary to permit payment of such pay increases as may be granted pursuant to law to civilian officers and employees and to active and retired military personnel. Each such appropriation shall otherwise be subject to the requirements of section 3679 of the Revised Statutes, as amended.

31 USC 665.

SEC. 108. All obligations incurred in anticipation of the appropriations and authority provided in this joint resolution are hereby ratified and confirmed if otherwise in accordance with the provisions of this joint resolution.

SEC. 109. None of the funds herein made available shall be expended to aid or assist in the reconstruction of the Democratic Republic of Vietnam (North Vietnam).

North Vietnam,
reconstruction,
funds, prohibi-
tion.

SEC. 110. None of the funds herein made available shall be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

Southeast Asia,
combat activities,
funds, prohibi-
tion.

SEC. 111. Any provision of law which requires unexpended funds to return to the general fund of the Treasury at the end of the fiscal year shall not be held to affect the status of any lawsuit or right of action involving the right to those funds.

Approved June 30, 1974.

Public Law 93-325

AN ACT

To provide for a temporary increase in the public debt limit.

June 30, 1974
[H. R. 14832]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That during the period beginning on the date of the enactment of this Act and ending on March 31, 1975, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by \$95,000,000,000.

Public debt
limit.
Temporary
increase.

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of December 3, 1973, providing for a temporary increase in the public debt limit for a period ending June 30, 1974 (Public Law 93-173), is hereby repealed.

Repeal; effec-
tive date.
31 USC 757b
note.
87 Stat. 691.

Approved June 30, 1974.

Public Law 93-326

June 30, 1974
[H. R. 14354]

AN ACT

To amend the National School Lunch Act, to authorize the use of certain funds to purchase agricultural commodities for distribution to schools, and for other purposes.

National School
Lunch and Child
Nutrition Act
Amendments of
1974.
42 USC 1751
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch and Child Nutrition Act Amendments of 1974".

COMMODITY DISTRIBUTION PROGRAM

42 USC 1763.
42 USC 1762.

SEC. 2. The National School Lunch Act (42 U.S.C. 1751 et seq.) is amended by redesignating section 14 as section 15 and by inserting immediately after section 13A the following new section:

"COMMODITY DISTRIBUTION PROGRAM

42 USC 1762a.

"SEC. 14. Notwithstanding any other provision of law, the Secretary, during the period beginning July 1, 1974, and ending June 30, 1975, shall—

42 USC 1771
note.
42 USC 3045.

"(1) use funds available to carry out the provisions of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) which are not expended or needed to carry out such provisions, to purchase (without regard to the provisions of existing law governing the expenditure of public funds) agricultural commodities and their products of the types customarily purchased under such section, for donation to maintain the annually programmed level of assistance for programs carried on under this Act, the Child Nutrition Act of 1966, and title VII of the Older Americans Act of 1965; and

"(2) if stocks of the Commodity Credit Corporation are not available, use the funds of such Corporation to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), for such donation."

LEVEL OF COMMODITY ASSISTANCE

42 USC 1755.

SEC. 3. Section 6 of the National School Lunch Act is amended by adding at the end thereof the following new subsection:

High protein
foods.

"(e) For the fiscal year ending June 30, 1975, and subsequent fiscal years, the national average value of donated foods, or cash payments in lieu thereof, shall not be less than 10 cents per lunch, and that amount shall be adjusted on an annual basis each fiscal year after June 30, 1975, to reflect changes in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Among those commodities delivered under this section, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates."

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

42 USC 1758.

SEC. 4. The last sentence of section 9(b) of the National School Lunch Act is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "beginning with the fiscal year ending June 30, 1974".

APPROPRIATION AUTHORIZATION FOR NONFOOD ASSISTANCE

SEC. 5. The Child Nutrition Act of 1966 (42 U.S.C. 1771-1786) is amended by striking out "\$20,000,000" in the first sentence of section 5(a) and inserting in lieu thereof "\$40,000,000".

42 USC 1774.

SPECIAL SUPPLEMENTAL FOOD PROGRAM

SEC. 6. The third sentence of section 17(b) of the Child Nutrition Act of 1966 is amended by striking out "\$40,000,000" each place it appears and inserting in lieu thereof "\$100,000,000".

42 USC 1786.

TECHNICAL AMENDMENT

SEC. 7. The first sentence of section 3 of the National School Lunch Act is amended by striking out "sections 11 and 13" and inserting in lieu thereof "section 13".

42 USC 1752.

Approved June 30, 1974.

Public Law 93-327

JOINT RESOLUTION

To extend by thirty days the expiration date of the Export Administration Act of 1969.

June 30, 1974
[H. J. Res. 1057]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of the Export Administration Act of 1969 is amended by striking out "June 30" and inserting in lieu thereof "July 30"

50 USC app.
2413.

Approved June 30, 1974.

Public Law 93-328

AN ACT

To amend title 39, United States Code, with respect to certain rates of postage, and for other purposes.

June 30, 1974
[S. 411]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3626 of title 39, United States Code, is amended as follows:

Postage rates.
Adjustments,
extension.

(1) Subparagraph (1) is amended by striking out the word "tenth" and inserting in lieu thereof the word "sixteenth" and by striking out the word "and" following the semicolon.

(2) Subparagraph (2) is amended—

(A) by inserting the word "former" between the words "under" and "sections";

(B) by striking out "4452(a)";

(C) by striking out the word "fifth" and inserting in lieu thereof the word "eighth";

(D) by striking out "subsection" and inserting in lieu thereof "subparagraph"; and

(E) by striking out the period and inserting in lieu thereof a semicolon and the word "and".

(3) Immediately below subparagraph (2), add the following new subparagraph:

"(3) the rates for mail under former section 4452(a) shall be equal, on and after the first day of the fifth year following the effective date of the first rate decision applicable to that class or

39 USC 4452.

kind, to the rates that would have been in effect for such mail if this subparagraph had not been enacted.”

39 USC 3626
note.

SEC. 2. Nothing in section 1 of this Act shall be construed to authorize a reduction in any rate of postage in effect and being paid on the date of enactment of this Act.

Annual budget.

SEC. 3. Section 2009 of title 39, United States Code, is amended by adding at the end thereof the following: “The budget program shall also include separate statements of the amounts which the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401 of this title. The President shall include these amounts, with his recommendations but without revision, in the budget transmitted to Congress under section 11 of title 31.”

39 USC 2401.

Approved June 30, 1974.

Public Law 93-329

AN ACT

June 30, 1974
[H. R. 14833]

To extend the Renegotiation Act of 1951 for eighteen months.

Renegotiation
Act of 1951, ex-
tension.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102 (c) (1) of the Renegotiation Act of 1951 (50 U.S.C. App., sec. 1212(c) (1)) is amended by striking out “June 30, 1974” and inserting in lieu thereof “December 31, 1975”.

Unemployment
compensation.
Ante, p. 53.

SEC. 2. The last sentence of section 203(e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by striking out “July 1, 1974” and inserting in lieu thereof “August 1, 1974”.

Approved June 30, 1974.

Public Law 93-330

AN ACT

June 30, 1974
[H. R. 8586]

To authorize the foreign sale of the passenger vessel steamship *Independence*.

SS *Independence*.
Foreign sale.

Approval con-
ditions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law or of prior contract with the United States, the laid-up passenger vessel steamship *Independence* may be sold and transferred to foreign ownership, registry, and flag, with the prior approval of the Secretary of Commerce. Such approval shall require (1) approval of the purchaser; (2) payment of existing debt and private obligations related to the vessel; (3) approval of the price, including terms of payment, for the sale of the vessel; (4) the seller to enter into an agreement with the Secretary whereby an amount equal to the net proceeds received from such sale in excess of existing obligations and expenses incident to the sale shall within a reasonable period be deposited in its capital construction fund or capital reserve fund; and (5) the purchaser to enter into an agreement with the Secretary, binding upon such purchaser and any later owner of the vessel and running with title to the vessel, that (a) the vessel will not carry passengers or cargo in competition, as determined by the Secretary, with any United States-flag passenger vessel for a period of

two years from the date the transferred vessel goes into operation; (b) the vessel will be made available to the United States in time of emergency and just compensation for title or use, as the case may be, shall be paid in accordance with section 902 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1242); (c) the purchaser will comply with such further conditions as the Secretary may impose as authorized by sections 9, 37, and 41 of the Shipping Act, 1916, as amended (46 U.S.C. 808, 835, and 839); and (d) the purchaser will furnish a surety bond in an amount and with a surety satisfactory to the Secretary to secure performance of the foregoing agreements.

Surety bond.

In addition to any other provision such agreement may contain for enforcement of (4) and (5) above, the agreement therein required may be specifically enforced by decree for specific performance or injunction in any district court of the United States. In the agreement with the Secretary, the purchaser shall irrevocably appoint a corporate agent within the United States for services or process upon such purchaser in any action to enforce the agreement.

Agreement enforcement.

Approved June 30, 1974.

Public Law 93-331

JOINT RESOLUTION

To extend by thirty days the expiration date of the Export-Import Bank Act of 1945.

July 4, 1974
[S. J. Res. 218]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Export-Import Bank Act of 1945 is amended by striking out "June 30" and inserting in lieu thereof "July 30".

12 USC 635f.

Approved July 4, 1974.

Public Law 93-332

AN ACT

To amend the Arms Control and Disarmament Act, as amended, in order to extend the authorization for appropriations, and for other purposes.

July 8, 1974
[H. R. 12799]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 41(d) of the Arms Control and Disarmament Act (22 U.S.C. 2581(d)) is amended by

Arms Control
and Disarmament
Act, amendments.

(1) deleting "as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), at rates not to exceed \$100 per diem for individuals," and substituting therefor "as authorized by section 3109 of title 5 of the United States Code,";

(2) deleting "section 5 of said Act, as amended (5 U.S.C. 73b-2)" and substituting therefor "section 5703 of such title"; and

(3) deleting from the first proviso thereof "one hundred days" and substituting therefor "130 days".

(b) Section 49(a) of such Act (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "\$22,000,000," the following: "and for the fiscal year 1975, the sum of \$10,100,000,".

Approved July 8, 1974.

Public Law 93-333

AN ACT

July 8, 1974
[H. R. 12412]

To amend the Foreign Assistance Act of 1961 to authorize appropriations to provide disaster and other relief to Pakistan, Nicaragua, and the drought-stricken nations of Africa, and for other purposes.

Foreign Disaster Assistance Act of 1974.
22 USC 2262
note.
22 USC 2261.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Disaster Assistance Act of 1974".

SEC. 2. Chapter 5 of part I of the Foreign Assistance Act of 1961 is amended—

(1) by striking out of the chapter heading "Contingency Fund" and inserting in lieu thereof "Disaster Relief"; and

(2) by inserting immediately after section 451 the following new section:

Pakistan and Nicaragua.
22 USC 2262.

"SEC. 452. DISASTER RELIEF ASSISTANCE.—There are authorized to be appropriated, in addition to other sums available for such purposes, \$65,000,000 for use by the President for disaster relief and emergency recovery needs in Pakistan and Nicaragua, under such terms and conditions as he may determine, such sums to remain available until expended."

Drought stricken African nations.
22 USC 2399-1a.

SEC. 3. Section 639A of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "the African Sahel" in the section caption and inserting "Drought-stricken African Nations" in lieu thereof;

(2) by striking out of subsection (a) "Sahelian";

(3) by striking out "\$25,000,000" in subsection (b) and inserting "\$110,000,000" in lieu thereof;

(4) by striking out "Sahelian" in subsection (b); and

(5) by adding at the end of subsection (b) the following new sentence: "Of the amount authorized to be appropriated under this subsection, not more than \$10,000,000 shall be made available for Ethiopia."

Ethiopia, appropriation limitation.

Debts owed to U.S., information to congressional committees.
22 USC 2395
note.

22 USC 2151
note.

Debt modification proposals, transmittal to Congress.

SEC. 4. The Secretary of State shall keep the appropriate committees of Congress fully and currently informed of the ongoing status of any negotiations with any foreign government regarding the cancellation, renegotiation, rescheduling, or settlement of any debt owed to the United States by any such foreign government under the Foreign Assistance Act of 1961. The Secretary of State shall transmit to the Speaker of the House of Representatives, and to the chairman of the appropriate Senate committee, the text of any international agreement proposing a modification in the terms of such debt no less than thirty days prior to its entry into force, together with a detailed explanation of the interest of the United States in such modification.

Approved July 8, 1974.

Public Law 93-334

AN ACT

July 8, 1974
[H. R. 3747]

To repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students.

D.C. Smallpox vaccination requirement, repeal.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 274 of the Revised Statutes of the United States relating to the District of Columbia (D.C. Code, sec. 31-1102) is hereby repealed.

Approved July 8, 1974.

Public Law 93-335

AN ACT

July 8, 1974
[H. R. 15124]

To amend Public Law 93-233 to extend for an additional twelve months (until July 1, 1975) the eligibility of supplemental security income recipients for food stamps.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8(a)(1) of Public Law 93-233 is amended by striking out "6-month period", where it appears in the matter preceding the colon and in the new sentence added by such section, and inserting in lieu thereof in each instance "18-month period".

(b) Subsections (a)(2), (b)(1), (b)(2), (b)(3), and (e) of section 8 of such public law are each amended by striking out "6-month period" and inserting in lieu thereof "18-month period".

(c) The amendments made by this section shall be effective as of July 1, 1974.

SEC. 2. (a) Section 212(a)(3)(B)(i) of Public Law 93-66 is amended by striking out "and" after "June 1973," and inserting in lieu thereof the following: "together with the bonus value of food stamps for January 1972, as defined in section 401(b)(3) of Public Law 92-603, if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act, and (II) the level of which has been found by the Secretary pursuant to section 8 of Public Law 93-233 to have been specifically increased so as to include the bonus value of food stamps, and".

(b)(1) The amendment made by subsection (a) shall take effect on January 1, 1974.

(2) The Secretary of Health, Education, and Welfare is authorized to prescribe regulations for the adjustment of an individual's monthly supplemental security income payment in accordance with any increase to which such individual may be entitled under the amendment made by subsection (a) of this section: *Provided*, That such adjustment in monthly payment, together with the remittance of any prior unpaid increments to which such individual may be entitled under such amendment, shall be made no later than the first day of the first month beginning more than sixty days after the date of the enactment of this Act.

Approved July 8, 1974.

SSI program beneficiaries. Food stamp eligibility, extension.
7 USC 2012 note.

7 USC 612c note, 1431 note;
42 USC 1382e note.

Effective date.
42 USC 1382 note.

42 USC 1382e note.

42 USC 1382e.

7 USC 2012 note.

Effective date.
42 USC 1382 note.
Payment adjustment.

Public Law 93-336

AN ACT

July 8, 1974
[H. R. 9800]

To amend sections 2733 and 2734 of title 10, United States Code, and section 715 of title 32, United States Code, to increase the maximum amount of a claim against the United States that may be paid administratively under those sections and to allow increased delegation of authority to settle and pay certain of those claims.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2733 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended by striking out "\$15,000" and inserting "\$25,000" in place of "\$15,000".

(2) Subsection (d) is amended by striking out "\$15,000" both places it appears and inserting "\$25,000" in place thereof.

Military claims. Administrative settlement.

(3) Subsection (g) is amended by striking out "\$2,500" and inserting "\$5,000" in place thereof.

SEC. 2. Section 2734 of title 10, United States Code, is amended by striking out "\$15,000" wherever it appears and inserting "\$25,000" in place thereof.

SEC. 3. Section 715 of title 32, United States Code, is amended as follows:

(1) Subsection (a) is amended by striking out "\$15,000" and inserting "\$25,000" in place of "\$15,000".

(2) Subsection (d) is amended by striking out "\$15,000" both places it appears and inserting "\$25,000" in place thereof.

(3) Subsection (f) is amended by striking out "\$2,500" and inserting "\$5,000" in place thereof.

Approved July 8, 1974.

Public Law 93-337

July 10, 1974
[S. 3705]

AN ACT

To amend title 38, United States Code, to provide a ten-year delimiting period for the pursuit of educational programs by veterans, wives, and widows.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1662 of title 38, United States Code, is amended—

(1) by deleting "eight" in subsection (a) and inserting in lieu thereof "10";

(2) by deleting "8-year" in subsection (b) and inserting in lieu thereof "10-year";

(3) by deleting "8-year" and "eight-year" in subsection (c) and inserting in lieu thereof "10-year", respectively; and

(4) by adding at the end thereof the following new subsection:

"(d) In the case of any veteran (1) who served on or after January 31, 1955, (2) who became eligible for educational assistance under the provisions of this chapter or chapter 36 of this title, and (3) who, subsequent to his last discharge or release from active duty, was captured and held as a prisoner of war by a foreign government or power, there shall be excluded, in computing his 10-year period of eligibility for educational assistance, any period during which he was so detained and any period immediately following his release from such detention during which he was hospitalized at a military, civilian, or Veterans' Administration medical facility."

SEC. 2. Section 1712 of title 38, United States Code, is amended—

(1) by deleting "eight" in subsection (b) and inserting in lieu thereof "10"; and

(2) by deleting "eight" in subsection (f) and inserting in lieu thereof "10".

SEC. 3. Section 604 (a) and (b) of Public Law 92-540 (82 Stat. 1333, October 24, 1972) is amended by deleting "eight" and inserting in lieu thereof "10".

Approved July 10, 1974.

Veterans.
Educational
programs, ten-
year delimiting
period.

Prisoners of
war.
38 USC 1770.

Eligibility
periods.

86 Stat. 1099.
38 USC 1712
note.

Public Law 93-338

AN ACT

Providing that funds apportioned for forest highways under section 202(a), title 23, United States Code, remain available until expended.

July 10, 1974
[S. 3490]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding the provisions of section 203, title 23, United States Code, sums authorized for fiscal year 1972 and apportioned to States for forest highways under section 202(a), title 23, United States Code, shall remain available until expended.

Forest high-
ways.

Approved July 10, 1974.

Public Law 93-339

AN ACT

To amend the Northwest Atlantic Fisheries Act of 1950 to permit United States participation in international enforcement of fish conservation in additional geographic areas, pursuant to the International Convention for the Northwest Atlantic Fisheries, 1949, and for other purposes.

July 10, 1974
[H. R. 14291]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2 of the Northwest Atlantic Fisheries Act of 1950 (16 U.S.C. 981) is amended by striking out subsection (d) and redesignating subsections (e), (f), (g), (h), (i), and (j) as subsections (d), (e), (f), (g), (h), and (i), respectively.

Northwest At-
lantic Fisheries
Act of 1950,
amendments.

(b) The first sentence of section 4(a) of such Act (16 U.S.C. 983(a)) is amended by striking out "of the convention area" each place it appears and inserting in lieu thereof in each such place "under regulation by the Commission".

(c) Section 4(b) of such Act (16 U.S.C. 983(b)) is amended by striking out "may" and inserting "shall" in lieu thereof.

(d) Section 7(d) of such Act (16 U.S.C. 986(d)) is amended by striking out "that portion of the convention area" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission".

(e) Section 7(e) of such Act (16 U.S.C. 986(e)) is amended by striking out "any portion of the convention area except such portions" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission except any such area".

(f) Section 9(c) of such Act (16 U.S.C. 988(c)) is amended by striking out "the convention area" and inserting in lieu thereof "any area inhabited by species of fish which are regulated by the Commission".

(g) Subsection (b) of section 4 of the Act of September 27, 1950 (64 Stat. 1068), is amended by adding the following sentence to the end thereof: "The Secretary of State shall submit an annual report to the Congress of the costs incurred in reimbursing travel and per diem expenses of members of the advisory committee pursuant to this subsection."

Annual report
to Congress.

Approved July 10, 1974.

Public Law 93-340

July 10, 1974
[H. R. 8660]

AN ACT

To amend title 5 of the United States Code (relating to Government organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances.

Federal em-
ployees.
Withholding
certain city
taxes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter II of chapter 55 of title 5, United States Code, is amended by adding at the end thereof the following new section :

“§ 5520. Withholding of city income or employment taxes

“(a) When a city ordinance—

“(1) provides for the collection of a tax by imposing on employers generally the duty of withholding sums from the pay of employees and making returns of the sums to the city; and

“(2) imposes the duty to withhold generally on the payment of compensation earned within the jurisdiction of the city in the case of employees whose regular place of employment is within such jurisdiction;

Agreement with
city.

the Secretary of the Treasury, under regulations prescribed by the President, shall enter into an agreement with the city within 120 days of a request for agreement by the proper city official. The agreement shall provide that the head of each agency of the United States shall comply with the requirements of the city ordinance in the case of employees of the agency who are subject to the tax and whose regular place of Federal employment is within the jurisdiction of the city with which the agreement is made. The agreement may not apply to pay for service as a member of the Armed Forces. The agreement may not permit withholding of a city tax from the pay of an employee who is not a resident of the State in which that city is located unless the employee consents to the withholding.

“(b) This section does not give the consent of the United States to the application of an ordinance which imposes more burdensome requirements on the United States than on other employers or which subjects the United States or its employees to a penalty or liability because of this section. An agency of the United States may not accept pay from a city for services performed in withholding city income or employment taxes from the pay of employees of the agency.

“City.”

“(c) For the purpose of this section—

“(1) ‘city’ means a city which is duly incorporated under the laws of a State and within the political boundaries of which 500 or more persons are regularly employed by all agencies of the Federal Government; and

“Agency.”

“(2) ‘agency’ means—

“(A) an Executive agency;

“(B) the judicial branch; and

“(C) the United States Postal Service.”

(b) The analysis of subchapter II of chapter 55 of title 5, United States Code, is amended by adding at the end thereof—

“5520. Withholding of city income or employment taxes.”.

Supra.

5 USC 5532.

SEC. 2. Section 410(b) of title 39, United States Code, is amended by striking out the words “and section 5532 (dual pay)” and inserting in lieu thereof “section 5520 (withholding city income or employment taxes), and section 5532 (dual pay)”.

SEC. 3. This section shall become effective on the date of enactment of this Act. The provisions of the first section and section 2 of this Act shall become effective on the ninetieth day following the date of enactment.

Effective dates.
5 USC 5520
note.

Approved July 10, 1974.

Public Law 93-341

AN ACT

To establish in the State of Florida the Egmont Key National Wildlife Refuge

July 10, 1974
[H. R. 8977]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall establish the Egmont Key National Wildlife Refuge (hereafter referred to in this Act as the "refuge") as part of the national wildlife refuge system, which shall consist of that area of land and water described in section 2 of this Act.

Egmont Key
National Wildlife
Refuge, Fla.
Establishment.
16 USC 668dd
note.

SEC. 2. The Secretary of the Interior shall designate as the refuge, subject to existing valid rights, the land and water, being approximately two hundred and fifty acres, which are—

Description.

(1) generally depicted on the map entitled "Egmont Key National Wildlife Refuge", dated October 1973, and

(2) located within sections 23, 24, 25, and 26 of township 33 south, range 15 east, Tallahassee meridian, but excluding (A) the land therein under the jurisdiction of the United States Coast Guard which lies at the north end of the island north of a line drawn east to west six hundred feet south of the geometric center of the light tower, and (B) the land therein conveyed by the United States to the county of Hillsborough, Florida, by deed dated March 8, 1928,

by publication of a precise description of such land and water in the Federal Register. The map referred to in the preceding sentence shall be on file and available for public inspection in the office of the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

Publication in
Federal Register.

SEC. 3. The Secretary of the Interior shall administer the refuge in accordance with the National Wildlife Refuge System Administration Act of 1966, as amended (80 Stat. 927; 16 U.S.C. 668dd-ee).

Administration.

Approved July 10, 1974.

Public Law 93-342

AN ACT

To authorize appropriations for the saline water program for fiscal year 1975, and for other purposes.

July 10, 1974
[H. R. 13221]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is authorized to be appropriated to carry out the provisions of the Saline Water Conversion Act of 1971 (85 Stat. 159) during fiscal year 1975, the sum of \$13,910,000 to remain available until expended as follows:

Saline water
program, 1975.
Appropriation
authorization.
42 USC 1959
note.

- (1) Research expense, not more than \$2,300,000;
- (2) Development expense, not more than \$6,084,000;

(3) Design, construction, acquisition, modification, operation, and maintenance of saline water conversion test beds and test facilities, not more than \$2,626,000;

(4) Design, construction, acquisition, modification, operation, and maintenance of saline water conversion modules, not more than \$900,000; and

(5) Administration and coordination, not more than \$2,000,000.

Limitations.

(b) Expenditures and obligations under paragraphs (1), (2), (3), and (4) of subsection (a) of this section may be increased by not more than 10 per centum and expenditures and obligations under paragraph (5) of subsection (a) of this section may be increased by not more than 2 per centum, if any such increase under any paragraph is accompanied by an equal decrease in expenditures and obligations under one or more of the other paragraphs.

Additional sums.

SEC. 2. In addition to the sums authorized to be appropriated by section 1 of this Act there are also authorized to be appropriated such additional sums or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law or other nondiscretionary costs.

Approved July 10, 1974.

Public Law 93-343

AN ACT

July 10, 1974
[H. R. 15296]

To authorize the Commissioner of Education to carry out a program to assist persons from disadvantaged backgrounds to undertake training for the legal profession.

Legal education
fellowship pro-
gram, authoriza-
tion.

20 USC 1134n.

87 Stat. 746.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds appropriated for part D of title IX of the Higher Education Act of 1965 by the Department of Labor and Health, Education, and Welfare, and Related Agencies Appropriations Act for the fiscal year ending June 30, 1974 (Public Law 93-192), shall remain available for obligation through September 15, 1974, for the purpose of supporting a program to assist persons from disadvantaged backgrounds to prepare and be educated for the legal profession.

Grants to pri-
vate nonprofit
organizations.

SEC. 2. In order to carry out the program authorized by this Act, the Commissioner of Education is authorized to make grants to private nonprofit organizations representative of legal education and the legal profession for the purpose of (1) selecting and counseling such persons; (2) paying stipends to such persons and in such amounts as the Commissioner may determine to be appropriate; and (3) paying for any administrative expenses incurred in the carrying out of activities authorized by this Act.

SEC. 3. The activities authorized by this Act may be carried out without regard to the requirements and limitations set forth in sections 961, 962, and 963 of part D of title IX of the Higher Education Act of 1965.

Approved July 10, 1974.

20 USC 1134n,
1134o, 1134p.

Public Law 93-344

AN ACT

July 12, 1974
[H. R. 7130]

To establish a new congressional budget process; to establish Committees on the Budget in each House; to establish a Congressional Budget Office; to establish a procedure providing congressional control over the impoundment of funds by the executive branch; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Congressional
Budget and Im-
poundment Control
Act of 1974.
31 USC 1301
note.

SHORT TITLES; TABLE OF CONTENTS

SECTION 1. (a) SHORT TITLES.—This Act may be cited as the “Congressional Budget and Impoundment Control Act of 1974”. Titles I through IX may be cited as the “Congressional Budget Act of 1974”, and title X may be cited as the “Impoundment Control Act of 1974”.

(b) TABLE OF CONTENTS.—

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- Sec. 603. Five-year budget projections.
- Sec. 604. Allowances for supplemental budget authority and uncontrollable outlays.
- Sec. 605. Budget data based on continuation of existing level of services.
- Sec. 606. Study of off-budget agencies.
- Sec. 607. Year-ahead requests for authorization of new budget authority.

TITLE VII—PROGRAM REVIEW AND EVALUATION

- Sec. 701. Review and evaluation by standing committees.
- Sec. 702. Review and evaluation by the Comptroller General.
- Sec. 703. Continuing study of additional budget reform proposals.

TITLE VIII—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

- Sec. 801. Amendment to Legislative Reorganization Act of 1970.
- Sec. 802. Changes in functional categories.

TITLE IX—MISCELLANEOUS PROVISIONS; EFFECTIVE DATES

- Sec. 901. Amendments to rules of the House.
- Sec. 902. Conforming amendments to standing rules of the Senate.
- Sec. 903. Amendments to Legislative Reorganization Act of 1946.
- Sec. 904. Exercise of rulemaking powers.
- Sec. 905. Effective dates.
- Sec. 906. Application of congressional budget process to fiscal year 1976.

TITLE X—IMPOUNDMENT CONTROL

PART A—GENERAL PROVISIONS

- Sec. 1001. Disclaimer.
- Sec. 1002. Amendment to Antideficiency Act.
- Sec. 1003. Repeal of existing impoundment reporting provision.

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY

- Sec. 1011. Definitions.
- Sec. 1012. Rescission of budget authority.
- Sec. 1013. Disapproval of proposed deferrals of budget authority.
- Sec. 1014. Transmission of messages; publication.
- Sec. 1015. Reports by Comptroller General.
- Sec. 1016. Suits by Comptroller General.
- Sec. 1017. Procedure in House and Senate.

DECLARATION OF PURPOSES

31 USC 1301.

SEC. 2. The Congress declares that it is essential—

- (1) to assure effective congressional control over the budgetary process;
- (2) to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures;
- (3) to provide a system of impoundment control;
- (4) to establish national budget priorities; and
- (5) to provide for the furnishing of information by the executive branch in a manner that will assist the Congress in discharging its duties.

DEFINITIONS

SEC. 3. (a) IN GENERAL.—For purposes of this Act—

31 USC 1302.

(1) The terms “budget outlays” and “outlays” mean, with respect to any fiscal year, expenditures and net lending of funds under budget authority during such year.

(2) The term “budget authority” means authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds, except that such term does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government.

(3) The term “tax expenditures” means those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability; and the term “tax expenditures budget” means an enumeration of such tax expenditures.

(4) The term “concurrent resolution on the budget” means—

(A) a concurrent resolution setting forth the congressional budget for the United States Government for a fiscal year as provided in section 301;

(B) a concurrent resolution reaffirming or revising the congressional budget for the United States Government for a fiscal year as provided in section 310; and

(C) any other concurrent resolution revising the congressional budget for the United States Government for a fiscal year as described in section 304.

(5) The term “appropriation Act” means an Act referred to in section 105 of title 1, United States Code.

Post, p. 322.

(b) JOINT COMMITTEE ON ATOMIC ENERGY.—For purposes of titles II, III, and IV of this Act, the Members of the House of Representatives who are members of the Joint Committee on Atomic Energy shall be treated as a standing committee of the House, and the Members of the Senate who are members of the Joint Committee shall be treated as a standing committee of the Senate.

TITLE I—ESTABLISHMENT OF HOUSE AND SENATE BUDGET COMMITTEES

Congressional
Budget Act of
1974.

BUDGET COMMITTEE OF THE HOUSE OF REPRESENTATIVES

SEC. 101. (a) Clause 1 of Rule X of the Rules of the House of Representatives is amended by redesignating paragraphs (e) through (u) as paragraphs (f) through (v), respectively, and by inserting after paragraph (d) the following new paragraph:

“(e) Committee on the Budget, to consist of twenty-three Members as follows:

Membership.

“(1) five Members who are members of the Committee on Appropriations;

“(2) five Members who are members of the Committee on Ways and Means;

“(3) eleven Members who are members of other standing committees;

“(4) one Member from the leadership of the majority party; and

- Term. “(5) one Member from the leadership of the minority party. No Member shall serve as a member of the Committee on the Budget during more than two Congresses in any period of five successive Congresses beginning after 1974 (disregarding for this purpose any service performed as a member of such committee for less than a full session in any Congress). All selections of Members to serve on the committee shall be made without regard to seniority.”
- Seniority rule, exception. (b) Rule X of the Rules of the House of Representatives is amended by adding at the end thereof the following new clause:
- Committee sessions. “6. For carrying out the purposes set forth in clause 5 of Rule XI, the Committee on the Budget or any subcommittee thereof is authorized to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books or papers or documents or vouchers by subpoena or otherwise, and to take such testimony and records, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or of any member of the committee designated by him; and may be served by any person designated by such chairman or member. The chairman of the committee, or any member thereof, may administer oaths to witnesses.”
- Subpenas. (c) Rule XI of the Rules of the House of Representatives is amended by redesignating clauses 5 through 33 as clauses 6 through 34, respectively, and by inserting after clause 4 the following new clause:
- “5. Committee on the Budget
- “(a) All concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and other matters required to be referred to the committee under titles III and IV of that Act.
- Duties. “(b) The committee shall have the duty—
- “(1) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;
- “(2) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the House on a recurring basis;
- “(3) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the House on a recurring basis; and
- “(4) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.”

BUDGET COMMITTEE OF THE SENATE

SEC. 102. (a) Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:

“(r) (1) Committee on the Budget, to which committee shall be referred all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and all other matters required to be referred to that committee under titles III and IV of that Act, and messages, petitions, memorials, and other matters relating thereto.

Duties.

“(2) Such committee shall have the duty—

“(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;

“(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the Senate on a recurring basis;

“(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the Senate on a recurring basis; and

“(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties.”

(b) The table contained in paragraph 2 of rule XXV of the Standing Rules of the Senate is amended by inserting after—

“Banking, Housing and Urban Affairs----- 15”
the following:

“Budget ----- 15”.

(c) Paragraph 6 of rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new subparagraph:

“(h) For purposes of the first sentence of subparagraph (a), membership on the Committee on the Budget shall not be taken into account until that date occurring during the first session of the Ninety-fifth Congress, upon which the appointment of the majority and minority party members of the standing committees of the Senate is initially completed.”

(d) Each meeting of the Committee on the Budget of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

Open and closed
meetings.
2 USC 190a-3.

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees; or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

2 USC 190a-1
note.

2 USC 190a-1.

(e) Paragraph 7(b) of rule XXV of the Standing Rules of the Senate and section 133A (b) of the Legislative Reorganization Act of 1946 shall not apply to the Committee on the Budget of the Senate.

TITLE II—CONGRESSIONAL BUDGET OFFICE

ESTABLISHMENT OF OFFICE

2 USC 601.

SEC. 201. (a) IN GENERAL.—

(1) There is established an office of the Congress to be known as the Congressional Budget Office (hereinafter in this title referred to as the "Office"). The Office shall be headed by a Director; and there shall be a Deputy Director who shall perform such duties as may be assigned to him by the Director and, during the absence or incapacity of the Director or during a vacancy in that office, shall act as Director.

Appointment.

(2) The Director shall be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate after considering recommendations received from the Committees on the Budget of the House and the Senate, without regard to political affiliation and solely on the basis of his fitness to perform his duties. The Deputy Director shall be appointed by the Director.

Term.

(3) The term of office of the Director first appointed shall expire at noon on January 3, 1979, and the terms of office of Directors subsequently appointed shall expire at noon on January 3 of each fourth year thereafter. Any individual appointed as Director to fill a vacancy prior to the expiration of a term shall serve only for the unexpired portion of that term. An individual serving as Director at the expiration of a term may continue to serve until his successor is appointed. Any Deputy Director shall serve until the expiration of the term of office of the Director who appointed him (and until his successor is appointed), unless sooner removed by the Director.

Removal.

(4) The Director may be removed by either House by resolution.

Compensation.

(5) The Director shall receive compensation at a per annum gross rate equal to the rate of basic pay, as in effect from time to time, for level III of the Executive Schedule in section 5314 of title 5, United States Code. The Deputy Director shall receive compensation at a per annum gross rate equal to the rate of basic pay, as so in effect, for level IV of the Executive Schedule in section 5315 of such title.

Appointment
and compensa-
tion.

(b) PERSONNEL.—The Director shall appoint and fix the compensation of such personnel as may be necessary to carry out the duties and functions of the Office. All personnel of the Office shall be appointed without regard to political affiliation and solely on the basis of their fitness to perform their duties. The Director may prescribe the duties and responsibilities of the personnel of the Office, and delegate to them authority to perform any of the duties, powers, and functions imposed

on the Office or on the Director. For purposes of pay (other than pay of the Director and Deputy Director) and employment benefits, rights, and privileges, all personnel of the Office shall be treated as if they were employees of the House of Representatives.

(c) **EXPERTS AND CONSULTANTS.**—In carrying out the duties and functions of the Office, the Director may procure the temporary (not to exceed one year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or, in the case of individual experts or consultants, by employment at rates of pay not in excess of the daily equivalent of the highest rate of basic pay payable under the General Schedule of section 5332 of title 5, United States Code.

5 USC 5332

note.
Data, availability.

(d) **RELATIONSHIP TO EXECUTIVE BRANCH.**—The Director is authorized to secure information, data, estimates, and statistics directly from the various departments, agencies, and establishments of the executive branch of Government and the regulatory agencies and commissions of the Government. All such departments, agencies, establishments, and regulatory agencies and commissions shall furnish the Director any available material which he determines to be necessary in the performance of his duties and functions (other than material the disclosure of which would be a violation of law). The Director is also authorized, upon agreement with the head of any such department, agency, establishment, or regulatory agency or commission, to utilize its services, facilities, and personnel with or without reimbursement; and the head of each such department, agency, establishment, or regulatory agency or commission is authorized to provide the Office such services, facilities, and personnel.

(e) **RELATIONSHIP TO OTHER AGENCIES OF CONGRESS.**—In carrying out the duties and functions of the Office, and for the purpose of coordinating the operations of the Office with those of other congressional agencies with a view to utilizing most effectively the information, services, and capabilities of all such agencies in carrying out the various responsibilities assigned to each, the Director is authorized to obtain information, data, estimates, and statistics developed by the General Accounting Office, the Library of Congress, and the Office of Technology Assessment, and (upon agreement with them) to utilize their services, facilities, and personnel with or without reimbursement. The Comptroller General, the Librarian of Congress, and the Technology Assessment Board are authorized to provide the Office with the information, data, estimates, and statistics, and the services, facilities, and personnel, referred to in the preceding sentence.

GAO, Library of Congress, Office of Technology Assessment, use of facilities.

(f) **APPROPRIATIONS.**—There are authorized to be appropriated to the Office for each fiscal year such sums as may be necessary to enable it to carry out its duties and functions. Until sums are first appropriated pursuant to the preceding sentence, but for a period not exceeding 12 months following the effective date of this subsection, the expenses of the Office shall be paid from the contingent fund of the Senate, in accordance with the paragraph relating to the contingent fund of the Senate under the heading "UNDER LEGISLATIVE" in the Act of October 1, 1888 (28 Stat. 546; 2 U.S.C. 68), and upon vouchers approved by the Director.

DUTIES AND FUNCTIONS

2 USC 602.

SEC. 202. (a) ASSISTANCE TO BUDGET COMMITTEES.—It shall be the duty and function of the Office to provide to the Committees on the Budget of both Houses information which will assist such committees in the discharge of all matters within their jurisdictions, including (1) information with respect to the budget, appropriation bills, and other bills authorizing or providing budget authority or tax expenditures, (2) information with respect to revenues, receipts, estimated future revenues and receipts, and changing revenue conditions, and (3) such related information as such Committees may request.

(b) ASSISTANCE TO COMMITTEES ON APPROPRIATIONS, WAYS AND MEANS, AND FINANCE.—At the request of the Committee on Appropriations of either House, the Committee on Ways and Means of the House of Representatives, or the Committee on Finance of the Senate, the Office shall provide to such Committee any information which will assist it in the discharge of matters within its jurisdiction, including information described in clauses (1) and (2) of subsection (a) and such related information as the Committee may request.

(c) ASSISTANCE TO OTHER COMMITTEES AND MEMBERS.—

(1) At the request of any other committee of the House of Representatives or the Senate or any joint committee of the Congress, the Office shall provide to such committee or joint committee any information compiled in carrying out clauses (1) and (2) of subsection (a), and, to the extent practicable, such additional information related to the foregoing as may be requested.

(2) At the request of any Member of the House or Senate, the Office shall provide to such Member any information compiled in carrying out clauses (1) and (2) of subsection (a), and, to the extent available, such additional information related to the foregoing as may be requested.

(d) ASSIGNMENT OF OFFICE PERSONNEL TO COMMITTEES AND JOINT COMMITTEES.—At the request of the Committee on the Budget of either House, personnel of the Office shall be assigned, on a temporary basis, to assist such committee. At the request of any other committee of either House or any joint committee of the Congress, personnel of the Office may be assigned, on a temporary basis, to assist such committee or joint committee with respect to matters directly related to the applicable provisions of subsection (b) or (c).

(e) TRANSFER OF FUNCTIONS OF JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES.—

(1) The duties, functions, and personnel of the Joint Committee on Reduction of Federal Expenditures are transferred to the Office, and the Joint Committee is abolished.

(2) Section 601 of the Revenue Act of 1941 (55 Stat. 726) is repealed.

(f) REPORTS TO BUDGET COMMITTEES.—

(1) On or before April 1 of each year, the Director shall submit to the Committees on the Budget of the House of Representatives and the Senate a report, for the fiscal year commencing on October 1 of that year, with respect to fiscal policy, including (A) alternative levels of total revenues, total new budget authority, and total outlays (including related surpluses and deficits), and (B) the levels of tax expenditures under existing law, taking into account projected economic factors and any changes in such levels based on proposals in the budget submitted by the President for such fiscal year. Such report shall also include a discussion of national budget priorities, including alternative ways of allocating

Repeal.
31 USC 571.

Contents.

budget authority and budget outlays for such fiscal year among major programs or functional categories, taking into account how such alternative allocations will meet major national needs and affect balanced growth and development of the United States.

(2) The Director shall from time to time submit to the Committees on the Budget of the House of Representatives and the Senate such further reports (including reports revising the report required by paragraph (1)) as may be necessary or appropriate to provide such Committees with information, data, and analyses for the performance of their duties and functions.

Reports, sub-
mittal to Budget
Committees.

(g) **USE OF COMPUTERS AND OTHER TECHNIQUES.**—The Director may equip the Office with up-to-date computer capability (upon approval of the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate), obtain the services of experts and consultants in computer technology, and develop techniques for the evaluation of budgetary requirements.

Experts and
consultants.

PUBLIC ACCESS TO BUDGET DATA

SEC. 203. (a) RIGHT TO COPY.—Except as provided in subsections (c) and (d), the Director shall make all information, data, estimates, and statistics obtained under sections 201(d) and 201(e) available for public copying during normal business hours, subject to reasonable rules and regulations, and shall to the extent practicable, at the request of any person, furnish a copy of any such information, data, estimates, or statistics upon payment by such person of the cost of making and furnishing such copy.

2 USC 603.

(b) **INDEX.**—The Director shall develop and maintain filing, coding, and indexing systems that identify the information, data, estimates, and statistics to which subsection (a) applies and shall make such systems available for public use during normal business hours.

(c) **EXCEPTIONS.**—Subsection (a) shall not apply to information, data, estimates, and statistics—

- (1) which are specifically exempted from disclosure by law; or
- (2) which the Director determines will disclose—

(A) matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(B) information relating to trade secrets or financial or commercial information pertaining specifically to a given person if the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person; or

(C) personnel or medical data or similar data the disclosure of which would constitute a clearly unwarranted invasion of personal privacy;

unless the portions containing such matters, information, or data have been excised.

(d) **INFORMATION OBTAINED FOR COMMITTEES AND MEMBERS.**—Subsection (a) shall apply to any information, data, estimates, and statistics obtained at the request of any committee, joint committee, or Member unless such committee, joint committee, or Member has instructed the Director not to make such information, data, estimates, or statistics available for public copying.

TITLE III—CONGRESSIONAL BUDGET PROCESS

TIMETABLE

31 USC 1321.

SEC. 300. The timetable with respect to the congressional budget process for any fiscal year is as follows:

On or before:	Action to be completed:
November 10-----	President submits current services budget.
15th day after Congress meets--	President submits his budget.
March 15-----	Committees and joint committees submit reports to Budget Committees.
April 1-----	Congressional Budget Office submits report to Budget Committees.
April 15-----	Budget Committees report first concurrent resolution on the budget to their Houses.
May 15-----	Committees report bills and resolutions authorizing new budget authority.
May 15-----	Congress completes action on first concurrent resolution on the budget.
7th day after Labor Day-----	Congress completes action on bills and resolutions providing new budget authority and new spending authority.
September 15-----	Congress completes action on second required concurrent resolution on the budget.
September 25-----	Congress completes action on reconciliation bill or resolution, or both, implementing second required concurrent resolution.
October 1-----	Fiscal year begins.

ADOPTION OF FIRST CONCURRENT RESOLUTION

31 USC 1322.

Contents.

SEC. 301. (a) ACTION TO BE COMPLETED BY MAY 15.—On or before May 15 of each year, the Congress shall complete action on the first concurrent resolution on the budget for the fiscal year beginning on October 1 of such year. The concurrent resolution shall set forth—

(1) the appropriate level of total budget outlays and of total new budget authority;

(2) an estimate of budget outlays and an appropriate level of new budget authority for each major functional category, for contingencies, and for undistributed intragovernmental transactions, based on allocations of the appropriate level of total budget outlays and of total new budget authority;

(3) the amount, if any, of the surplus or the deficit in the budget which is appropriate in light of economic conditions and all other relevant factors;

(4) the recommended level of Federal revenues and the amount, if any, by which the aggregate level of Federal revenues should be increased or decreased by bills and resolutions to be reported by the appropriate committees;

(5) the appropriate level of the public debt, and the amount, if any, by which the statutory limit on the public debt should be increased or decreased by bills and resolutions to be reported by the appropriate committees; and

(6) such other matters relating to the budget as may be appropriate to carry out the purposes of this Act.

(b) ADDITIONAL MATTERS IN CONCURRENT RESOLUTION.—The first concurrent resolution on the budget may also require—

(1) a procedure under which all or certain bills and resolutions providing new budget authority or providing new spending authority described in section 401(c)(2)(C) for such fiscal year shall not be enrolled until the concurrent resolution required to be reported under section 310(a) has been agreed to, and, if a reconciliation bill or reconciliation resolution, or both, are required to be reported under section 310(c), until Congress has completed action on that bill or resolution, or both; and

(2) any other procedure which is considered appropriate to carry out the purposes of this Act.

Not later than the close of the Ninety-fifth Congress, the Committee on the Budget of each House shall report to its House on the implementation of procedures described in this subsection.

Report to Congress.

(c) **VIEWS AND ESTIMATES OF OTHER COMMITTEES.**—On or before March 15 of each year, each standing committee of the House of Representatives shall submit to the Committee on the Budget of the House, each standing committee of the Senate shall submit to the Committee on the Budget of the Senate, and the Joint Economic Committee and Joint Committee on Internal Revenue Taxation shall submit to the Committees on the Budget of both Houses—

Submittal to congressional committees.

(1) its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within the respective jurisdiction or functions of such committee or joint committee; and

(2) except in the case of such joint committees, the estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within the jurisdiction of such committee which such committee intends to be effective during the fiscal year beginning on October 1 of such year.

The Joint Economic Committee shall also submit to the Committees on the Budget of both Houses, its recommendations as to the fiscal policy appropriate to the goals of the Employment Act of 1946. Any other committee of the House or Senate may submit to the Committee on the Budget of its House, and any other joint committee of the Congress may submit to the Committees on the Budget of both Houses, its views and estimates with respect to all matters set forth in subsection (a) which relate to matters within its jurisdiction or functions.

15 USC 1021 note.

(d) **HEARINGS AND REPORT.**—In developing the first concurrent resolution on the budget referred to in subsection (a) for each fiscal year, the Committee on the Budget of each House shall hold hearings and shall receive testimony from Members of Congress and such appropriate representatives of Federal departments and agencies, the general public, and national organizations as the committee deems desirable. On or before April 15 of each year, the Committee on the Budget of each House shall report to its House the first concurrent resolution on the budget referred to in subsection (a) for the fiscal year beginning on October 1 of such year. The report accompanying such concurrent resolution shall include, but not be limited to—

Concurrent resolution, development.

Report to Congress.

Contents.

(1) a comparison of revenues estimated by the committee with those estimated in the budget submitted by the President;

(2) a comparison of the appropriate levels of total budget outlays and total new budget authority, as set forth in such concurrent resolution, with total budget outlays estimated and total new budget authority requested in the budget submitted by the President;

(3) with respect to each major functional category, an estimate of budget outlays and an appropriate level of new budget authority for all proposed programs and for all existing programs (including renewals thereof), with the estimate and level for existing programs being divided between permanent authority and funds provided in appropriation Acts, and each such division being subdivided between controllable amounts and all other amounts;

(4) an allocation of the level of Federal revenues recommended in the concurrent resolution among the major sources of such revenues;

(5) the economic assumptions and objectives which underlie each of the matters set forth in such concurrent resolution and alternative economic assumptions and objectives which the committee considered;

(6) projections, not limited to the following, for the period of five fiscal years beginning with such fiscal year of the estimated levels of total budget outlays, total new budget outlays, total new budget authority, the estimated revenues to be received, and the estimated surplus or deficit, if any, for each fiscal year in such period, and the estimated levels of tax expenditures (the tax expenditures budget) by major functional categories;

(7) a statement of any significant changes in the proposed levels of Federal assistance to State and local governments; and

(8) information, data, and comparisons indicating the manner in which, and the basis on which, the committee determined each of the matters set forth in the concurrent resolution, and the relationship of such matters to other budget categories.

MATTERS TO BE INCLUDED IN JOINT STATEMENT OF MANAGERS;
REPORTS BY COMMITTEES

31 USC 1323.

SEC. 302. (a) **ALLOCATION OF TOTALS.**—The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall include an estimated allocation, based upon such concurrent resolution as recommended in such conference report, of the appropriate levels of total budget outlays and total new budget authority among each committee of the House of Representatives and the Senate which has jurisdiction over bills and resolutions providing such new budget authority.

Subdivisions.

(b) **REPORTS BY COMMITTEES.**—As soon as practicable after a concurrent resolution on the budget is agreed to—

(1) the Committee on Appropriations of each House shall, after consulting with the Committee on Appropriations of the other House, (A) subdivide among its subcommittees the allocation of budget outlays and new budget authority allocated to it in the joint explanatory statement accompanying the conference report on such concurrent resolution, and (B) further subdivide the amount with respect to each such subcommittee between controllable amounts and all other amounts; and

(2) every other committee of the House and Senate to which an allocation was made in such joint explanatory statement shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, (A) subdivide such allocation among its subcommittees or among programs over which it has jurisdiction, and (B) further subdivide the amount with respect to each subcommittee or program between controllable amounts and all other amounts.

Each such committee shall promptly report to its House the subdivisions made by it pursuant to this subsection.

Congressional
committees'
report of sub-
divisions.

(c) **SUBSEQUENT CONCURRENT RESOLUTIONS.**—In the case of a concurrent resolution on the budget referred to in section 304 or 310, the allocation under subsection (a) and the subdivisions under subsection (b) shall be required only to the extent necessary to take into account revisions made in the most recently agreed to concurrent resolution on the budget.

FIRST CONCURRENT RESOLUTION ON THE BUDGET MUST BE ADOPTED BEFORE LEGISLATION PROVIDING NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY, OR CHANGES IN REVENUES OR PUBLIC DEBT LIMIT IS CONSIDERED

SEC. 303. (a) IN GENERAL.—It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution (or amendment thereto) which provides—

31 USC 1324.

(1) new budget authority for a fiscal year;

(2) an increase or decrease in revenues to become effective during a fiscal year;

(3) an increase or decrease in the public debt limit to become effective during a fiscal year; or

(4) new spending authority described in section 401(c)(2)(C) to become effective during a fiscal year;

until the first concurrent resolution on the budget for such year has been agreed to pursuant to section 301.

(b) **EXCEPTIONS.**—Subsection (a) does not apply to any bill or resolution—

(1) providing new budget authority which first becomes available in a fiscal year following the fiscal year to which the concurrent resolution applies; or

(2) increasing or decreasing revenues which first become effective in a fiscal year following the fiscal year to which the concurrent resolution applies.

(c) **WAIVER IN THE SENATE.**—

(1) The committee of the Senate which reports any bill or resolution to which subsection (a) applies may at or after the time it reports such bill or resolution, report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution, and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred, accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

Resolution re-
ferral.

Report to
Senate.

(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and minority leader or their designees, and the time on any debatable motion or appeal shall be limited to twenty minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion

Debate, time
limitation.

or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.

(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) of this section shall not apply with respect to the bill or resolution to which the resolution so agreed to applies.

PERMISSIBLE REVISIONS OF CONCURRENT RESOLUTIONS OF THE BUDGET

31 USC 1325.

SEC. 304. At any time after the first concurrent resolution on the budget for a fiscal year has been agreed to pursuant to section 301, and before the end of such fiscal year, the two Houses may adopt a concurrent resolution on the budget which revises the concurrent resolution on the budget for such fiscal year most recently agreed to.

PROVISIONS RELATING TO THE CONSIDERATION OF CONCURRENT RESOLUTIONS ON THE BUDGET

31 USC 1326.

SEC. 305. (a) PROCEDURE IN HOUSE OF REPRESENTATIVES AFTER REPORT OF COMMITTEE; DEBATE.—

(1) When the Committee on the Budget of the House has reported any concurrent resolution on the budget, it is in order at any time after the tenth day (excluding Saturdays, Sundays, and legal holidays) following the day on which the report upon such resolution has been available to Members of the House (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the concurrent resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

Debate, time
limitation.

(2) General debate on any concurrent resolution on the budget in the House of Representatives shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the concurrent resolution is not in order, and it is not in order to move to reconsider the vote by which the concurrent resolution is agreed to or disagreed to.

(3) Consideration of any concurrent resolution on the budget by the House of Representatives shall be in the Committee of the Whole, and the resolution shall be read for amendment under the five-minute rule in accordance with the applicable provisions of rule XXIII of the Rules of the House of Representatives. After the Committee rises and reports the resolution back to the House, the previous question shall be considered as ordered on the resolution and any amendments thereto to final passage without intervening motion; except that it shall be in order at any time prior to final passage (notwithstanding any other rule or provision of law) to adopt an amendment (or a series of amendments) changing any figure or figures in the resolution as so reported to the extent necessary to achieve mathematical consistency.

(4) Debate in the House of Representatives on the conference report on any concurrent resolution on the budget shall be limited to not more than 5 hours, which shall be divided equally between the majority and minority parties. A motion further to limit debate is not debatable. A motion to recommit the conference report is not in order, and it is not in order to move to reconsider the vote by which the conference report is agreed to or disagreed to.

Debate, time
limitation.

(5) Motions to postpone, made with respect to the consideration of any concurrent resolution on the budget, and motions to proceed to the consideration of other business, shall be decided without debate.

(6) Appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any concurrent resolution on the budget shall be decided without debate.

(b) PROCEDURE IN SENATE AFTER REPORT OF COMMITTEE; DEBATE; AMENDMENTS.—

(1) Debate in the Senate on any concurrent resolution on the budget, and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 50 hours, except that, with respect to the second required concurrent resolution referred to in section 310(a), all such debate shall be limited to not more than 15 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

Debate, time
limitation.

(2) Debate in the Senate on any amendment to a concurrent resolution on the budget shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, and debate on any amendment to an amendment, debatable motion, or appeal shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution, except that in the event the manager of the concurrent resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of such concurrent resolution shall be received. Such leaders, or either of them, may, from the time under their control on the passage of the concurrent resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

(3) A motion to further limit debate is not debatable. A motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution.

(4) Notwithstanding any other rule, an amendment, or series of amendments, to a concurrent resolution on the budget proposed in the Senate shall always be in order if such amendment or series of amendments proposes to change any figure or figures then contained in such concurrent resolution so as to make such concurrent resolution mathematically consistent or so as to maintain such consistency.

(c) ACTION ON CONFERENCE REPORTS IN THE SENATE.—

(1) The conference report on any concurrent resolution on the budget shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.

Debate, time
limitation.

(2) During the consideration in the Senate of the conference report on any concurrent resolution on the budget, debate shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report.

(3) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to 1 hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to one-half hour, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between and controlled by the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

(4) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

Conference re-
port, submittal to
Congress.

(d) REQUIRED ACTION BY CONFERENCE COMMITTEE.—If, at the end of 7 days (excluding Saturdays, Sundays, and legal holidays) after the conferees of both Houses have been appointed to a committee of conference on a concurrent resolution on the budget, the conferees are unable to reach agreement with respect to all matters in disagreement between the two Houses, then the conferees shall submit to their respective Houses, on the first day thereafter on which their House is in session—

(1) a conference report recommending those matters on which they have agreed and reporting in disagreement those matters on which they have not agreed; or

(2) a conference report in disagreement, if the matter in disagreement is an amendment which strikes out the entire text of the concurrent resolution and inserts a substitute text.

(e) CONCURRENT RESOLUTION MUST BE CONSISTENT IN THE SENATE.—It shall not be in order in the Senate to vote on the question of agreeing to—

(1) a concurrent resolution on the budget unless the figures then contained in such resolution are mathematically consistent; or

(2) a conference report on a concurrent resolution on the budget unless the figures contained in such resolution, as recommended in such conference report, are mathematically consistent.

LEGISLATION DEALING WITH CONGRESSIONAL BUDGET MUST BE HANDLED
BY BUDGET COMMITTEES

SEC. 306. No bill or resolution, and no amendment to any bill or resolution, dealing with any matter which is within the jurisdiction of the Committee on the Budget of either House shall be considered in that House unless it is a bill or resolution which has been reported by the Committee on the Budget of that House (or from the consideration of which such committee has been discharged) or unless it is an amendment to such a bill or resolution.

31 USC 1327.

HOUSE COMMITTEE ACTION ON ALL APPROPRIATION BILLS TO BE COMPLETED
BEFORE FIRST APPROPRIATION BILL IS REPORTED

SEC. 307. Prior to reporting the first regular appropriation bill for each fiscal year, the Committee on Appropriations of the House of Representatives shall, to the extent practicable, complete subcommittee markup and full committee action on all regular appropriation bills for that year and submit to the House a summary report comparing the committee's recommendations with the appropriate levels of budget outlays and new budget authority as set forth in the most recently agreed to concurrent resolution on the budget for that year.

31 USC 1328.

Summary report,
submittal to
House.

REPORTS, SUMMARIES, AND PROJECTIONS OF CONGRESSIONAL BUDGET
ACTIONS

SEC. 308. (a) REPORTS ON LEGISLATION PROVIDING NEW BUDGET AUTHORITY OR TAX EXPENDITURES.—Whenever a committee of either House reports a bill or resolution to its House providing new budget authority (other than continuing appropriations) or new or increased tax expenditures for a fiscal year, the report accompanying that bill or resolution shall contain a statement, prepared after consultation with the Director of the Congressional Budget Office, detailing—

31 USC 1329.

Contents.

(1) in the case of a bill or resolution providing new budget authority—

(A) how the new budget authority provided in that bill or resolution compares with the new budget authority set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302;

(B) a projection for the period of 5 fiscal years beginning with such fiscal year of budget outlays, associated with the budget authority provided in that bill or resolution, in each fiscal year in such period; and

(C) the new budget authority, and budget outlays resulting therefrom, provided by that bill or resolution for financial assistance to State and local governments; and

(2) in the case of a bill or resolution providing new or increased tax expenditures—

(A) how the new or increased tax expenditures provided in that bill or resolution will affect the levels of tax expenditures under existing law as set forth in the report accompanying the first concurrent resolution on the budget for such fiscal year, or, if a report accompanying a subsequently agreed to concurrent resolution for such year sets forth such levels, then as set forth in that report; and

(B) a projection for the period of 5 fiscal years beginning with such fiscal year of the tax expenditures which will result from that bill or resolution in each fiscal year in such period.

No projection shall be required for a fiscal year under paragraph (1) (B) or (2) (B) if the committee determines that a projection for that fiscal year is impracticable and states in its report the reason for such impracticability.

Periodic
reports.

Contents.

(b) **UP-TO-DATE TABULATION OF CONGRESSIONAL BUDGET ACTIONS.**—The Director of the Congressional Budget Office shall issue periodic reports detailing and tabulating the progress of congressional action on bills and resolutions providing new budget authority and changing revenues and the public debt limit for a fiscal year. Such reports shall include, but are not limited to—

(1) an up-to-date tabulation comparing the new budget authority for such fiscal year in bills and resolutions on which Congress has completed action and estimated outlays, associated with such new budget authority, during such fiscal year to the new budget authority and estimated outlays set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year and the reports submitted under section 302;

(2) an up-to-date status report on all bills and resolutions providing new budget authority and changing revenues and the public debt limit for such fiscal year in both Houses;

(3) an up-to-date comparison of the appropriate level of revenues contained in the most recently agreed to concurrent resolution on the budget for such fiscal year with the latest estimate of revenues for such year (including new revenues anticipated during such year under bills and resolutions on which the Congress has completed action); and

(4) an up-to-date comparison of the appropriate level of the public debt contained in the most recently agreed to concurrent resolution on the budget for such fiscal year with the latest estimate of the public debt during such fiscal year.

Report.

(c) **FIVE-YEAR PROJECTION OF CONGRESSIONAL BUDGET ACTION.**—As soon as practicable after the beginning of each fiscal year, the Director of the Congressional Budget Office shall issue a report projecting for the period of 5 fiscal years beginning with such fiscal year—

(1) total new budget authority and total budget outlays for each fiscal year in such period;

(2) revenues to be received and the major sources thereof, and the surplus or deficit, if any, for each fiscal year in such period; and

(3) tax expenditures for each fiscal year in such period.

COMPLETION OF ACTION ON BILLS PROVIDING NEW BUDGET AUTHORITY AND CERTAIN NEW SPENDING AUTHORITY

31 USC 1330.

SEC. 309. Except as otherwise provided pursuant to this title, not later than the seventh day after Labor Day of each year, the Congress shall complete action on all bills and resolutions—

(1) providing new budget authority for the fiscal year beginning on October 1 of such year, other than supplemental, deficiency, and continuing appropriation bills and resolutions, and other than the reconciliation bill for such year, if required to be reported under section 310(c); and

(2) providing new spending authority described in section 401

(c) (2) (C) which is to become effective during such fiscal year. Paragraph (1) shall not apply to any bill or resolution if legislation authorizing the enactment of new budget authority to be provided in such bill or resolution has not been timely enacted.

SECOND REQUIRED CONCURRENT RESOLUTION AND RECONCILIATION
PROCESS

SEC. 310. (a) REPORTING OF CONCURRENT RESOLUTION.—The Committee on the Budget of each House shall report to its House a concurrent resolution on the budget which reaffirms or revises the concurrent resolution on the budget most recently agreed to with respect to the fiscal year beginning on October 1 of such year. Any such concurrent resolution on the budget shall also, to the extent necessary—

31 USC 1331.

(1) specify the total amount by which—

(A) new budget authority for such fiscal year;

(B) budget authority initially provided for prior fiscal years; and

(C) new spending authority described in section 401 (c) (2)

(C) which is to become effective during such fiscal year, contained in laws, bills, and resolutions within the jurisdiction of a committee, is to be changed and direct that committee to determine and recommend changes to accomplish a change of such total amount;

(2) specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws, bills, and resolutions to accomplish a change of such total amount;

(3) specify the amount by which the statutory limit on the public debt is to be changed and direct the committees having jurisdiction to recommend such change; or

(4) specify and direct any combination of the matters described in paragraphs (1), (2), and (3).

Any such concurrent resolution may be reported, and the report accompanying it may be filed, in either House notwithstanding that that House is not in session on the day on which such concurrent resolution is reported.

Filing.

(b) COMPLETION OF ACTION ON CONCURRENT RESOLUTION.—Not later than September 15 of each year, the Congress shall complete action on the concurrent resolution on the budget referred to in subsection (a).

(c) RECONCILIATION PROCESS.—If a concurrent resolution is agreed to in accordance with subsection (a) containing directions to one or more committees to determine and recommend changes in laws, bills, or resolutions, and—

(1) only one committee of the House or the Senate is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report to its House a reconciliation bill or reconciliation resolution, or both, containing such recommendations; or

(2) more than one committee of the House or the Senate is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommendations, whether such changes are to be contained in a reconciliation bill or reconciliation resolution, and submit such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House a reconciliation bill or reconciliation resolution, or both, carrying out all such recommendations without any substantive revision.

Reconciliation
resolution.

For purposes of this subsection, a reconciliation resolution is a concurrent resolution directing the Clerk of the House of Representatives or the Secretary of the Senate, as the case may be, to make specified changes in bills and resolutions which have not been enrolled.

(d) COMPLETION OF RECONCILIATION PROCESS.—Congress shall complete action on any reconciliation bill or reconciliation resolution reported under subsection (c) not later than September 25 of each year.

(e) PROCEDURE IN THE SENATE.—

(1) Except as provided in paragraph (2), the provisions of section 305 for the consideration in the Senate of concurrent resolutions on the budget and conference reports thereon shall also apply to the consideration in the Senate of reconciliation bills and reconciliation resolutions reported under subsection (c) and conference reports thereon.

Debate, time
limitation.

(2) Debate in the Senate on any reconciliation bill or resolution reported under subsection (c), and all amendments thereto and debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours.

(f) CONGRESS MAY NOT ADJOURN UNTIL ACTION IS COMPLETED.—It shall not be in order in either the House of Representatives or the Senate to consider any resolution providing for the adjournment sine die of either House unless action has been completed on the concurrent resolution on the budget required to be reported under subsection (a) for the fiscal year beginning on October 1 of such year, and, if a reconciliation bill or resolution, or both, is required to be reported under subsection (c) for such fiscal year, unless the Congress has completed action on that bill or resolution, or both.

NEW BUDGET AUTHORITY, NEW SPENDING AUTHORITY AND REVENUE
LEGISLATION MUST BE WITHIN APPROPRIATE LEVELS

31 USC 1332.

SEC. 311. (a) LEGISLATION SUBJECT TO POINT OF ORDER.—After the Congress has completed action on the concurrent resolution on the budget required to be reported under section 310(a) for a fiscal year, and, if a reconciliation bill or resolution, or both, for such fiscal year are required to be reported under section 310(c), after that bill has been enacted into law or that resolution has been agreed to, it shall not be in order in either the House of Representatives or the Senate to consider any bill, resolution, or amendment providing additional new budget authority for such fiscal year, providing new spending authority described in section 401(c)(2)(C) to become effective during such fiscal year, or reducing revenues for such fiscal year, or any conference report on any such bill or resolution, if—

- (1) the enactment of such bill or resolution as reported;
- (2) the adoption and enactment of such amendment; or
- (3) the enactment of such bill or resolution in the form recommended in such conference report;

would cause the appropriate level of total new budget authority or total budget outlays set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year to be exceeded, or would cause revenues to be less than the appropriate level of revenues set forth in such concurrent resolution.

(b) DETERMINATION OF OUTLAYS AND REVENUES.—For purposes of subsection (a), the budget outlays to be made during a fiscal year and revenues to be received during a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the House of Representatives or the Senate, as the case may be.

TITLE IV—ADDITIONAL PROVISIONS TO IMPROVE FISCAL PROCEDURES

BILLS PROVIDING NEW SPENDING AUTHORITY

SEC. 401. (a) **LEGISLATION PROVIDING CONTRACT OR BORROWING AUTHORITY.**—It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c)(2)(A) or (B) (or any amendment which provides such new spending authority), unless that bill, resolution, or amendment also provides that such new spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

31 USC 1351.

(b) **LEGISLATION PROVIDING ENTITLEMENT AUTHORITY.**—

(1) It shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which provides new spending authority described in subsection (c)(2)(C) (or any amendment which provides such new spending authority) which is to become effective before the first day of the fiscal year which begins during the calendar year in which such bill or resolution is reported.

(2) If any committee of the House of Representatives or the Senate reports any bill or resolution which provides new spending authority described in subsection (c)(2)(C) which is to become effective during a fiscal year and the amount of new budget authority which will be required for such fiscal year if such bill or resolution is enacted as so reported exceeds the appropriate allocation of new budget authority reported under section 302(b) in connection with the most recently agreed to concurrent resolution on the budget for such fiscal year, such bill or resolution shall then be referred to the Committee on Appropriations of that House with instructions to report it, with the committee's recommendations, within 15 calendar days (not counting any day on which that House is not in session) beginning with the day following the day on which it is so referred. If the Committee on Appropriations of either House fails to report a bill or resolution referred to it under this paragraph within such 15-day period, the committee shall automatically be discharged from further consideration of such bill or resolution and such bill or resolution shall be placed on the appropriate calendar.

Referral to
Appropriations
Committee.Discharge from
consideration.Placement on
calendar.Committee
jurisdiction.

(3) The Committee on Appropriations of each House shall have jurisdiction to report any bill or resolution referred to it under paragraph (2) with an amendment which limits the total amount of new spending authority provided in such bill or resolution.

(c) **DEFINITIONS.**—

(1) For purposes of this section, the term "new spending authority" means spending authority not provided by law on the effective date of this section, including any increase in or addition to spending authority provided by law on such date.

(2) For purposes of paragraph (1), the term "spending authority" means authority (whether temporary or permanent)—

(A) to enter into contracts under which the United States is obligated to make outlays, the budget authority for which is not provided in advance by appropriation Acts;

(B) to incur indebtedness (other than indebtedness incurred under the Second Liberty Bond Act) for the repayment of which the United States is liable, the budget authority for which is not provided in advance by appropriation Acts; and

31 USC 774.

(C) to make payments (including loans and grants), the budget authority for which is not provided for in advance by appropriation Acts, to any person or government if, under the provisions of the law containing such authority, the United States is obligated to make such payments to persons or governments who meet the requirements established by such law.

Such term does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government.

(d) EXCEPTIONS.—

(1) Subsections (a) and (b) shall not apply to new spending authority if the budget authority for outlays which will result from such new spending authority is derived—

42 USC 1305.

(A) from a trust fund established by the Social Security Act (as in effect on the date of the enactment of this Act); or

26 USC 1 *et seq.*

(B) from any other trust fund, 90 percent or more of the receipts of which consist or will consist of amounts (transferred from the general fund of the Treasury) equivalent to amounts of taxes (related to the purposes for which such outlays are or will be made) received in the Treasury under specified provisions of the Internal Revenue Code of 1954.

31 USC 1221 *note.*

(2) Subsections (a) and (b) shall not apply to new spending authority which is an amendment to or extension of the State and Local Fiscal Assistance Act of 1972, or a continuation of the program of fiscal assistance to State and local governments provided by that Act, to the extent so provided in the bill or resolution providing such authority.

(3) Subsections (a) and (b) shall not apply to new spending authority to the extent that—

31 USC 856.

31 USC 846.

(A) the outlays resulting therefrom are made by an organization which is (i) a mixed-ownership Government corporation (as defined in section 201 of the Government Corporation Control Act), or (ii) a wholly owned Government corporation (as defined in section 101 of such Act) which is specifically exempted by law from compliance with any or all of the provisions of that Act; or

(B) the outlays resulting therefrom consist exclusively of the proceeds of gifts or bequests made to the United States for a specific purpose.

REPORTING OF AUTHORIZING LEGISLATION

31 USC 1352.

SEC. 402. (a) REQUIRED REPORTING DATE.—Except as otherwise provided in this section, it shall not be in order in either the House of Representatives or the Senate to consider any bill or resolution which, directly or indirectly, authorizes the enactment of new budget authority for a fiscal year, unless that bill or resolution is reported in the House or the Senate, as the case may be, on or before May 15 preceding the beginning of such fiscal year.

(b) EMERGENCY WAIVER IN THE HOUSE.—If the Committee on Rules of the House of Representatives determines that emergency conditions require a waiver of subsection (a) with respect to any bill or resolution, such committee may report, and the House may consider and adopt, a resolution waiving the application of subsection (a) in the case of such bill or resolution.

(c) WAIVER IN THE SENATE.—

(1) The committee of the Senate which reports any bill or resolution may, at or after the time it reports such bill or resolution, report a resolution to the Senate (A) providing for the waiver of subsection (a) with respect to such bill or resolution, and (B) stating the reasons why the waiver is necessary. The resolution shall then be referred to the Committee on the Budget of the Senate. That committee shall report the resolution to the Senate, within 10 days after the resolution is referred to it (not counting any day on which the Senate is not in session) beginning with the day following the day on which it is so referred accompanied by that committee's recommendations and reasons for such recommendations with respect to the resolution. If the committee does not report the resolution within such 10-day period, it shall automatically be discharged from further consideration of the resolution and the resolution shall be placed on the calendar.

Referral to
Budget Commit-
tee.Report to
Senate.Discharge from
consideration.Placement on
calendar.
Debate, time
limitation.

(2) During the consideration of any such resolution, debate shall be limited to one hour, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees, and the time on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the resolution. In the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from the time under their control on the passage of such resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal. No amendment to the resolution is in order.

(3) If, after the Committee on the Budget has reported (or been discharged from further consideration of) the resolution, the Senate agrees to the resolution, then subsection (a) of this section shall not apply with respect to that bill or resolution referred to in the resolution.

(d) CERTAIN BILLS AND RESOLUTIONS RECEIVED FROM OTHER HOUSE.—Notwithstanding the provisions of subsection (a), if under that subsection it is in order in the House of Representatives to consider a bill or resolution of the House, then it shall be in order to consider a companion or similar bill or resolution of the Senate; and if under that subsection it is in order in the Senate to consider a bill or resolution of the Senate, then it shall be in order to consider a companion or similar bill of the House of Representatives.

(e) EXCEPTIONS.—

(1) Subsection (a) shall not apply with respect to new spending authority described in section 401(c)(2)(C).

(2) Subsection (a) shall not apply with respect to new budget authority authorized in a bill or resolution for any provision of the Social Security Act if such bill or resolution also provides new spending authority described in section 401(c)(2)(C) which, under section 401(d)(1)(A), is excluded from the application of section 401(b).

(f) STUDY OF EXISTING SPENDING AUTHORITY AND PERMANENT APPROPRIATIONS.—The Committees on Appropriations of the House of Representatives and the Senate shall study on a continuing basis those provisions of law, in effect on the effective date of this section, which provide spending authority or permanent budget authority. Each committee shall, from time to time, report to its House its recommendations for terminating or modifying such provisions.

Report to
Congress.

ANALYSIS BY CONGRESSIONAL BUDGET OFFICE

31 USC 1353.

Submittal to
congressional
committees.

SEC. 403. The Director of the Congressional Budget Office shall, to the extent practicable, prepare for each bill or resolution of a public character reported by any committee of the House of Representatives or the Senate (except the Committee on Appropriations of each House), and submit to such committee—

(1) an estimate of the costs which would be incurred in carrying out such bill or resolution in the fiscal year in which it is to become effective and in each of the 4 fiscal years following such fiscal year, together with the basis for each such estimate; and

(2) a comparison of the estimate of costs described in paragraph (1) with any available estimate of costs made by such committee or by any Federal agency.

The estimate and comparison so submitted shall be included in the report accompanying such bill or resolution if timely submitted to such committee before such report is filed.

JURISDICTION OF APPROPRIATIONS COMMITTEES

SEC. 404. (a) AMENDMENT OF HOUSE RULES.—Clause 2 of rule XI of the Rules of the House of Representatives is amended by redesignating paragraph (b) as paragraph (e) and by inserting after paragraph (a) the following new paragraphs:

Post, p. 322.

“(b) Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

“(c) The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 which is to be effective for a fiscal year.

“(d) New spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).”

(b) AMENDMENT OF SENATE RULES.—Subparagraph (c) of paragraph 1 of rule XXV of the Standing Rules of the Senate is amended to read as follows:

“(c) Committee on Appropriations, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

“1. Except as provided in subparagraph (r), appropriation of the revenue for the support of the Government.

“2. Rescission of appropriations contained in appropriation Acts (referred to in section 105 of title 1, United States Code).

“3. The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

“4. New advance spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).”

TITLE V—CHANGE OF FISCAL YEAR

FISCAL YEAR TO BEGIN OCTOBER 1

SEC. 501. Section 237 of the Revised Statutes (31 U.S.C. 1020) is amended to read as follows:

“SEC. 237. (a) The fiscal year of the Treasury of the United States, in all matters of accounts, receipts, expenditures, estimates, and appropriations—

“(1) shall, through June 30, 1976, commence on July 1 of each year and end on June 30 of the following year; and

“(2) shall, beginning on October 1, 1976, commence on October 1 of each year and end on September 30 of the following year.

“(b) All accounts of receipts and expenditures required by law to be published annually shall be prepared and published for each fiscal year as established by subsection (a).”

Accounts, annual publication.

TRANSITION TO NEW FISCAL YEAR

SEC. 502. (a) As soon as practicable, the President shall prepare and submit to the Congress—

(1) after consultation with the Committees on Appropriations of the House of Representatives and the Senate, budget estimates for the United States Government for the period commencing July 1, 1976, and ending on September 30, 1976, in such form and detail as he may determine; and

(2) proposed legislation he considers appropriate with respect to changes in law necessary to provide authorizations of appropriations for that period.

(b) The Director of the Office of Management and Budget shall provide by regulation, order, or otherwise for the orderly transition by all departments, agencies, and instrumentalities of the United States Government and the government of the District of Columbia from the use of the fiscal year in effect on the date of enactment of this Act to the use of the new fiscal year prescribed by section 237 (a) (2) of the Revised Statutes. The Director shall prepare and submit to the Congress such additional proposed legislation as he considers necessary to accomplish this objective.

(c) The Director of the Office of Management and Budget and the Director of the Congressional Budget Office jointly shall conduct a study of the feasibility and advisability of submitting the Budget or portions thereof, and enacting new budget authority or portions thereof, for a fiscal year during the regular session of the Congress which begins in the year preceding the year in which such fiscal year begins. The Director of the Office of Management and Budget and the Director of the Congressional Budget Office each shall submit a report of the results of the study conducted by them, together with his own conclusions and recommendations, to the Congress not later than 2 years after the effective date of this subsection.

31 USC 1020 note.

Budget estimates and proposed legislation, submittal to Congress.

Supra.

Study.

Reports, submittal to Congress.

ACCOUNTING PROCEDURES

SEC. 503. (a) Subsection (a)(1) of the first section of the Act entitled “An Act to simplify accounting, facilitate the payment of obligations, and for other purposes”, approved July 25, 1956, as amended (31 U.S.C. 701), is amended to read as follows:

“(1) The obligated balance shall be transferred, at the time specified in subsection (b) (1) of this section, to an appropriation account of the agency or subdivision thereof responsible for the liquidation of the obligation, in which account shall be merged the amounts so transferred from all appropriation accounts for the same general purposes; and”.

Transfers.
31 USC 701.

(b) Subsection (b) of such section is amended to read as follows:

“(b) (1) Any obligated balance referred to in subsection (a) (1) of this section shall be transferred as follows:

“(A) for any fiscal year or years ending on or before June 30, 1976, on that June 30 which falls in the first month of June which occurs twenty-four months after the end of such fiscal year or years; and

“(B) for the period commencing on July 1, 1976, and ending on September 30, 1976, and for any fiscal year commencing on or after October 1, 1976, on September 30 of the second fiscal year following that period or the fiscal year or years, as the case may be, for which the appropriation is available for obligation.

Withdrawals.

“(2) The withdrawals required by subsection (a) (2) of this section shall be made—

“(A) for any fiscal year ending on or before June 30, 1976, not later than September 30 of the fiscal year immediately following the fiscal year in which the period of availability for obligation expires; and

“(B) for the period commencing on July 1, 1976, and ending on September 30, 1976, and for any fiscal year commencing on or after October 1, 1976, not later than November 15 following such period or fiscal year, as the case may be, in which the period of availability for obligation expires.”

CONVERSION OF AUTHORIZATIONS OF APPROPRIATIONS

31 USC 1020a.

SEC. 504. Any law providing for an authorization of appropriations commencing on July 1 of a year shall, if that year is any year after 1975, be considered as meaning October 1 of that year. Any law providing for an authorization of appropriations ending on June 30 of a year shall, if that year is any year after 1976, be considered as meaning September 30 of that year. Any law providing for an authorization of appropriations for the fiscal year 1977 or any fiscal year thereafter shall be construed as referring to that fiscal year ending on September 30 of the calendar year having the same calendar year number as the fiscal year number.

REPEALS

SEC. 505. The following provisions of law are repealed:

(1) the ninth paragraph under the headings “Legislative Establishment”, “Senate”, of the Deficiency Appropriation Act, fiscal year 1934 (48 Stat. 1022; 2 U.S.C. 66); and

(2) the proviso to the second paragraph under the headings “House of Representatives”, “Salaries, Mileage, and Expenses of Members”, of the Legislative-Judiciary Appropriation Act, 1955 (68 Stat. 400; 2 U.S.C. 81).

TECHNICAL AMENDMENT

SEC. 506. (a) Section 105 of title 1, United States Code, is amended by striking out “June 30” and inserting in lieu thereof “September 30”.

(b) The provisions of subsection (a) of this section shall be effective with respect to Acts making appropriations for the support of the Government for any fiscal year commencing on or after October 1, 1976.

Effective date.
1 USC 105 note.

TITLE VI—AMENDMENTS TO BUDGET AND
ACCOUNTING ACT, 1921

MATTERS TO BE INCLUDED IN PRESIDENT'S BUDGET

SEC. 601. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by adding at the end thereof the following new subsections:

“(d) The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth separately the items enumerated in section 301(a)(1)–(5) of the Congressional Budget Act of 1974.

Ante, p. 306.

“(e) The Budget transmitted pursuant to subsection (a) for each fiscal year shall set forth the levels of tax expenditures under existing law for such fiscal year (the tax expenditure budget), taking into account projected economic factors, and any changes in such existing levels based on proposals contained in such Budget. For purposes of this subsection, the terms ‘tax expenditures’ and ‘tax expenditures budget’ have the meanings given to them by section 3(a)(3) of the Congressional Budget Act of 1974.

Ante, p. 299.

“(f) The Budget transmitted pursuant to subsection (a) for each fiscal year shall contain—

“(1) a comparison, for the last completed fiscal year, of the total amount of outlays estimated in the Budget transmitted pursuant to subsection (a) for each major program involving uncontrollable or relatively uncontrollable outlays and the total amount of outlays made under each such major program during such fiscal year;

“(2) a comparison, for the last completed fiscal year, of the total amount of revenues estimated in the Budget transmitted pursuant to subsection (a) and the total amount of revenues received during such year, and, with respect to each major revenue source, the amount of revenues estimated in the Budget transmitted pursuant to subsection (a) and the amount of revenues received during such year; and

“(3) an analysis and explanation of the difference between each amount set forth pursuant to paragraphs (1) and (2) as the amount of outlays or revenues estimated in the Budget submitted under subsection (a) for such fiscal year and the corresponding amount set forth as the amount of outlays made or revenues received during such fiscal year.

“(g) The President shall transmit to the Congress, on or before April 10 and July 15 of each year, a statement of all amendments to or revisions in the budget authority requested, the estimated outlays, and the estimated receipts for the ensuing fiscal year set forth in the Budget transmitted pursuant to subsection (a) (including any previous amendments or revisions proposed on behalf of the executive branch) that he deems necessary and appropriate based on the most current information available. Such statement shall contain the effect of such amendments and revisions on the summary data submitted under subsection (a) and shall include such supporting detail as is practicable. The statement transmitted on or before July 15 of any year may be included in the supplemental summary required to be transmitted under subsection (b) during such year. The Budget transmitted to the Congress pursuant to subsection (a) for any fiscal year, or the supporting detail transmitted in connection therewith, shall include a statement of all such amendments and revisions with respect to the fiscal year in progress made before the date of transmission of such Budget.

Presidential
statement, trans-
mittal to Con-
gress.

“(h) The Budget transmitted pursuant to subsection (a) for each fiscal year shall include information with respect to estimates of appropriations for the next succeeding fiscal year for grants, contracts, or other payments under any program for which there is an authorization of appropriations for such succeeding fiscal year and such appropriations are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year in which the appropriation is to be available for obligation.

“(i) The Budget transmitted pursuant to subsection (a) for each fiscal year, beginning with the fiscal year ending September 30, 1979, shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

“(1) a detailed structure of national needs which shall be used to reference all agency missions and programs;

“(2) agency missions; and

“(3) basic programs.

To the extent practicable, each agency shall furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions, including mission responsibilities of component organizations, and shall relate its programs to agency missions.”

MIDYEAR REVIEW

SEC. 602. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended by striking out “on or before June 1 of each year, beginning with 1972” and inserting in lieu thereof “on or before July 15 of each year”.

FIVE-YEAR BUDGET PROJECTIONS

SEC. 603. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended—

(1) by inserting after “ensuing fiscal year” in paragraph (5) “and projections for the four fiscal years immediately following the ensuing fiscal year”;

(2) by striking out “such year” in paragraph (5) and inserting in lieu thereof “such years”; and

(3) by inserting after “ensuing fiscal year” in paragraph (6) “and projections for the four fiscal years immediately following the ensuing fiscal year”.

ALLOWANCES FOR SUPPLEMENTAL BUDGET AUTHORITY AND UNCONTROLLABLE OUTLAYS

SEC. 604. Section 201(a) of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is further amended—

(1) by striking out “and” at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof “; and”; and

(3) by adding at the end thereof the following new paragraph:

“(13) an allowance for additional estimated expenditures and proposed appropriations for the ensuing fiscal year, and an allowance for unanticipated uncontrollable expenditures for the ensuing fiscal year.”

BUDGET DATA BASED ON CONTINUATION OF EXISTING LEVEL OF SERVICES

SEC. 605. (a) On or before November 10 of each year (beginning with 1975), the President shall submit to the Senate and the House of Representatives the estimated outlays and proposed budget authority which would be included in the Budget to be submitted pursuant to section 201 of the Budget and Accounting Act, 1921, for the ensuing fiscal year if all programs and activities were carried on during such ensuing fiscal year at the same level as the fiscal year in progress and without policy changes in such programs and activities. The estimated outlays and proposed budget authority submitted pursuant to this section shall be shown by function and subfunctions (in accordance with the classifications in the budget summary table entitled "Budget Authority and Outlays by Function and Agency"), by major programs within each such function, and by agency. Accompanying these estimates shall be the economic and programmatic assumptions underlying the estimated outlays and proposed budget authority, such as the rate of inflation, the rate of real economic growth, the unemployment rate, program caseloads, and pay increases.

Estimated outlays and proposed budget authority; submittal to Congress by President.

31 USC 11a.
Ante, p. 324.

(b) The Joint Economic Committee shall review the estimated outlays and proposed budget authority so submitted, and shall submit to the Committees on the Budget of both Houses an economic evaluation thereof on or before December 31 of each year.

Evaluation, submittal to Budget Committees.

STUDY OF OFF-BUDGET AGENCIES

SEC. 606. The Committees on the Budget of the House of Representatives and the Senate shall study on a continuing basis those provisions of law which exempt agencies of the Federal Government, or any of their activities or outlays, from inclusion in the Budget of the United States Government transmitted by the President under section 201 of the Budget and Accounting Act, 1921. Each committee shall, from time to time, report to its House its recommendations for terminating or modifying such provisions.

31 USC 11b.

Periodic reports to Congress.

YEAR-AHEAD REQUESTS FOR AUTHORIZATION OF NEW BUDGET AUTHORITY

SEC. 607. Notwithstanding any other provision of law, any request for the enactment of legislation authorizing the enactment of new budget authority to continue a program or activity for a fiscal year (beginning with the fiscal year commencing October 1, 1976) shall be submitted to the Congress not later than May 15 of the year preceding the year in which such fiscal year begins. In the case of a request for the enactment of legislation authorizing the enactment of new budget authority for a new program or activity which is to continue for more than one fiscal year, such request shall be submitted for at least the first 2 fiscal years.

31 USC 11c.

TITLE VII—PROGRAM REVIEW AND EVALUATION

REVIEW AND EVALUATION BY STANDING COMMITTEES

SEC. 701. Section 136(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 190d) is amended by adding at the end thereof the following new sentences: "Such committees may carry out the required analysis, appraisal, and evaluation themselves, or by contract, or may require a Government agency to do so and furnish a report thereon to the Congress. Such committees may rely on such techniques as pilot testing, analysis of costs in comparison with benefits, or provision for evaluation after a defined period of time."

Report to Congress.

REVIEW AND EVALUATION BY THE COMPTROLLER GENERAL

SEC. 702. (a) Section 204 of the Legislative Reorganization Act of 1970 (31 U.S.C. 1154) is amended to read as follows:

"REVIEW AND EVALUATION

"SEC. 204. (a) The Comptroller General shall review and evaluate the results of Government programs and activities carried on under existing law when ordered by either House of Congress, or upon his own initiative, or when requested by any committee of the House of Representatives or the Senate, or any joint committee of the two Houses, having jurisdiction over such programs and activities.

"(b) The Comptroller General, upon request of any committee of either House or any joint committee of the two Houses, shall—

"(1) assist such committee or joint committee in developing a statement of legislative objectives and goals and methods for assessing and reporting actual program performance in relation to such legislative objectives and goals. Such statements shall include, but are not limited to, recommendations as to methods of assessment, information to be reported, responsibility for reporting, frequency of reports, and feasibility of pilot testing; and

"(2) assist such committee or joint committee in analyzing and assessing program reviews or evaluation studies prepared by and for any Federal agency.

Copies.

Upon request of any Member of either House, the Comptroller General shall furnish to such Member a copy of any statement or other material compiled in carrying out paragraphs (1) and (2) which has been released by the committee or joint committee for which it was compiled.

"(c) The Comptroller General shall develop and recommend to the Congress methods for review and evaluation of Government programs and activities carried on under existing law.

Office of Program Review and Evaluation.
Establishment.

"(d) In carrying out his responsibilities under this section, the Comptroller General is authorized to establish an Office of Program Review and Evaluation within the General Accounting Office. The Comptroller General is authorized to employ not to exceed ten experts on a permanent, temporary, or intermittent basis and to obtain services as authorized by section 3109 of title 5, United States Code, but in either case at a rate (or the daily equivalent) for individuals not to exceed that prescribed, from time to time, for level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(e) The Comptroller General shall include in his annual report to the Congress a review of his activities under this section, including his recommendations of methods for review and evaluation of Government programs and activities under subsection (c)."

(b) Item 204 in the table of contents of such Act is amended to read as follows:

"Sec. 204. Review and evaluation."

CONTINUING STUDY OF ADDITIONAL BUDGET REFORM PROPOSALS

31 USC 1303.

SEC. 703. (a) The Committees on the Budget of the House of Representatives and the Senate shall study on a continuing basis proposals designed to improve and facilitate methods of congressional budget-making. The proposals to be studied shall include, but are not limited to, proposals for—

(1) improving the information base required for determining the effectiveness of new programs by such means as pilot testing, survey research, and other experimental and analytical techniques;

(2) improving analytical and systematic evaluation of the effectiveness of existing programs;

(3) establishing maximum and minimum time limitations for program authorization; and

(4) developing techniques of human resource accounting and other means of providing noneconomic as well as economic evaluation measures.

(b) The Committee on the Budget of each House shall, from time to time, report to its House the results of the study carried on by it under subsection (a), together with its recommendations. Periodic reports to Congress.

(c) Nothing in this section shall preclude studies to improve the budgetary process by any other committee of the House of Representatives or the Senate or any joint committee of the Congress.

TITLE VIII—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

AMENDMENT TO LEGISLATIVE REORGANIZATION ACT OF 1970

SEC. 801. (a) So much of title II of the Legislative Reorganization Act of 1970 (31 U.S.C. chapter 22) as precedes section 204 thereof is amended to read as follows:

“TITLE II—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

“PART 1—FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

“FEDERAL FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION SYSTEMS

“SEC. 201. The Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General of the United States, shall develop, establish, and maintain, for use by all Federal agencies, standardized data processing and information systems for fiscal, budgetary, and program-related data and information. The development, establishment, and maintenance of such systems shall be carried out so as to meet the needs of the various branches of the Federal Government and, insofar as practicable, of governments at the State and local level.

31 USC 1151.

“STANDARDIZATION OF TERMINOLOGY, DEFINITIONS, CLASSIFICATIONS, AND CODES FOR FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

“SEC. 202. (a) (1) The Comptroller General of the United States, in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Congressional Budget Office, shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information. The authority contained in this section shall include, but not be limited to, data and information pertaining to Federal fiscal policy, revenues,

31 USC 1152.

receipts, expenditures, functions, programs, projects, and activities. Such standard terms, definitions, classifications, and codes shall be used by all Federal agencies in supplying to the Congress fiscal, budgetary, and program-related data and information.

Report to
Congress.

Additional re-
ports to Con-
gress; legislation
recommendations.

"(2) The Comptroller General shall submit to the Congress, on or before June 30, 1975, a report containing the initial standard terminology, definitions, classifications, and codes referred to in paragraph (1), and shall recommend any legislation necessary to implement them. After June 30, 1975, the Comptroller General shall submit to the Congress additional reports as he may think advisable, including any recommendations for any legislation he may deem necessary to further the development, establishment, and maintenance, modification, and executive implementation of such standard terminology, definitions, classifications, and codes."

"(b) In carrying out this responsibility, the Comptroller General of the United States shall give particular consideration to the needs of the Committees on the Budget of the House and Senate, the Committees on Appropriations of the House and Senate, the Committee on Ways and Means of the House, the Committee on Finance of the Senate, and the Congressional Budget Office.

"(c) The Comptroller General of the United States shall conduct a continuing program to identify and specify the needs of the committees and Members of the Congress for fiscal, budgetary, and program-related information to support the objectives of this part.

"(d) The Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicative or unneeded reporting.

Report to
Congress.

"(e) On or before September 1, 1974, and each year thereafter, the Comptroller General shall report to the Congress on needs identified and specified under subsection (c); the relationship of these needs to the existing reporting requirements; the extent to which the executive branch reporting presently meets the identified needs; the specification of changes to standard classifications needed to meet congressional needs; the activities, progress and results of his activities under subsection (d); and the progress that the executive branch has made during the past year.

Report to
Congress.

"(f) On or before March 1, 1975, and each year thereafter, the Director of the Office of Management and Budget and the Secretary of the Treasury shall report to the Congress on their plans for addressing the needs identified and specified under subsection (c), including plans for implementing changes to classifications and codes to meet the information needs of the Congress as well as the status of prior year system and classification implementations.

"AVAILABILITY TO AND USE BY THE CONGRESS AND STATE AND LOCAL GOVERNMENTS OF FEDERAL FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

31 USC 1153.

"SEC. 203. (a) Upon request of any committee of either House, of any joint committee of the two Houses, of the Comptroller General, or of the Director of the Congressional Budget Office, the Secretary of the Treasury, the Director of the Office of Management and Budget, and the heads of the various executive agencies shall—

"(1) furnish to such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office information as to the location and nature of available fiscal, budgetary, and program-related data and information;

"(2) to the extent practicable, prepare summary tables of such data and information and any related information deemed necessary by such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office; and

"(3) furnish to such committee or joint committee, the Comptroller General, or the Director of the Congressional Budget Office any program evaluations conducted or commissioned by any executive agency.

"(b) The Comptroller General, in cooperation with the Director of the Congressional Budget Office, the Secretary of the Treasury, and the Director of the Office of Management and Budget, shall—

"(1) develop, establish, and maintain an up-to-date inventory and directory of sources and information systems containing fiscal, budgetary, and program-related data and information and a brief description of their content;

"(2) provide, upon request, assistance to committees, joint committees, and Members of Congress in securing Federal fiscal, budgetary, and program-related data and information from the sources identified in such inventory and directory; and

"(3) furnish, upon request, assistance to committees and joint committees of Congress and, to the extent practicable, to Members of Congress in appraising and analyzing fiscal, budgetary, and program-related data and information secured from the sources identified in such inventory and directory.

"(c) The Comptroller General and the Director of the Congressional Budget Office shall, to the extent they deem necessary, develop, establish, and maintain a central file or files of the data and information required to carry out the purposes of this title. Such a file or files shall be established to meet recurring requirements of the Congress for fiscal, budgetary, and program-related data and information and shall include, but not be limited to, data and information pertaining to budget requests, congressional authorizations to obligate and spend, apportionment and reserve actions, and obligations and expenditures. Such file or files and their indexes shall be maintained in such a manner as to facilitate their use by the committees of both Houses, joint committees, and other congressional agencies through modern data processing and communications techniques.

Central data files, development.

"(d) The Director of the Office of Management and Budget, in cooperation with the Director of the Congressional Budget Office, the Comptroller General, and appropriate representatives of State and local governments, shall provide, to the extent practicable, State and local governments such fiscal, budgetary, and program-related data and information as may be necessary for the accurate and timely determination by these governments of the impact of Federal assistance upon their budgets."

Information to State and local governments.

(b) The table of contents of the Legislative Reorganization Act of 1970 is amended by striking out—

"TITLE II—FISCAL CONTROLS

"PART 1—BUDGETARY AND FISCAL INFORMATION AND DATA

"Sec. 201. Budgetary and fiscal data processing system.

"Sec. 202. Budget standard classifications.

"Sec. 203. Availability to Congress of budgetary, fiscal, and related data."

and inserting in lieu thereof—

"TITLE II—FISCAL AND BUDGETARY INFORMATION AND CONTROLS

"PART 1—FISCAL, BUDGETARY, AND PROGRAM-RELATED DATA AND INFORMATION

"Sec. 201. Federal fiscal, budgetary, and program-related data and information systems.

"Sec. 202. Standardization of terminology, definitions, classifications, and codes for fiscal, budgetary, and program-related data and information.

"Sec. 203. Availability to and use by the Congress and State and local governments of Federal fiscal, budgetary, and program-related data and information."

CHANGES IN FUNCTIONAL CATEGORIES

31 USC 11d.

Ante, p. 324.

SEC. 802. Any change in the functional categories set forth in the Budget of the United States Government transmitted pursuant to section 201 of the Budget and Accounting Act, 1921, shall be made only in consultation with the Committees on Appropriations and the Budget of the House of Representatives and Senate.

TITLE IX—MISCELLANEOUS PROVISIONS; EFFECTIVE DATES

AMENDMENTS TO RULES OF THE HOUSE

Ante, p. 299.

SEC. 901. (a) Rule XI of the Rules of the House of Representatives (as amended by section 101(c) of this Act) is amended by inserting immediately after clause 22 the following new clause:

"22A. The respective areas of legislative jurisdiction under this rule are modified by title I of the Congressional Budget Act of 1974."

(b) Paragraph (c) of clause 29 of Rule XI of the Rules of the House of Representatives (as redesignated by section 101(c) of this Act) is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(c) Subparagraph (5) of paragraph (a) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end thereof.

(d) Subparagraph (4) of paragraph (b) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately before the period at the end hereof.

(e) Paragraph (d) of clause 30 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by striking out "the Committee on Appropriations may appoint" and inserting in lieu thereof "the Committee on Appropriations and the Committee on the Budget may each appoint".

(f) Clause 32 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "the Committee on the Budget," immediately after "the Committee on Appropriations,".

(g) Paragraph (a) of clause 33 of Rule XI of the Rules of the House of Representatives (as so redesignated) is amended by inserting "and the Committee on the Budget" immediately after "the Committee on Appropriations".

CONFORMING AMENDMENTS TO STANDING RULES OF THE SENATE

SEC. 902. Paragraph 1 of rule XXV of the Standing Rules of the Senate is amended—

(1) by striking out "Revenue" in subparagraph (h)1 and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, revenue";

(2) by striking out "The" in subparagraph (h)2 and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, the"; and

(3) by striking out "Budget" in subparagraph (j) (1) (A) and inserting in lieu thereof "Except as provided in the Congressional Budget Act of 1974, budget".

AMENDMENTS TO LEGISLATIVE REORGANIZATION ACT OF 1946

SEC. 903. (a) Section 134(c) of the Legislative Reorganization Act of 1946 (2 U.S.C. 190b(b)) is amended by inserting "or the Committee on the Budget" after "Appropriations".

(b) Section 136(c) of such Act (2 U.S.C. 190d(c)) is amended by striking out "Committee on Appropriations of the Senate and the Committees on Appropriations," and inserting in lieu thereof "Committees on Appropriations and the Budget of the Senate and the Committees on Appropriations, the Budget,".

EXERCISE OF RULEMAKING POWERS

SEC. 904. (a) The provisions of this title (except section 905) and of titles I, III, and IV and the provisions of sections 606, 701, 703, and 1017 are enacted by the Congress—

31 USC 1301
note.

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

(b) Any provision of title III or IV may be waived or suspended in the Senate by a majority vote of the Members voting, a quorum being present, or by the unanimous consent of the Senate.

Waiver.
Ante, pp. 306,
317.

(c) Appeals in the Senate from the decisions of the Chair relating to any provision of title III or IV or section 1017 shall, except as otherwise provided therein, be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, concurrent resolution, reconciliation bill, or rescission bill, as the case may be.

Appeals.

EFFECTIVE DATES

SEC. 905. (a) Except as provided in this section, the provisions of this Act shall take effect on the date of its enactment.

31 USC 1301
note.

(b) Title II (except section 201(a)), section 403, and section 502(c) shall take effect on the day on which the first Director of the Congressional Budget Office is appointed under section 201(a).

(c) Except as provided in section 906, title III and section 402 shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years, and section 401 shall take effect on the first day of the second regular session of the Ninety-fourth Congress.

(d) The amendments to the Budget and Accounting Act, 1921, made by sections 601, 603, and 604 shall apply with respect to the fiscal year beginning on July 1, 1975, and succeeding fiscal years, except that section 201(g) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years and section 201(i) of such Act (as added by section 601)

31 USC 1.
Ante, p. 323.

shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years. The amendment to such Act made by section 602 shall apply with respect to the fiscal year beginning on October 1, 1976, and succeeding fiscal years.

APPLICATION OF CONGRESSIONAL BUDGET PROCESS TO FISCAL YEAR 1976

31 USC 1322
note.

Ante, pp. 306,
317.

Ante, p. 304.

SEC. 906. If the Committees on the Budget of the House of Representatives and the Senate both agree that it is feasible to report and act on a concurrent resolution on the budget referred to in section 301 (a), or to apply any provision of title III or section 401 or 402, for the fiscal year beginning on July 1, 1975, and submit reports of such agreement to their respective Houses, then to the extent and in the manner specified in such reports, the provisions so specified and section 202 (f) shall apply with respect to such fiscal year. If any provision so specified contains a date, such reports shall also specify a substitute date.

Impoundment
Control Act of
1974.

TITLE X—IMPOUNDMENT CONTROL

PART A—GENERAL PROVISIONS

DISCLAIMER

31 USC 1400.

SEC. 1001. Nothing contained in this Act, or in any amendments made by this Act, shall be construed as—

(1) asserting or conceding the constitutional powers or limitations of either the Congress or the President;

(2) ratifying or approving any impoundment heretofore or hereafter executed or approved by the President or any other Federal officer or employee, except insofar as pursuant to statutory authorization then in effect;

(3) affecting in any way the claims or defenses of any party to litigation concerning any impoundment; or

(4) superseding any provision of law which requires the obligation of budget authority or the making of outlays thereunder.

AMENDMENT TO ANTIDEFICIENCY ACT

Contingency or
savings reserves,
establishment.

SEC. 1002. Section 3679(c) (2) of the Revised Statutes, as amended (31 U.S.C. 665), is amended to read as follows:

“(2) In apportioning any appropriation, reserves may be established solely to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements or greater efficiency of operations. Whenever it is determined by an officer designated in subsection (d) of this section to make apportionments and reapportionments that any amount so reserved will not be required to carry out the full objectives and scope of the appropriation concerned, he shall recommend the rescission of such amount in the manner provided in the Budget and Accounting Act, 1921, for estimates of appropriations. Except as specifically provided by particular appropriations Acts or other laws, no reserves shall be established other than as authorized by this subsection. Reserves established pursuant to this subsection shall be reported to the Congress in accordance with the Impoundment Control Act of 1974.”

31 USC 1.

REPEAL OF EXISTING IMPOUNDMENT REPORTING PROVISION

SEC. 1003. Section 203 of the Budget and Accounting Procedures Act of 1950 is repealed.

31 USC 581c-1.

PART B—CONGRESSIONAL CONSIDERATION OF PROPOSED RESCISSIONS,
RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY

DEFINITIONS

SEC. 1011. For purposes of this part—

31 USC 1401.

(1) “deferral of budget authority” includes—

(A) withholding or delaying the obligation or expenditure of budget authority (whether by establishing reserves or otherwise) provided for projects or activities; or

(B) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of budget authority, including authority to obligate by contract in advance of appropriations as specifically authorized by law;

(2) “Comptroller General” means the Comptroller General of the United States;

(3) “rescission bill” means a bill or joint resolution which only rescinds, in whole or in part, budget authority proposed to be rescinded in a special message transmitted by the President under section 1012, and upon which the Congress completes action before the end of the first period of 45 calendar days of continuous session of the Congress after the date on which the President’s message is received by the Congress;

(4) “impoundment resolution” means a resolution of the House of Representatives or the Senate which only expresses its disapproval of a proposed deferral of budget authority set forth in a special message transmitted by the President under section 1013; and

(5) continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 45-day period referred to in paragraph (3) of this section and in section 1012, and the 25-day periods referred to in sections 1016 and 1017(b)(1). If a special message is transmitted under section 1012 during any Congress and the last session of such Congress adjourns sine die before the expiration of 45 calendar days of continuous session (or a special message is so transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the 45-day period referred to in paragraph (3) of this section and in section 1012 (with respect to such message) shall commence on the day after such first day.

Congressional
session conti-
nuity.

RESCISSION OF BUDGET AUTHORITY

SEC. 1012. (a) TRANSMITTAL OF SPECIAL MESSAGE.—Whenever the President determines that all or part of any budget authority will not be required to carry out the full objectives or scope of programs for which it is provided or that such budget authority should be rescinded for fiscal policy or other reasons (including the termination of authorized projects or activities for which budget authority has been provided), or whenever all or part of budget authority provided for only one fiscal year is to be reserved from obligation for such fiscal year, the President shall transmit to both Houses of Congress a special message specifying—

31 USC 1402.

(1) the amount of budget authority which he proposes to be rescinded or which is to be so reserved;

(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific project or governmental functions involved;

(3) the reasons why the budget authority should be rescinded or is to be so reserved;

(4) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed rescission or of the reservation; and

(5) all facts, circumstances, and considerations relating to or bearing upon the proposed rescission or the reservation and the decision to effect the proposed rescission or the reservation, and to the maximum extent practicable, the estimated effect of the proposed rescission or the reservation upon the objects, purposes, and programs for which the budget authority is provided.

(b) **REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.**—Any amount of budget authority proposed to be rescinded or that is to be reserved as set forth in such special message shall be made available for obligation unless, within the prescribed 45-day period, the Congress has completed action on a rescission bill rescinding all or part of the amount proposed to be rescinded or that is to be reserved.

DISAPPROVAL OF PROPOSED DEFERRALS OF BUDGET AUTHORITY

31 USC 1403.

SEC. 1013. (a) TRANSMITTAL OF SPECIAL MESSAGE.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States proposes to defer any budget authority provided for a specific purpose or project, the President shall transmit to the House of Representatives and the Senate a special message specifying—

(1) the amount of the budget authority proposed to be deferred;

(2) any account, department, or establishment of the Government to which such budget authority is available for obligation, and the specific projects or governmental functions involved;

(3) the period of time during which the budget authority is proposed to be deferred;

(4) the reasons for the proposed deferral, including any legal authority invoked by him to justify the proposed deferral;

(5) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the proposed deferral; and

(6) all facts, circumstances, and considerations relating to or bearing upon the proposed deferral and the decision to effect the proposed deferral, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority and specific elements of legal authority invoked by him to justify such proposed deferral, and to the maximum extent practicable, the estimated effect of the proposed deferral upon the objects, purposes, and programs for which the budget authority is provided.

Time limitation. A special message may include one or more proposed deferrals of budget authority. A deferral may not be proposed for any period of time extending beyond the end of the fiscal year in which the special message proposing the deferral is transmitted to the House and the Senate.

(b) **REQUIREMENT TO MAKE AVAILABLE FOR OBLIGATION.**—Any amount of budget authority proposed to be deferred, as set forth in a special message transmitted under subsection (a), shall be made available for obligation if either House of Congress passes an impoundment resolution disapproving such proposed deferral.

(c) **EXCEPTION.**—The provisions of this section do not apply to any budget authority proposed to be rescinded or that is to be reserved as set forth in a special message required to be transmitted under section 1012.

TRANSMISSION OF MESSAGES; PUBLICATION

SEC. 1014. (a) DELIVERY TO HOUSE AND SENATE.—Each special message transmitted under section 1012 or 1013 shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the appropriate committee of the House of Representatives and the Senate. Each such message shall be printed as a document of each House.

31 USC 1404.

(b) **DELIVERY TO COMPTROLLER GENERAL.**—A copy of each special message transmitted under section 1012 or 1013 shall be transmitted to the Comptroller General on the same day it is transmitted to the House of Representatives and the Senate. In order to assist the Congress in the exercise of its functions under sections 1012 and 1013, the Comptroller General shall review each such message and inform the House of Representatives and the Senate as promptly as practicable with respect to—

Printing as
House or Senate
document.
Copy.

Review.

(1) in the case of a special message transmitted under section 1012, the facts surrounding the proposed rescission or the reservation of budget authority (including the probable effects thereof); and

(2) in the case of a special message transmitted under section 1013, (A) the facts surrounding each proposed deferral of budget authority (including the probable effects thereof) and (B) whether or not (or to what extent), in his judgment, such proposed deferral is in accordance with existing statutory authority.

(c) **TRANSMISSION OF SUPPLEMENTARY MESSAGES.**—If any information contained in a special message transmitted under section 1012 or 1013 is subsequently revised, the President shall transmit to both Houses of Congress and the Comptroller General a supplementary message stating and explaining such revision. Any such supplementary message shall be delivered, referred, and printed as provided in subsection (a). The Comptroller General shall promptly notify the House of Representatives and the Senate of any changes in the information submitted by him under subsection (b) which may be necessitated by such revision.

Notification of
Congress.

(d) **PRINTING IN FEDERAL REGISTER.**—Any special message transmitted under section 1012 or 1013, and any supplementary message transmitted under subsection (c), shall be printed in the first issue of the Federal Register published after such transmittal.

(e) **CUMULATIVE REPORTS OF PROPOSED RESCISSIONS, RESERVATIONS, AND DEFERRALS OF BUDGET AUTHORITY.**—

(1) The President shall submit a report to the House of Representatives and the Senate, not later than the 10th day of each month during a fiscal year, listing all budget authority for that fiscal year with respect to which, as of the first day of such month—

(A) he has transmitted a special message under section 1012 with respect to a proposed rescission or a reservation; and

(B) he has transmitted a special message under section 1013 proposing a deferral.

Such report shall also contain, with respect to each such proposed rescission or deferral, or each such reservation, the information required to be submitted in the special message with respect thereto under section 1012 or 1013.

Publication in
Federal Register.

(2) Each report submitted under paragraph (1) shall be printed in the first issue of the Federal Register published after its submission.

REPORTS BY COMPTROLLER GENERAL

31 USC 1405.

SEC. 1015. (a) FAILURE TO TRANSMIT SPECIAL MESSAGE.—If the Comptroller General finds that the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any other officer or employee of the United States—

(1) is to establish a reserve or proposes to defer budget authority with respect to which the President is required to transmit a special message under section 1012 or 1013; or

(2) has ordered, permitted, or approved the establishment of such a reserve or a deferral of budget authority;

Report to
Congress.

and that the President has failed to transmit a special message with respect to such reserve or deferral, the Comptroller General shall make a report on such reserve or deferral and any available information concerning it to both Houses of Congress. The provisions of this part shall apply with respect to such reserve or deferral in the same manner and with the same effect as if such report of the Comptroller General were a special message transmitted by the President under section 1012 or 1013, and, for purposes of this part, such report shall be considered a special message transmitted under section 1012 or 1013.

(b) INCORRECT CLASSIFICATION OF SPECIAL MESSAGE.—If the President has transmitted a special message to both Houses of Congress in accordance with section 1012 or 1013, and the Comptroller General believes that the President so transmitted the special message in accordance with one of those sections when the special message should have been transmitted in accordance with the other of those sections, the Comptroller General shall make a report to both Houses of the Congress setting forth his reasons.

Report to
Congress.

SUITS BY COMPTROLLER GENERAL

31 USC 1406.

SEC. 1016. If, under section 1012(b) or 1013(b), budget authority is required to be made available for obligation and such budget authority is not made available for obligation, the Comptroller General is hereby expressly empowered, through attorneys of his own selection, to bring a civil action in the United States District Court for the District of Columbia to require such budget authority to be made available for obligation, and such court is hereby expressly empowered to enter in such civil action, against any department, agency, officer, or employee of the United States, any decree, judgment, or order which may be necessary or appropriate to make such budget authority available for obligation. The courts shall give precedence to civil actions brought under this section, and to appeals and writs from decisions in such

Precedence.

actions, over all other civil actions, appeals, and writs. No civil action shall be brought by the Comptroller General under this section until the expiration of 25 calendar days of continuous session of the Congress following the date on which an explanatory statement by the Comptroller General of the circumstances giving rise to the action contemplated has been filed with the Speaker of the House of Representatives and the President of the Senate.

Civil actions;
25-day waiting
period.

Statement,
filing.

PROCEDURE IN HOUSE AND SENATE

SEC. 1017. (a) REFERRAL.—Any rescission bill introduced with respect to a special message or impoundment resolution introduced with respect to a proposed deferral of budget authority shall be referred to the appropriate committee of the House of Representatives or the Senate, as the case may be.

31 USC 1407.

(b) DISCHARGE OF COMMITTEE.—

(1) If the committee to which a rescission bill or impoundment resolution has been referred has not reported it at the end of 25 calendar days of continuous session of the Congress after its introduction, it is in order to move either to discharge the committee from further consideration of the bill or resolution or to discharge the committee from further consideration of any other rescission bill with respect to the same special message or impoundment resolution with respect to the same proposed deferral, as the case may be, which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the bill or resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged in the House and privileged in the Senate (except that it may not be made after the committee has reported a bill or resolution with respect to the same special message or the same proposed deferral, as the case may be); and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the bill or resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(c) FLOOR CONSIDERATION IN THE HOUSE.—

(1) When the committee of the House of Representatives has reported, or has been discharged from further consideration of, a rescission bill or impoundment resolution, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the bill or resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on a rescission bill or impoundment resolution shall be limited to not more than 2 hours, which shall be divided equally between those favoring and those opposing the bill or resolution. A motion further to limit debate shall not be debatable. In the case of an impoundment resolution, no amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a rescission bill or impoundment resolution is agreed to or disagreed to.

Debate, time
limitation.

Postponement
motions.

(3) Motions to postpone, made with respect to the consideration of a rescission bill or impoundment resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

Appeals.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to any rescission bill or impoundment resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of any rescission bill or impoundment resolution and amendments thereto (or any conference report thereon) shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions, amendments, and conference reports in similar circumstances.

Debate, time
limitation.

(d) FLOOR CONSIDERATION IN THE SENATE.—

(1) Debate in the Senate on any rescission bill or impoundment resolution, and all amendments thereto (in the case of a rescission bill) and debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(2) Debate in the Senate on any amendment to a rescission bill shall be limited to 2 hours, to be equally divided between, and controlled by, the mover and the manager of the bill. Debate on any amendment to an amendment, to such a bill, and debate on any debatable motion or appeal in connection with such a bill or an impoundment resolution shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or resolution, except that in the event the manager of the bill or resolution is in favor of any such amendment, motion, or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. No amendment that is not germane to the provisions of a rescission bill shall be received. Such leaders, or either of them, may, from the time under their control on the passage of a rescission bill or impoundment resolution, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

(3) A motion to further limit debate is not debatable. In the case of a rescission bill, a motion to recommit (except a motion to recommit with instructions to report back within a specified number of days, not to exceed 3, not counting any day on which the Senate is not in session) is not in order. Debate on any such motion to recommit shall be limited to one hour, to be equally divided between, and controlled by, the mover and the manager of the concurrent resolution. In the case of an impoundment resolution, no amendment or motion to recommit is in order.

Conference re-
ports.

(4) The conference report on any rescission bill shall be in order in the Senate at any time after the third day (excluding Saturdays, Sundays, and legal holidays) following the day on which such a conference report is reported and is available to Members of the Senate. A motion to proceed to the consideration of the conference report may be made even though a previous motion to the same effect has been disagreed to.

(5) During the consideration in the Senate of the conference report on any rescission bill, debate shall be limited to 2 hours, to be equally divided between, and controlled by, the majority leader and minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report.

Debate, time
limitation.

(6) Should the conference report be defeated, debate on any request for a new conference and the appointment of conferees shall be limited to one hour, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee, and should any motion be made to instruct the conferees before the conferees are named, debate on such motion shall be limited to 30 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. Debate on any amendment to any such instructions shall be limited to 20 minutes, to be equally divided between, and controlled by, the mover and the manager of the conference report. In all cases when the manager of the conference report is in favor of any motion, appeal, or amendment, the time in opposition shall be under the control of the minority leader or his designee.

(7) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment that is not germane to the provisions of such amendments shall be received.

Approved July 12, 1974.

Public Law 93-345

AN ACT

To amend the Act of October 15, 1966 (80 Stat. 953, 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations to the Smithsonian Institution for carrying out the purposes of said Act.

July 12, 1974
[S. 2137]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 (a) (4) of the National Museum Act of 1966 (20 U.S.C. 65a) is amended by inserting immediately before the semicolon the following: “, with emphasis on museum conservation and the development of a national institute for museum conservation”.

Smithsonian
Institution.
Appropriation
authorization.

SEC. 2. Section 2(b) of such Act is amended to read as follows:

“(b) There are authorized to be appropriated to the Smithsonian Institution such sums as may be necessary to carry out the purposes of this Act: *Provided*, That no more than \$1,000,000 shall be appropriated annually through fiscal year 1977, of which no less than \$200,000 annually shall be allocated and used to carry out the purposes of section 2(a) (4) of this Act.”

Approved July 12, 1974.

Public Law 93-346

July 12, 1974
[S. J. Res. 202]

JOINT RESOLUTION

Designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, effective upon the termination of service of the incumbent Chief of Naval Operations.

Vice President
of the United
States.
Official tempo-
rary residence,
designation.
3 USC 111 note.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective upon termination of service by the incumbent in the office of Chief of Naval Operations, Department of the Navy, the Government-owned house together with furnishings, associated grounds and related facilities which are and have been used as the residence of the Chief of Naval Operations, shall thenceforth be available for, and shall be designated as, the official temporary residence of the Vice President of the United States.

3 USC 111 note.

SEC. 2. As in the case of the White House, the official temporary residence of the Vice President shall be adequately staffed and provided with such appropriate equipment, furnishings, dining facilities, services, and other provisions as may be required, under the supervision and direction of the Vice President, to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his high office.

Staffing and
maintenance by
Secretary of
Navy.
3 USC 111 note.

SEC. 3. The Secretary of the Navy shall, subject to the supervision and control of the Vice President, provide for the staffing, care, maintenance, repair, improvement, alteration, and furnishing of the official residence and grounds of the Vice President.

Appropriation.
3 USC 111 note.

SEC. 4. There is hereby authorized to be appropriated such sums as may be necessary from time to time to carry out the foregoing purposes. During any interim period until and before such funds are so appropriated, the Department of the Navy shall make provision for staffing and other appropriate services in connection with the official temporary residence of the Vice President, subject to reimbursement therefor out of any contingency funds available to the Executive.

Chief of Naval
Operations, living
accommodations.
3 USC 111 note.

SEC. 5. It is the sense of Congress that living accommodations, generally equivalent to those available to the highest ranking officer on active duty in each of the other military services, should be provided for the Chief of Naval Operations.

Approved July 12, 1974.

Public Law 93-347

July 12, 1974
[S. 3458]

AN ACT

To continue domestic food assistance programs, and for other purposes.

Food stamp and
special milk pro-
grams.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(a) of the Agriculture and Consumer Protection Act of 1973, as amended (87 Stat. 221, as amended, 7 U.S.C. 612c note), is amended to read as follows:

Commodity
distribution.

"SEC. 4. (a) (1) Notwithstanding any other provision of law, the Secretary of Agriculture shall until July 1, 1975, (i) use funds available under provisions of section 32 of Public Law 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), and not otherwise expended or necessary for such purposes to purchase, without regard to the provisions of existing law governing the expenditure of public funds, agricultural commodities and their products of the types customarily purchased under section 32 (which may include seafood commodities and their products) to maintain the traditional level of assistance for food assistance programs as are authorized by law, including but not lim-

ited to distribution to needy families pending the transition to the food stamp program, institutions, supplemental feeding programs wherever located, disaster relief, summer camps for children, and the family commodity distribution program on Indian reservations not requesting a food stamp program, and (ii) if stocks of the Commodity Credit Corporation are not available, use the funds of the Corporation to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949 to meet such requirements.

7 USC 1431.

“(2) Notwithstanding any other provision of law, the Secretary of Agriculture shall, during each of the two fiscal years beginning July 1, 1975, and ending June 30, 1977, purchase agricultural commodities and otherwise carry out the provisions of this subsection with funds appropriated from the general fund of the Treasury. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this paragraph. Authority provided in this paragraph shall be carried out only with such funds as are appropriated from the general fund of the Treasury for that specific purpose, and in no event shall it be carried out with funds derived from permanent appropriations.

Appropriation.

“(3) Nothing in this subsection shall supersede the requirements of section 10(e) of the Food Stamp Act of 1964, as amended, except as to Indian reservations.”

7 USC 2019.

SEC. 2. Section 15 of the Food Stamp Act of 1964, as amended, is amended by changing subsections (a) and (b) to read as follows:

7 USC 2024.

“(a) Except as otherwise provided in this section, each State shall be responsible for financing, from funds available to the State or political subdivision thereof, the costs of carrying out the administrative responsibilities assigned to it under the provisions of this Act.

State financing of administrative costs.

“(b) The Secretary is authorized to pay to each State agency an amount equal to 50 per centum of all administrative costs, including, but not limited to, the cost of (1) the certification of households; (2) the acceptance, storage, and protection of coupons after their delivery to receiving points within the States; (3) the issuance of such coupons to eligible households; (4) the outreach and fair hearing requirements of section 10 of this Act; and (5) the control and accounting of coupons: *Provided*, That each State shall, from time to time at the request of the Secretary, report to the Secretary on the effectiveness of its administration of the program and no such payment shall be made to any State unless the Secretary is satisfied pursuant to regulations which he shall issue that an adequate number of qualified personnel are employed by the State in the program to administer the program efficiently and effectively.”

Federal payments to States.

7 USC 2019.

SEC. 3. Section 3 of the Child Nutrition Act of 1966, as amended (80 Stat. 885, as amended, 42 U.S.C. 1771-1786), is amended as follows:

Special milk program.
42 USC 1772.

(a) The first sentence is amended by striking “, not to exceed \$120,000,000,” and inserting in lieu thereof “such sums as may be necessary”.

(b) Section 3 is further amended by adding at the end thereof the following: “For the fiscal year ending June 30, 1975, and for subsequent fiscal years, the minimum rate of reimbursement for a half-pint of milk served in schools and other eligible institutions shall not be less than 5 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each fiscal year thereafter, beginning with the fiscal year ending June 30, 1976, to reflect changes in the series of food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent.”

Reimbursement, minimum rate.

Approved July 12, 1974.

Public Law 93-348

July 12, 1974
[H. R. 7724]

AN ACT

To amend the Public Health Service Act to establish a program of National Research Service Awards to assure the continued excellence of biomedical and behavioral research and to provide for the protection of human subjects involved in biomedical and behavioral research and for other purposes.

National Re-
search Act.
42 USC 289l-1
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Research Act".

National Re-
search Service
Award Act of
1974.

TITLE I—BIOMEDICAL AND BEHAVIORAL RESEARCH TRAINING

SHORT TITLE

42 USC 289l-1
note.

SEC. 101. This title may be cited as the "National Research Service Award Act of 1974".

FINDINGS AND DECLARATION OF PURPOSE

42 USC 289l-1
note.

SEC. 102. (a) Congress finds and declares that—

(1) the success and continued viability of the Federal biomedical and behavioral research effort depends on the availability of excellent scientists and a network of institutions of excellence capable of producing superior research personnel;

(2) direct support of the training of scientists for careers in biomedical and behavioral research is an appropriate and necessary role for the Federal Government; and

(3) graduate research assistance programs should be the key elements in the training programs of the institutes of the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration.

(b) It is the purpose of this title to increase the capability of the institutes of the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration to carry out their responsibility of maintaining a superior national program of research into the physical and mental diseases and impairments of man.

BIOMEDICAL AND BEHAVIORAL RESEARCH TRAINING

Ante, p. 135.

SEC. 103. The part H of the Public Health Service Act relating to the appointment of the Directors of the National Institutes of Health and the National Cancer Institute is redesignated as part I, section 461 of such part is redesignated as section 471, and such part is amended by adding at the end the following new sections:

"NATIONAL RESEARCH SERVICE AWARDS

42 USC 289l-1.

"SEC. 472. (a) (1) The Secretary shall—

"(A) provide National Research Service Awards for—

"(i) biomedical and behavioral research at the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration in matters relating to the cause, diagnosis, prevention, and treatment of the disease (or diseases) or other health problems to which the activities of the Institutes and Administration are directed,

"(ii) training at the Institutes and Administration of individuals to undertake such research,

“(iii) biomedical and behavioral research at non-Federal public institutions and at nonprofit private institutions, and

“(iv) pre- and postdoctoral training at such public and private institutions of individuals to undertake such research; and

“(B) make grants to non-Federal public institutions and to nonprofit private institutions to enable such institutions to make to individuals selected by them National Research Service Awards for research (and training to undertake such research) in the matters described in subparagraph (A) (i).

Non-Federal public and nonprofit private institutions, grants.

A reference in this subsection to the National Institutes of Health or the Alcohol, Drug Abuse, and Mental Health Administration shall be considered to include the institutes, divisions, and bureaus included in the Institutes or under the Administration, as the case may be.

“(2) National Research Service Awards may not be used to support residencies.

Prohibition.

“(3) Effective July 1, 1975, National Research Service Awards may be made for research or research training in only those subject areas for which, as determined under section 473, there is a need for personnel.

Post, p. 345.

“(b) (1) No National Research Service Award may be made by the Secretary to any individual unless—

“(A) the individual has submitted to the Secretary an application therefor and the Secretary has approved the application;

Application.

“(B) the individual provides, in such form and manner as the Secretary shall by regulation prescribe, assurances satisfactory to the Secretary that the individual will meet the service requirement of subsection (c) (1); and

“(C) in the case of a National Research Service Award for a purpose described in subsection (a) (1) (A) (iii) or (a) (1) (A) (iv), the individual has been sponsored (in such manner as the Secretary may by regulation require) by the institution at which the research or training under the Award will be conducted.

An application for an Award shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe.

“(2) The award of National Research Service Awards by the Secretary under subsection (a) and the making of grants for such Awards shall be subject to review and approval by the appropriate advisory councils to the entities of the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration (A) whose activities relate to the research or training under the Awards, or (B) at which such research or training will be conducted.

Review.

“(3) No grant may be made under subsection (a) (1) (B) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe. Subject to the provisions of this section other than paragraph (1) of this subsection, National Research Service Awards made under a grant under subsection (a) (1) (B) shall be made in accordance with such regulations as the Secretary shall prescribe.

Application approval.

“(4) The period of any National Research Service Award made to any individual under subsection (a) may not exceed three years in the aggregate unless the Secretary for good cause shown waives the application of the three-year limit to such individual.

Three-year limitation.

Stipends and allowances.

"(5) National Research Service Awards shall provide for such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the recipients of the Awards as the Secretary may deem necessary. A National Research Service Award made to an individual for research or research training at a non-Federal public or nonprofit private institution shall also provide for payments to be made to the institution for the cost of support services (including the cost of faculty salaries, supplies, equipment, general research support, and related items) provided such individual by such institution. The amount of any such payments to any institution shall be determined by the Secretary and shall bear a direct relationship to the reasonable costs of the institution for establishing and maintaining the quality of its biomedical and behavioral research and training programs.

Health research or teaching, participation.

"(c) (1) (A) Each individual who receives a National Research Service Award shall, in accordance with paragraph (3), engage in—

"(i) health research or teaching,

"(ii) if authorized under subparagraph (B), serve as a member of the National Health Service Corps or serve in his specialty, or

"(iii) if authorized under subparagraph (C), serve in a health related activity approved under that subparagraph, for a period computed in accordance with paragraph (2).

"(B) Any individual who received a National Research Service Award and who is a physician, dentist, nurse, or other individual trained to provide health care directly to individual patients may, upon application to the Secretary, be authorized by the Secretary to—

"(i) serve as a member of the National Health Service Corps,

"(ii) serve in his specialty in private practice in a geographic area designated by the Secretary as requiring that specialty, or

"(iii) provides services in his specialty for a health maintenance organization to which payments may be made under section 1876 of title XVIII of the Social Security Act and which serves a medically underserved population (as defined in section 1302(7) of this Act),

42 USC 1395mm.

42 USC 300e-1.

in lieu of engaging in health research or teaching if the Secretary determines that there are no suitable health research or teaching positions available to such individual.

Health-related activities.

"(C) Where appropriate the Secretary may, upon application, authorize a recipient of a National Research Service Award, who is not trained to provide health care directly to individual patients, to engage in a health-related activity in lieu of engaging in health research or teaching if the Secretary determines that there are no suitable health research or teaching positions available to such individual.

"(2) For each year for which an individual receives a National Research Service Award he shall—

"(A) for twelve months engage in health research or teaching or, if so authorized, serve as a member of the National Health Service Corps, or

"(B) if authorized under paragraph (1) (B) or (1) (C), for twenty months serve in his specialty or engage in a health-related activity.

"(3) The requirement of paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual's Award, as the Secretary shall by regulation prescribe. The Secretary shall (A) by regulation prescribe (i) the type of research and teaching which an individual may engage in to comply with such requirement, and (ii)

such other requirements respecting such research and teaching and alternative service authorized under paragraphs (1) (B) and (1) (C) as he deems necessary; and (B) to the extent feasible, provide that the members of the National Health Service Corps who are serving in the Corps to meet the requirement of paragraph (1) shall be assigned to patient care and to positions which utilize the clinical training and experience of the members.

“(4) (A) If any individual to whom the requirement of paragraph (1) is applicable fails, within the period prescribed by paragraph (c), to comply with such requirement, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

Noncompliance,
recovery formula.

$$A = \phi \left(\frac{t - 1/2s}{t} \right)$$

in which ‘A’ is the amount the United States is entitled to recover; ‘ ϕ ’ is the sum of the total amount paid under one or more National Research Service Awards to such individual and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at a rate fixed by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing at the time each Award to such individual was made; ‘t’ is the total number of months in such individual’s service obligation; and ‘s’ is the number of months of such obligation served by him in accordance with paragraphs (1) and (2) of this subsection.

“(B) Any amount which the United States is entitled to recover under subparagraph (A) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under subparagraph (A) on account of any National Research Service Award is paid, there shall accrue to the United States interest on such amount at the same rate as that fixed by the Secretary of the Treasury under subparagraph (A) to determine the amount due the United States.

“(4) (A) Any obligation of any individual under paragraph (3) shall be canceled upon the death of such individual.

Obligations,
cancellation,
waiver or suspension.

“(B) The Secretary shall by regulation provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.

“(d) There are authorized to be appropriated to make payments under National Research Service Awards and under grants for such Awards \$207,947,000 for the fiscal year ending June 30, 1975. Of the sums appropriated under this subsection, not less than 25 per centum shall be made available for payments under National Research Service Awards provided by the Secretary under subsection (a) (1) (A).

Appropriation.

“STUDIES RESPECTING BIOMEDICAL AND BEHAVIORAL RESEARCH PERSONNEL

“SEC. 473. (a) The Secretary shall, in accordance with subsection (b), arrange for the conduct of a continuing study to—

42 USC 2891-2.

“(1) establish (A) the Nation’s overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

“(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this Act at or through institutes under the National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration, and (B) other current training programs available for the training of such personnel;

“(3) identify the kinds of research positions available to and held by individuals completing such programs;

“(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2) would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated; and

“(5) determine what modifications in the programs referred to in paragraph (2) are required to meet the needs established under paragraph (1).

“(b)(1) The Secretary shall request the National Academy of Sciences to conduct the study required by subsection (a) under an arrangement under which the actual expenses incurred by such Academy in conducting such study will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such study.

“(2) If the National Academy of Sciences is unwilling to conduct such study under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such study and prepare and submit the reports thereon as provided in subsection (c).

“(c) A report on the results of such study shall be submitted by the Secretary to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate not later than March 31 of each year.”

Report to congressional committees.

CONFORMING AMENDMENTS

42 USC 241.

SEC. 104. (a)(1) Section 301 of the Public Health Service Act is amended (A) by striking out paragraph (c); (B) by striking out in paragraph (d) “or research training” each place it occurs, “and research training programs”, and “and research training program”; and (C) by redesignating paragraphs (d), (e), (f), (g), (h), and (i) as paragraphs (c), (d), (e), (f), (g), and (h), respectively.

(2)(A) Section 303(a)(1) of such Act is amended to read as follows:

Clinical training and instruction.

42 USC 242a.

“(1) to provide clinical training and instruction and to establish and maintain clinical traineeships (with such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the trainees as the Secretary may deem necessary);”

(B) Section 303(b) of such Act is amended by inserting before the first sentence the following: “The Secretary may provide for training, instruction, and traineeships under subsection (a)(1) through grants to public and other nonprofit institutions.”

42 USC 282.

(3) Section 402(a) of such Act is amended (A) by striking out “training and instruction” in paragraph (3) and inserting in lieu thereof “clinical training and instruction”, and (B) by striking out paragraph (4) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

42 USC 286a.

(4) Section 407(b)(7) of such Act is amended (A) by striking out

“and basic research and treatment”, and (B) by striking out “where appropriate”.

(5) Section 408(b)(3) of such Act is amended by inserting “clinical” before “training” each place it occurs.

42 USC 286b.

(6) Section 412(7) of such Act is amended by striking out “(1) establish and maintain” and all that follows down through and including “maintain traineeships” and inserting in lieu thereof “, provide clinical training and instruction and establish and maintain clinical traineeships”.

42 USC 287a.

(7) Section 413(a)(7) is amended by inserting “clinical” before “programs”.

42 USC 287b.

(8) Section 415(b) is amended by inserting before the period at the end of the last sentence thereof the following: “; and the term ‘training’ does not include research training for which fellowship support may be provided under section 472”.

42 USC 287d.

(9) Section 422 of such Act is amended (A) by striking out paragraph (c) and by redesignating paragraphs (d), (e), and (f) as paragraphs (c), (d), and (e), respectively, and (B) by striking out “training and instruction and establish and maintain traineeships” in paragraph (e) (as so redesignated) and inserting in lieu thereof “clinical training and instruction and establish and maintain clinical traineeships”.

42 USC 288a.

(10) Section 434(c)(2) of such Act is amended by inserting “(other than research training for which National Research Service Awards may be made under section 472)” after “training” the first time it occurs.

42 USC 289c-1.

(11) Sections 433(a), 444, and 453 of such Act are each amended by striking out the second sentence thereof.

42 USC 289c,
289g, 289k.

(12) The heading for part I of title IV of such Act (as so redesignated by section 103) is amended by striking out “ADMINISTRATIVE” and inserting in lieu thereof “GENERAL.”

Ante, p. 342.

(b) The amendments made by subsection (a) shall not apply with respect to commitments made before the date of the enactment of this Act by the Secretary of Health, Education, and Welfare for research training under the provisions of the Public Health Service Act amended or repealed by subsection (a).

42 USC 241
note.

SEX DISCRIMINATION

SEC. 105. Section 799A of the Public Health Service Act is amended by adding at the end thereof the following: “In the case of a school of medicine which—

42 USC 295h-9.

“(1) on the date of the enactment of this sentence is in the process of changing its status as an institution which admits only female students to that of an institution which admits students without regard to their sex, and

“(2) is carrying out such change in accordance with a plan approved by the Secretary,

the provisions of the preceding sentences of this section shall apply only with respect to a grant, contract, loan guarantee, or interest subsidy to, or for the benefit of such a school for a fiscal year beginning after June 30, 1979.”

FINANCIAL DISTRESS GRANTS

SEC. 106. Section 773(a) of the Public Health Service Act is amended (1) by striking out “\$10,000,000” and inserting in lieu thereof “\$15,000,000”, and (2) by striking out “1972” each place it occurs in the last sentence thereof and inserting in lieu thereof “1974”.

42 USC 295f-3.

TITLE II—PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

PART A—NATIONAL COMMISSION FOR THE PROTECTION OF HUMAN SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

ESTABLISHMENT OF COMMISSION

42 USC 2891-1
note.

SEC. 201. (a) There is established a Commission to be known as the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (hereinafter in this title referred to as the "Commission").

Membership.

(b) (1) The Commission shall be composed of eleven members appointed by the Secretary of Health, Education, and Welfare (hereinafter in this title referred to as the "Secretary"). The Secretary shall select members of the Commission from individuals distinguished in the fields of medicine, law, ethics, theology, the biological, physical, behavioral and social sciences, philosophy, humanities, health administration, government, and public affairs; but five (and not more than five) of the members of the Commission shall be individuals who are or who have been engaged in biomedical or behavioral research involving human subjects. In appointing members of the Commission, the Secretary shall give consideration to recommendations from the National Academy of Sciences and other appropriate entities. Members of the Commission shall be appointed for the life of the Commission. The Secretary shall appoint the members of the Commission within sixty days of the date of the enactment of this Act.

Term.

Compensation.

5 USC 5332
note.

(2) (A) Except as provided in subparagraph (B), members of the Commission shall each be entitled to receive the daily equivalent of the annual rate of the basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of the duties of the Commission.

(B) Members of the Commission who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Commission.

Travel
expenses.

(C) While away from their homes or regular places of business in the performance of duties of the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

Chairman.

(c) The chairman of the Commission shall be selected by the members of the Commission from among their number.

Personnel.

5 USC 101 et
seq.

5 USC 5101,
5331, 5332 note.

(d) (1) The Commission may appoint and fix the pay of such staff personnel as it deems desirable. Such personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule.

COMMISSION DUTIES

SEC. 202. (a) The Commission shall carry out the following:

42 USC 289f-1
note.
Research in-
volving human
subjects, study;
guideline develop-
ment.

(1) (A) The Commission shall (i) conduct a comprehensive investigation and study to identify the basic ethical principles which should underlie the conduct of biomedical and behavioral research involving human subjects, (ii) develop guidelines which should be followed in such research to assure that it is conducted in accordance with such principles, and (iii) make recommendations to the Secretary (I) for such administrative action as may be appropriate to apply such guidelines to biomedical and behavioral research conducted or supported under programs administered by the Secretary, and (II) concerning any other matter pertaining to the protection of human subjects of biomedical and behavioral research.

(B) In carrying out subparagraph (A), the Commission shall consider at least the following:

(i) The boundaries between biomedical or behavioral research involving human subjects and the accepted and routine practice of medicine.

(ii) The role of assessment of risk-benefit criteria in the determination of the appropriateness of research involving human subjects.

(iii) Appropriate guidelines for the selection of human subjects for participation in biomedical and behavioral research.

(iv) The nature and definition of informed consent in various research settings.

(v) Mechanisms for evaluating and monitoring the performance of Institutional Review Boards established in accordance with section 474 of the Public Health Service Act and appropriate enforcement mechanisms for carrying out their decisions.

Post, p. 352.

(C) The Commission shall consider the appropriateness of applying the principles and guidelines identified and developed under subparagraph (A) to the delivery of health services to patients under programs conducted or supported by the Secretary.

Consent re-
quirements.

(2) The Commission shall identify the requirements for informed consent to participation in biomedical and behavioral research by children, prisoners, and the institutionalized mentally infirm. The Commission shall investigate and study biomedical and behavioral research conducted or supported under programs administered by the Secretary and involving children, prisoners, and the institutionalized mentally infirm to determine the nature of the consent obtained from such persons or their legal representatives before such persons were involved in such research; the adequacy of the information given them respecting the nature and purpose of the research, procedures to be used, risks and discomforts, anticipated benefits from the research, and other matters necessary for informed consent; and the competence and the freedom of the persons to make a choice for or against involvement in such research. On the basis of such investigation and study the Commission shall make such recommendations to the Secretary as it determines appropriate to assure that biomedical and behavioral research conducted or supported under programs administered by him meets the requirements respecting informed consent identified by the Commission. For purposes of this paragraph, the term "children" means individuals who have not attained the legal age of consent to participate in research as determined under the applicable law of the jurisdiction in which the research is to be conducted; the term "prisoner" means individuals involuntarily confined in correctional institutions or facilities (as defined in section 601 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3781)); and the term "institutionalized mentally infirm" includes individuals who are mentally

Definitions.

ill, mentally retarded, emotionally disturbed, psychotic, or senile, or who have other impairments of a similar nature and who reside as patients in an institution.

Protection
mechanism, study.

(3) The Commission shall conduct an investigation and study to determine the need for a mechanism to assure that human subjects in biomedical and behavioral research not subject to regulation by the Secretary are protected. If the Commission determines that such a mechanism is needed, it shall develop and recommend to the Congress such a mechanism. The Commission may contract for the design of such a mechanism to be included in such recommendations.

Living fetus
research, study.

(b) The Commission shall conduct an investigation and study of the nature and extent of research involving living fetuses, the purposes for which such research has been undertaken, and alternative means for achieving such purposes. The Commission shall, not later than the expiration of the 4-month period beginning on the first day of the first month that follows the date on which all the members of the Commission have taken office, recommend to the Secretary policies defining the circumstances (if any) under which such research may be conducted or supported.

Psychosurgery
usage, study.

(c) The Commission shall conduct an investigation and study of the use of psychosurgery in the United States during the five-year period ending December 31, 1972. The Commission shall determine the appropriateness of its use, evaluate the need for it, and recommend to the Secretary policies defining the circumstances (if any) under which its use may be appropriate. For purposes of this paragraph, the term "psychosurgery" means brain surgery on (1) normal brain tissue of an individual, who does not suffer from any physical disease, for the purpose of changing or controlling the behavior or emotions of such individual, or (2) diseased brain tissue of an individual, if the sole object of the performance of such surgery is to control, change, or affect any behavioral or emotional disturbance of such individual. Such term does not include brain surgery designed to cure or ameliorate the effects of epilepsy and electric shock treatments.

Definition.

Recommendations
to Congress.

(d) The Commission shall make recommendations to the Congress respecting the functions and authority of the National Advisory Council for the Protection of Subjects of Biomedical and Behavioral Research to be established under section 217(f) of the Public Health Service Act.

Post, p. 351.

SPECIAL STUDY

42 USC 2891-1
note.

SEC. 203. The Commission shall undertake a comprehensive study of the ethical, social, and legal implications of advances in biomedical and behavioral research and technology. Such study shall include—

(1) an analysis and evaluation of scientific and technological advances in past, present, and projected biomedical and behavioral research and services;

(2) an analysis and evaluation of the implications of such advances, both for individuals and for society;

(3) an analysis and evaluation of laws and moral and ethical principles governing the use of technology in medical practice;

(4) an analysis and evaluation of public understanding of and attitudes toward such implications and laws and principles; and

(5) an analysis and evaluation of implications for public policy of such findings as are made by the Commission with respect to advances in biomedical and behavioral research and technology and public attitudes toward such advances.

ADMINISTRATIVE PROVISIONS

SEC. 204. (a) The Commission may for the purpose of carrying out its duties under sections 202 and 203 hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

42 USC 289l-1
note.

(b) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out its duties. Upon the request of the chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) The Commission shall not disclose any information reported to or otherwise obtained by it in carrying out its duties which (1) identifies any individual who has been the subject of an activity studied and investigated by the Commission, or (2) which concerns any information which contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code.

Information disclosure, prohibition.

(d) Except as provided in subsection (b) of section 202, the Commission shall complete its duties under sections 202 and 203 not later than the expiration of the 24-month period beginning on the first day of the first month that follows the date on which all the members of the Commission have taken office. The Commission shall make periodic reports to the President, the Congress, and the Secretary respecting its activities under sections 202 and 203 and shall, not later than ninety days after the expiration of such 24-month period, make a final report to the President, the Congress, and the Secretary respecting such activities and including its recommendations for administrative action and legislation.

Reports to President, Congress and HEW.

(e) The Commission shall cease to exist thirty days following the submission of its final report pursuant to subsection (d).

Termination date.

DUTIES OF THE SECRETARY

SEC. 205. Within 60 days of the receipt of any recommendation made by the Commission under section 202, the Secretary shall publish it in the Federal Register and provide opportunity for interested persons to submit written data, views, and arguments with respect to such recommendation. The Secretary shall consider the Commission's recommendation and relevant matter submitted with respect to it and, within 180 days of the date of its publication in the Federal Register, the Secretary shall (1) determine whether the administrative action proposed by such recommendation is appropriate to assure the protection of human subjects of biomedical and behavioral research conducted or supported under programs administered by him, and (2) if he determines that such action is not so appropriate, publish in the Federal Register such determination together with an adequate statement of the reasons for his determination. If the Secretary determines that administrative action recommended by the Commission should be undertaken by him, he shall undertake such action as expeditiously as is feasible.

42 USC 289l-1
note.

Publication in Federal Register.

PART B—MISCELLANEOUS

NATIONAL ADVISORY COUNCIL FOR THE PROTECTION OF SUBJECTS OF BIOMEDICAL AND BEHAVIORAL RESEARCH

SEC. 211. (a) Section 217 of the Public Health Service Act is amended by adding at the end the following new subsection:

42 USC 218.

“(f) (1) There shall be established a National Advisory Council for the Protection of Subjects of Biomedical and Behavioral Research

Establishment.

Membership.

5 USC 101 et
seq.

Ante, p. 348.

Term.

Duties.

(hereinafter in this subsection referred to as the 'Council') which shall consist of the Secretary who shall be Chairman and not less than seven nor more than fifteen other members who shall be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Secretary shall select members of the Council from individuals distinguished in the fields of medicine, law, ethics, theology, the biological, physical, behavioral and social sciences, philosophy, humanities, health administration, government, and public affairs; but three (and not more than three) of the members of the Council shall be individuals who are or who have been engaged in biomedical or behavioral research involving human subjects. No individual who was appointed to be a member of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (established under title II of the National Research Act) may be appointed to be a member of the Council. The appointed members of the Council shall have terms of office of four years, except that for the purpose of staggering the expiration of the terms of office of the Council members, the Secretary shall, at the time of appointment, designate a term of office of less than four years for members first appointed to the Council.

"(2) The Council shall—

"(A) advise, consult with, and make recommendations to, the Secretary concerning all matters pertaining to the protection of human subjects of biomedical and behavioral research;

"(B) review policies, regulations, and other requirements of the Secretary governing such research to determine the extent to which such policies, regulations, and requirements require and are effective in requiring observance in such research of the basic ethical principles which should underlie the conduct of such research and, to the extent such policies, regulations, or requirements do not require or are not effective in requiring observance of such principles, make recommendations to the Secretary respecting appropriate revision of such policies, regulations, or requirements; and

"(C) review periodically changes in the scope, purpose, and types of biomedical and behavioral research being conducted and the impact such changes have on the policies, regulations, and other requirements of the Secretary for the protection of human subjects of such research.

"(3) The Council may disseminate to the public such information, recommendations, and other matters relating to its functions as it deems appropriate.

5 USC app. I.

"(4) Section 14 of the Federal Advisory Committee Act shall not apply with respect to the Council."

Effective date.
42 USC 218
note.

(b) The amendment made by subsection (a) shall take effect July 1, 1976.

INSTITUTIONAL REVIEW BOARDS; ETHICS GUIDANCE PROGRAM

SEC. 212. (a) Part I of title IV of the Public Health Service Act, as amended by section 103 of this Act, is amended by adding at the end the following new section:

"INSTITUTIONAL REVIEW BOARDS; ETHICS GUIDANCE PROGRAM

42 USC 289l-3.

"SEC. 474. (a) The Secretary shall by regulation require that each entity which applies for a grant or contract under this Act for any project or program which involves the conduct of biomedical or behavioral research involving human subjects submit in or with its

application for such grant or contract assurances satisfactory to the Secretary that it has established (in accordance with regulations which the Secretary shall prescribe) a board (to be known as an 'Institutional Review Board') to review biomedical and behavioral research involving human subjects conducted at or sponsored by such entity in order to protect the rights of the human subjects of such research.

"(b) The Secretary shall establish a program within the Department under which requests for clarification and guidance with respect to ethical issues raised in connection with biomedical or behavioral research involving human subjects are responded to promptly and appropriately."

(b) The Secretary of Health, Education, and Welfare shall within 240 days of the date of the enactment of this Act promulgate such regulations as may be required to carry out section 474(a) of the Public Health Service Act. Such regulations shall apply with respect to applications for grants and contracts under such Act submitted after promulgation of such regulations.

Regulations.
42 USC 289l-3
note.

Ante, p. 352.

LIMITATION ON RESEARCH

SEC. 213. Until the Commission has made its recommendations to the Secretary pursuant to section 202(b), the Secretary may not conduct or support research in the United States or abroad on a living human fetus, before or after the induced abortion of such fetus, unless such research is done for the purpose of assuring the survival of such fetus.

42 USC 289l-1
note.

INDIVIDUAL RIGHTS

SEC. 214. (a) Subsection (c) of section 401 of the Health Programs Extension Act of 1973 is amended (1) by inserting "(1)" after "(c)", (2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and (3) by adding at the end the following new paragraph:

42 USC 300a-7.

"(2) No entity which receives after the date of enactment of this paragraph a grant or contract for biomedical or behavioral research under any program administered by the Secretary of Health, Education, and Welfare may—

Nondiscrimination.

"(A) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

"(B) discriminate in the extension of staff or other privileges to any physician or other health care personnel, because he performed or assisted in the performance of any lawful health service or research activity, because he refused to perform or assist in the performance of any such service or activity on the grounds that his performance or assistance in the performance of such service or activity would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting any such service or activity."

(b) Section 401 of such Act is amended by adding at the end the following new subsection:

"(d) No individual shall be required to perform or assist in the performance of any part of a health service program or research activity funded in whole or in part under a program administered by the Secretary of Health, Education, and Welfare if his performance or assistance in the performance of such part of such program or activity would be contrary to his religious beliefs or moral convictions."

SPECIAL PROJECT GRANTS AND CONTRACTS

42 USC 295f-2.

SEC. 215. Section 772(a)(7) of the Public Health Service Act is amended by inserting immediately before the semicolon at the end thereof the following: “, or (C) providing increased emphasis on the ethical, social, legal, and moral implications of advances in biomedical research and technology with respect to the effects of such advances on individuals and society”.

Approved July 12, 1974.

Public Law 93-349

AN ACT

July 12, 1974
[H. R. 29]

To provide for payments by the Postal Service to the Civil Service Retirement Fund for increases in the unfunded liability of the Fund due to increases in benefits for Postal Service employees, and for other purposes.

Civil Service
Retirement
Fund,
Postal Service
payments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8348 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

39 USC 101 et
seq.

“(h)(1) Notwithstanding any other statute, the United States Postal Service shall be liable for that portion of any estimated increase in the unfunded liability of the Fund which is attributable to any benefits payable from the Fund to active and retired Postal Service officers and employees, and to their survivors, when the increase results from an employee-management agreement under title 39, or any administrative action by the Postal Service taken pursuant to law, which authorizes increases in pay on which benefits are computed.

Unfunded lia-
bility increase,
determination.

“(2) The estimated increase in the unfunded liability, referred to in paragraph (1) of this subsection, shall be determined by the Civil Service Commission. The United States Postal Service shall pay the amount so determined to the Commission in thirty equal annual installments with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System, with the first payment thereof due at the end of the fiscal year in which an increase in pay becomes effective.”.

Repeal.

SEC. 2. (a) The last sentence of section 1005(d) of title 39, United States Code, is repealed.

(b) Section 1005(d) of title 39, United States Code, is amended by adding at the end thereof the following new sentence: “The Postal Service shall pay into the Civil Service Retirement and Disability Fund the amounts determined by the Civil Service Commission under section 8348(h) of title 5.”.

Supra.
Effective date,
exceptions.
39 USC 1005
note.

SEC. 3. The effective date of this Act shall be July 1, 1971, except that the Postal Service shall not be required to make (1) the payments due June 30, 1972, June 30, 1973, and June 30, 1974, attributable to pay increases granted by the Postal Service prior to July 1, 1973, until such time as funds are appropriated to the Postal Service for that purpose, and (2) the transfer to the Civil Service Retirement and Disability Fund required by title II of the Treasury, Postal Service, and General Government Appropriation Act, 1974, Public Law 93-143.

87 Stat. 513.

Approved July 12, 1974.

Public Law 93-350

AN ACT

To amend title 5, United States Code, with respect to the retirement of certain law enforcement and firefighter personnel, and for other purposes.

July 12, 1974
[H. R. 9281]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3307 of title 5, United States Code, is amended—

(1) by striking out in subsection (a) thereof “subsections (b) and (c)” and inserting in lieu thereof “subsections (b), (c), and (d)”;

Certain law enforcement and firefighting personnel. Retirement benefits.

(2) by adding the following new subsection at the end thereof:

“(d) The head of any agency may, with the concurrence of such agent as the President may designate, determine and fix the minimum and maximum limits of age within which an original appointment may be made to a position as a law enforcement officer or firefighter, as defined by section 8331 (20) and (21), respectively, of this title.”

Intra.

SEC. 2. (a) Section 8331(3) of title 5, United States Code, is amended—

(1) by striking out the word “and” at the end of clause (B) (ii);

(2) by inserting the word “and” immediately after the semicolon at the end of subparagraph (C);

(3) by adding immediately below subparagraph (C) the following new subparagraph:

“(D) with respect to a law enforcement officer, premium pay under section 5545 (c) (2) of this title;”;

5 USC 5545.

(4) by striking out “subparagraphs (B) and (C) of this paragraph” and inserting in lieu thereof “subparagraphs (B), (C), and (D) of this paragraph”.

(b) Section 8331 of title 5, United States Code, is amended—

(1) by striking out “and” at the end of paragraph (18);

(2) by striking out the period at the end of paragraph (19) and inserting in lieu thereof a semicolon and the word “and”; and

(3) by adding at the end thereof the following:

“(20) ‘law enforcement officer’ means an employee, the duties of whose position are primarily the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, including an employee engaged in this activity who is transferred to a supervisory or administrative position. For the purpose of this paragraph, ‘detention’ includes the duties of—

“Law enforcement officer.”

“(A) employees of the Bureau of Prisons and Federal Prison Industries, Incorporated;

“(B) employees of the Public Health Service assigned to the field service of the Bureau of Prisons or of the Federal Prison Industries, Incorporated;

“(C) employees in the field service at Army or Navy disciplinary barracks or at confinement and rehabilitation facilities operated by any of the armed forces; and

“(D) employees of the Department of Corrections of the District of Columbia, its industries and utilities;

“Detention.”

whose duties in connection with individuals in detention suspected or convicted of offenses against the criminal laws of the United States or of the District of Columbia or offenses against the punitive articles of the Uniformed Code of Military Justice (chapter

10 USC 801.

47 of title 10) require frequent (as determined by the appropriate administrative authority with the concurrence of the Commission) direct contact with these individuals in their detention, direction, supervision, inspection, training, employment, care, transportation, or rehabilitation; and

"Firefighter."

"(21) 'firefighter' means an employee, the duties of whose position are primarily to perform work directly connected with the control and extinguishment of fires or the maintenance and use of firefighting apparatus and equipment, including an employee engaged in this activity who is transferred to a supervisory or administrative position."

Deposits.

SEC. 3. (a) The first sentence of section 8334(a) (1) of title 5, United States Code, is amended by inserting "a law enforcement officer, and a firefighter," following "Congressional employee."

(b) The first sentence of section 8334(c) of title 5, United States Code, is amended by adding at the end thereof the following new schedule:

"Law enforcement officer	2½-----	August 1, 1920, to June 30, 1926.
for law enforcement	3½-----	July 1, 1926, to June 30, 1942.
service and firefighter	5-----	July 1, 1942, to June 30, 1948.
for firefighter service.	6-----	July 1, 1948, to October 31, 1956.
	6½-----	November 1, 1956, to December 31, 1969.
	7-----	January 1, 1970, to December 31, 1974.
	7½-----	After December 31, 1974."

Mandatory separation.

SEC. 4. Section 8335 of title 5, United States Code, is amended by adding the following new subsection at the end thereof:

Infra.

"(g) A law enforcement officer or a firefighter who is otherwise eligible for immediate retirement under section 8336(c) of this title shall be separated from the service on the last day of the month in which he becomes 55 years of age or completes 20 years of service if then over that age. The head of the agency, when in his judgment the public interest so requires, may exempt such an employee from automatic separation under this subsection until that employee becomes 60 years of age. The employing office shall notify the employee in writing of the date of separation at least 60 days in advance thereof. Action to separate the employee is not effective, without the consent of the employee, until the last day of the month in which the 60-day notice expires."

Exemption.

Early retirement.

SEC. 5. Section 8336(c) of title 5, United States Code, is amended to read as follows:

"(c) An employee who is separated from the service after becoming 50 years of age and completing 20 years of service as a law enforcement officer or firefighter, or any combination of such service totaling at least 20 years, is entitled to an annuity."

Annuity computation.

SEC. 6. Section 8339(d) of title 5, United States Code, is amended to read as follows:

Supra.

"(d) The annuity of an employee retiring under section 8335(g) or 8336(c) of this title is—

"(A) 2½ percent of his average pay multiplied by so much of his total service as does not exceed 20 years; plus

"(B) 2 percent of his average pay multiplied by so much of his total service as exceeds 20 years."

Effective dates.
5 USC 3307
note.

SEC. 7. The amendments made by the first section, and sections 2(b), 5, and 6, of this Act shall become effective on the date of enactment of this Act. The amendments made by sections 2(a) and 3 of this Act shall become effective at the beginning of the first applicable pay period which begins after December 31, 1974. The amendment made by section 4 of this Act shall become effective on January 1, 1978.

Approved July 12, 1974.

Public Law 93-351

AN ACT

July 12, 1974
[H. R. 11105]

To amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 708 of the Older Americans Act is amended by striking out the word “and” before “\$150,000,000” and by inserting before the period a comma and the following: “\$150,000,000 for the fiscal year ending June 30, 1975, \$200,000,000 for the fiscal year ending June 30, 1976, and \$250,000,000 for the fiscal year ending June 30, 1977”.

Older Americans Act of 1965, amendments.
42 USC 3045g.

SEC. 2. (a) Section 201(a) of the Older Americans Act (42 U.S.C. 3011) is amended by striking out everything in such section that follows the word “Commissioner” the second time it appears in the fourth sentence of such section and inserting in lieu thereof a period.

(b) Any delegation of the functions of the Commissioner on Aging in effect on the date of enactment of this Act, issued pursuant to section 201(a) of such Act, shall be modified by the Commissioner to comply with the provisions of the amendment made by this section.

Commissioner, delegation of functions, modification.
42 USC 3011 note.

SEC. 3. Title III of the Older Americans Act of 1965 (42 U.S.C. 3021ff.) is amended by adding the following new section:

42 USC 3021.

“TRANSPORTATION PROJECTS

“SEC. 309. (a) There are authorized to be appropriated \$35,000,000 for the fiscal year ending June 30, 1975, to carry out the purposes of this section. From sums appropriated under this section, the Commissioner is authorized to make grants to each State having a State plan approved under section 305 for the purpose of paying up to 75 per centum of the costs of meeting the transportation needs of older persons, with special emphasis on providing supportive transportation in connection with nutrition projects operated pursuant to title VII of this Act. Sums appropriated under this section shall be allotted to the States in accordance with the allotment formula contained in section 303.

Appropriation.
42 USC 3029.

“(b) The allotment to a State under this section shall remain available until December 31, 1975, for grants and contracts to area agencies on aging, organized under section 305(b), or to other public or non-profit private agencies that the State agency determines have the capacity to meet the transportation needs of older persons and to provide supportive transportation services in connection with nutrition projects operated under title VII. In making grants and contracts under this section, State agencies shall give priority to applicants proposing to serve areas in which there is no public transportation or in which existing public transportation is inadequate to meet the special needs of older persons.

42 USC 3025.

42 USC 3045.
State allotments.

42 USC 3023.
Allotments, availability.

“(c) Within ninety days following the enactment of legislation appropriating funds as authorized by this section, the Commissioner shall issue final regulations for implementation of the program herein authorized.

Applicants granted priority.

Final regulations.

“(d) The Commissioner is authorized and directed to request the technical assistance and cooperation of the Secretary of Transportation and such other departments and agencies of the Federal Government as may be appropriate for the proper and effective administration of this section.”

Technical assistance.

SEC. 4. Section 201 of Public Law 93-113 (87 Stat. 401, October 1, 1973) is amended by inserting the following new subsection (b) after

42 USC 5001.

subsection (a) and redesignating the present subsection (b) as subsection (c):

Local contributions, required proportion.

“(b) In no event shall the required proportion of the local contribution (including in-kind contributions) for a grant or contract made under this section be more than 10 per centum in the first year of assistance under this section, 20 per centum in the second such year, 30 per centum in the third such year, 40 per centum in the fourth such year, and 50 per centum in any subsequent such years: *Provided, however,* That the Director may make exceptions in cases of demonstrated need, determined (in accordance with regulations which the Director shall prescribe) on the basis of the financial capability of a particular recipient of assistance under this section, to permit a lesser local contribution proportion than any required contribution proportion established by the Director in generally applicable regulations.”

42 USC 3045f.

SEC. 5. Section 707 of the Older Americans Act of 1965 is amended by adding at the end thereof the following new subsections:

Level of assistance.

“(d) In donating commodities pursuant to this section, the Secretary of Agriculture shall maintain an annually programmed level of assistance of not less than 10 cents per meal: *Provided,* That this amount shall be adjusted on an annual basis each fiscal year after June 30, 1975, to reflect changes in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Among the commodities delivered under this section, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates. The Secretary of Agriculture, in consultation with the Commissioner, is authorized to prescribe the terms and conditions respecting the donating of commodities pursuant to this section, and, within ninety days after the date of enactment of this subsection (d), the Secretary of Agriculture shall issue regulations governing the donation of such commodities.

Food stamps, regulations.

“(e) The Secretary of Agriculture in consultation with the Commissioner shall, within ninety days after the date of enactment of this subsection, issue regulations clarifying the use of food stamps under this title.”

Approved July 12, 1974.

Public Law 93-352

AN ACT

July 23, 1974
[S. 2893]

To amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next three fiscal years.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

National cancer program, improvement.
National Cancer Act Amendments of 1974.

TITLE I—EXTENSION OF CANCER PROGRAM

SEC. 101. This title may be cited as the “National Cancer Act Amendments of 1974”.

SEC. 102. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out “in amounts not to exceed \$35,000” in paragraph (1) and inserting in lieu thereof “if the direct costs of such research and training do not exceed \$35,000, but only”; and

(2) by striking out “in amounts exceeding \$35,000” in para-

42 USC 282
note.
42 USC 282.

graph (2) and inserting in lieu thereof “if the direct costs of such research and training exceed \$35,000, but only”.

SEC. 103. Section 407(b)(4) of the Public Health Service Act is amended by striking out “all data” and inserting in lieu thereof “information (including information respecting nutrition programs for cancer patients and the relationship between nutrition and cancer)”.

42 USC 286a.

SEC. 104. Section 407(b)(7) of the Public Health Service Act is amended by striking out “where appropriate”.

SEC. 105. Section 407(b)(9)(A) of the Public Health Service Act is amended by inserting “(including an estimate of the number and type of personnel needed for the National Cancer Program)” after “budget estimate”.

SEC. 106. Section 408(a) of the Public Health Service Act is amended by striking out “fifteen”.

42 USC 286b.

SEC. 107. (a) Subsection (a) of section 409 of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: “including programs to provide appropriate trials of programs of routine exfoliative cytology tests conducted for the diagnosis of uterine cancer”.

42 USC 286c.

(b) Subsection (b) of such section is amended by striking out “and” before “\$40,000,000” and by inserting before the period at the end thereof a comma and the following: “\$53,500,000 for the fiscal year ending June 30, 1975, \$68,500,000 for the fiscal year ending June 30, 1976, and \$88,500,000 for the fiscal year ending June 30, 1977”.

SEC. 108. Section 410 of the Public Health Service Act is amended—

42 USC 286d.

(1) by striking out “fifty” in paragraph (1) and inserting in lieu thereof “one hundred”;

(2) by striking out “and” at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof “; and”;

(4) by adding after paragraph (8) the following new paragraph:

“(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program.”; and

(5) by inserting “(a)” after “410.” and by adding after paragraph (9) the following new subsection:

“(b)(1) The Director of the National Cancer Institute shall provide and contract for a program to disseminate and interpret, on a current basis, for practitioners and other health professionals, scientists, and the general public scientific and other information respecting the cause, prevention, diagnosis, and treatment of cancer.

Information
dissemination
program.

“(2) The Director of the National Cancer Institute shall include in the annual report required by section 410A(b) a report on the progress, activities, and accomplishments of, and expenditures for, the information services of the National Cancer Program.”

Report.

42 USC 286e.

SEC. 109. Section 410C of the Public Health Service Act is amended by striking out “and” before “\$600,000,000” and by inserting before the period at the end thereof a semicolon and the following: “\$750,000,000 for the fiscal year ending June 30, 1975; \$830,000,000 for the fiscal year ending June 30, 1976; and \$985,000,000 for the fiscal year ending June 30, 1977”.

42 USC 286g.

Ante, p. 135,
342.

SEC. 110. The part H of the Public Health Service Act relating to the appointment of the Directors of the National Institutes of Health and the National Cancer Institute is redesignated as part I, section 461 of such part is redesignated as section 471, and such part is amended by adding at the end the following new section:

“PEER REVIEW OF GRANT APPLICATIONS AND CONTRACT PROJECTS

42 USC 289l-4.

“SEC. 472. (a) The Secretary, after consultation with the Director of the National Institutes of Health, and, where appropriate, the Directors of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse, shall by regulation require appropriate scientific peer review of—

“(1) applications made after the effective date of such regulations for grants under this Act for biomedical and behavioral research; and

“(2) biomedical and behavioral research and development contract projects to be administered after such effective date through an institute established under this title, the National Institute on Alcohol Abuse and Alcoholism, or the National Institute on Drug Abuse.

“(b) Regulations promulgated under subsection (a) shall, to the extent practical, require that the review of grant applications required by the regulations be conducted—

“(1) in a manner consistent with the system for scientific peer review applicable on the date of the enactment of this section to applications for grants under this Act for biomedical and behavioral research, and

“(2) by peer review groups performing such review on or before such date.

“(c) The members of any peer review group established under such regulations shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group and not more than one-fourth of the members of any peer review group established under such regulations shall be officers or employees of the United States.”

42 USC 241.

SEC. 111. Section 301(h) of the Public Health Service Act is amended by striking out “during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years”.

SEC. 112. (a) The first sentence of section 471 of the Public Health Service Act (as so redesignated by section 110) is amended to read as follows: “The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate; and the Director of the National Cancer Institute shall be appointed by the President.”

Effective date.
42 USC 289l
note.

(b) The amendment made by subsection (a) shall apply with respect to appointments to the office of Director of the National Institutes of Health made after the date of the enactment of this Act.

42 USC 201
note.

SEC. 113. Section 601 of the Medical Facilities Construction and Modernization Amendments of 1970 is amended by striking out “ending prior to July 1, 1974.”.

TITLE II—BIOMEDICAL RESEARCH

SEC. 201. (a) (1) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the "Panel") which shall be composed of (A) the Chairman of the President's Cancer Panel (established under section 407(c) of the Public Health Service Act); and (B) six members appointed by the President who by virtue of their training, experience, and background are exceptionally qualified to carry out the duties of the Panel. At least five of the members of the Panel shall be distinguished scientists or physicians. The appointed members of the Panel shall be appointed for the life of the Panel.

(2) The President shall designate one of the appointed members to serve as Chairman of the Panel.

(3) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel; and while away from their homes or regular places of business in the performance of services for the Panel, all members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(4) The Panel may appoint and fix the pay of such personnel as it deems necessary to carry out its duties.

(b) The Panel shall—

(1) review and assess,

(2) identify and make recommendations with respect to policy issues concerning the subject and content of, and

(3) identify and make recommendations with respect to policy issues concerning the organization and operation of,

biomedical and behavioral research conducted and supported under programs of the National Institutes of Health and the National Institute of Mental Health.

(c) (1) Not later than the expiration of the 15-month period beginning on the first day of the first month that follows the date on which all of the appointed members of the Panel have taken office, the Panel shall submit simultaneously to the President and to the Congress a comprehensive report of (A) its findings made on the basis of the review and assessment conducted under clause (1) of subsection (b), and (B) the policy issues identified under clauses (2) and (3) of such subsection and the Panel's recommendations with respect to such issues.

(2) The Panel shall terminate upon the expiration of the 18-month period beginning on the first day of the first month that follows the date on which all of the appointed members of the Panel have taken office.

Approved July 23, 1974.

President's
Biomedical Re-
search Panel.
Establishment.
42 USC 2891-1
note.
42 USC 286a.

Compensation.

5 USC 5332
note.

Duties.

Report to Pres-
ident and Con-
gress.

Termination.

Public Law 93-353

AN ACT

July 23, 1974
[H. R. 11385]

To amend the Public Health Service Act to revise the programs of health services research and to extend the program of assistance for medical libraries.

Health Services Research, Health Statistics, and Medical Libraries Act of 1974.

42 USC 242b note.

42 USC 201 note.

Health Services Research and Evaluation and Health Statistics Act of 1974.

42 USC 242b note.

Repeals.
42 USC 242e, 244, 244a, 245, 247.

42 USC 242d.

42 USC 244-1.

42 USC 242g.

42 USC 245a.

42 USC 247d.

42 USC 235.

42 USC 242j.

42 USC 236.

42 USC 242b.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) This Act may be cited as the "Health Services Research, Health Statistics, and Medical Libraries Act of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—HEALTH SERVICES RESEARCH AND EVALUATION; HEALTH STATISTICS

SEC. 101. This title may be cited as the "Health Services Research and Evaluation and Health Statistics Act of 1974".

SEC. 102. (a) Sections 307, 312, 312a, 313, and 315 are repealed.

(b) (1) Section 306 is amended (A) by striking out "Surgeon General" each place it appears and inserting in lieu thereof "Secretary", (B) by striking out "309" each place it occurs in subsection (d) and inserting in lieu thereof "313", and (C) by striking out subsection (e) and redesignating subsection (f) as subsection (e).

(2) Section 306 as amended by paragraph (1) is transferred to part B of title III, is redesignated section 312, and is inserted after section 311.

(c) (1) Section 309 is amended (A) by striking out "Surgeon General" each place it occurs and inserting in lieu thereof "Secretary", and (B) by striking out "306(d)" and inserting in lieu thereof "312(d)".

(2) Section 309, as amended by paragraph (1), is transferred to part B of title III, is redesignated section 313, and is inserted immediately before section 314.

(d) Section 310 is transferred to part B of title III, is redesignated section 319, and is inserted after section 318.

(e) Section 310A is transferred to title II, is redesignated section 226, and is inserted after section 225.

(f) (1) Section 310B is amended by striking out "304, 305,".

(2) Section 310B, as amended by paragraph (1) is transferred to title II, is redesignated section 227, and is inserted after section 226 (inserted by subsection (e) of this section).

SEC. 103. Section 304 is amended to read as follows:

"GENERAL AUTHORITY RESPECTING HEALTH STATISTICS AND HEALTH SERVICES RESEARCH, EVALUATIONS, AND DEMONSTRATIONS

"SEC. 304. (a) (1) The Secretary shall—

"(A) undertake through the National Center for Health Services Research, the National Center for Health Statistics, and such other units of the Department of Health, Education, and Welfare as he may select, and

"(B) support, health statistical activities and health services research, evaluation, and demonstrations.

"(2) In carrying out paragraph (1), the Secretary shall give appropriate emphasis to research and statistical activities respecting—

"(A) the determinants of an individual's health,

“(B) the impact of the environment on individual health and on health care,

“(C) the accessibility, acceptability, planning, organization, technology, distribution, utilization, quality, and financing of systems for the delivery of health care, including systems for the delivery of preventive, personal, and mental health care, and

“(D) individual and community knowledge of individual health and the systems for the delivery of health care.

“(b) To implement subsection (a), the Secretary may, in addition to any other authority which under other provisions of this Act or any other law may be used by him to implement such subsection, do the following:

Additional
authority.

“(1) Utilize personnel and equipment, facilities, and other physical resources of the Department of Health, Education, and Welfare, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, provide technical assistance and advice, make grants to public and nonprofit private entities and individuals, and enter into contracts with public and private entities and individuals, for (A) health services research, evaluation, and demonstrations, and (B) health services research and health statistics training, and (C) health statistical activities.

“(2) Admit and treat at hospitals and other facilities of the Service persons not otherwise eligible for admission and treatment at such facilities.

“(3) Secure, from time to time and for such periods as the Secretary deems advisable, the assistance and advice of experts and consultants from the United States or abroad.

Experts and
consultants.

“(4) Acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary; and acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia.

“(c) The Secretary shall coordinate all health services research, evaluation, demonstration, and health statistical activities undertaken and supported through units of the Department of Health, Education, and Welfare. To the maximum extent feasible, such coordination shall be carried out through the National Center for Health Services Research and the National Center for Health Statistics.”

Health services
and statistical
activities, co-
ordination.

SEC. 104. Section 305 is amended to read as follows:

42 USC 242c.

“NATIONAL CENTER FOR HEALTH SERVICES RESEARCH

“SEC. 305. (a) There is established in the Department of Health, Education, and Welfare the National Center for Health Services Research (hereinafter in this section referred to as the ‘Center’) which shall be under the direction of a Director who shall be appointed by the Secretary and supervised by the Assistant Secretary for Health (or such other officer of the Department as may be designated by the Secretary as the principal adviser to him for health programs).

Establishment.

“(b) In carrying out section 304(a), the Secretary, acting through the Center, may undertake and support research, evaluation, and demonstration projects (which may include and shall be appropriately coordinated with experiments and demonstration activities authorized by the Social Security Act and the Social Security Amendments of 1967) respecting—

Ante, p. 362.

42 USC 1305.

42 USC 302
note.

"(1) the accessibility, acceptability, planning, organization, distribution, technology, utilization, quality, and financing of health services and systems;

"(2) the supply and distribution, education and training, quality, utilization, organization, and costs of health manpower; and

"(3) the design, construction, utilization, organization, and cost of facilities and equipment.

"(c) The Secretary shall afford appropriate consideration to requests of—

"(1) State, regional, and local health planning and health agencies,

"(2) public and private entities and individuals engaged in the delivery of health care, and

"(3) other persons concerned with health services, to have the Center or other units of the Department of Health, Education, and Welfare undertake research, evaluations, and demonstrations respecting specific aspects of the matters referred to in subsection (b).

New centers,
grants to non-
profit entities.

Post, p. 368.

Health Care
Technology
Center.

Health Care
Management
Center.

Requirements
for aid.

"(d) (1) The Secretary shall, by grants or contracts, or both, assist public or private nonprofit entities in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services, research, evaluations, and demonstrations respecting the matters referred to in subsection (b). To the extent practicable, the Secretary shall approve, in accordance with the requirements of this subsection and section 308, a number of applications for grants and contracts under this subsection which will result in at least six of such centers (including two national special emphasis centers, one of which (to be designated as the Health Care Technology Center) shall focus on all forms of technology, including computers and electronic devices, and its applications in health care delivery; and one of which (to be designated as the Health Care Management Center) shall focus on the improvement of management and organization in the health field, the training and retraining of administrators of health care enterprises, and the development of leaders, planners, and policy analysts in the health field) being operational in each fiscal year.

"(2) (A) No grant or contract may be made under this subsection for planning and establishing a center unless the Secretary determines that when it is operational it will meet the requirements listed in subparagraph (B) and no payment shall be made under a grant or contract for operation of a center unless the center meets such requirements.

"(B) The requirements referred to in subparagraph (A) are as follows:

"(i) There shall be a full-time director of the center who possesses a demonstrated capacity for sustained productivity and leadership in health services research, demonstrations, and evaluations, and there shall be such additional full-time professional staff as may be appropriate.

"(ii) The staff of the center shall represent all relevant disciplines.

"(iii) The center shall (I) be located within an established academic or research institution with departments and resources appropriate to the programs of the center, and (II) have working relationships with health service delivery systems where experiments in health services may be initiated and evaluated.

"(iv) The center shall select problems in health services for research, demonstrations, and evaluations on the basis of (I) their regional or national importance, (II) the unique potential

for definitive research on the problem, and (III) opportunities for local application of the research findings.

“(v) Such additional requirements as the Secretary may by regulation prescribe.

“(e) The authority of the Secretary under section 304(b) shall be available to him with respect to the undertaking and support of projects under subsections (b), (c), and (d) of this section.”

Ante, p. 362.

SEC. 105. The following new section is inserted in part A of title III after section 305:

Ante, p. 363.

“NATIONAL CENTER FOR HEALTH STATISTICS

“SEC. 306. (a) There is established in the Department of Health, Education, and Welfare the National Center for Health Statistics (hereinafter in this section referred to as the ‘Center’) which shall be under the direction of a Director who shall be appointed by the Secretary and supervised by the Assistant Secretary for Health (or such other officer of the Department as may be designated by the Secretary as the principal adviser to him for health programs).

Establishment.
42 USC 242k.

“(b) In carrying out section 304(a), the Secretary, acting through the Center, may—

Duties.

“(1) collect statistics on—

“(A) the extent and nature of illness and disability of the population of the United States (or of any groupings of the people included in the population), including life expectancy, the incidence of various acute and chronic illnesses, and infant and maternal morbidity and mortality,

“(B) the impact of illness and disability of the population on the economy of the United States and on other aspects of the well-being of its population (or of such groupings),

“(C) environmental, social, and other health hazards,

“(D) determinants of health,

“(E) health resources, including physicians, dentists, nurses, and other health professionals by specialty and type of practice and the supply of services by hospitals, extended care facilities, home health agencies, and other health institutions,

“(F) utilization of health care, including utilization of (i) ambulatory health services by specialties and types of practice of the health professionals providing such services, and (ii) services of hospitals, extended care facilities, home health agencies, and other institutions,

“(G) health care costs and financing, including the trends in health care prices and cost, the sources of payments for health care services, and Federal, State, and local governmental expenditures for health care services, and

“(H) family formation, growth, and dissolution; and

“(2) undertake and support (by grant or contract) research, demonstrations, and evaluations respecting new or improved methods for obtaining current data on the matters referred to in paragraph (1).

“(c) The Center shall furnish such special statistical compilations and surveys as the Committee on Labor and Public Welfare and the Committee on Appropriations of the Senate and the Committee on Interstate and Foreign Commerce and the Committee on Appropriations of the House of Representatives may request. Such statistical compilations and surveys shall not be made subject to the payment of the actual or estimated cost of the preparation of such compilations and surveys.

Statistical
compilations and
surveys to con-
gressional com-
mittees.

“(d) To insure comparability and reliability of health statistics, the Secretary shall, through the Center, provide adequate technical

Technical aid
to States and
localities.

assistance to assist State and local jurisdictions in the development of model laws dealing with issues of confidentiality and comparability of data.

“(e) The Secretary shall (1) assist State and local health agencies, and Federal agencies involved in matters relating to health, in the design and implementation of a cooperative system for producing comparable and uniform health information and statistics at the Federal, State, and local levels; (2) coordinate the activities of such Federal agencies respecting the design and implementation of such cooperative system; (3) undertake and support (by grant or contract) research, development, demonstrations, and evaluations respecting such cooperative system; (4) provide the Federal share of the data collection costs under such system; and (5) review statistical activities of the Department of Health, Education, and Welfare to assure that they are consistent with such cooperative system.

Federal-State
cooperation.

“(f) To assist in carrying out this section, the Secretary shall cooperate and consult with the Departments of Commerce and Labor and any other interested Federal departments or agencies and with State and local health departments and agencies. For such purpose he shall utilize insofar as possible the services or facilities of any agency of the Federal Government and, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), of any appropriate State or other public agency, and may, without regard to such section, utilize the services or facilities of any private agency, organization, group, or individual, in accordance with written agreements between the head of such agency, organization, or group and the Secretary or between such individual and the Secretary. Payment, if any, for such services or facilities shall be made in such amounts as may be provided in such agreement.

Data collection
forms.

“(g) To secure uniformity in the registration and collection of mortality, morbidity, and other health data, the Secretary shall prepare and distribute suitable and necessary forms for the collection and compilation of such data which shall be published as a part of the health reports published by the Secretary.

Registration
area records.

“(h) There shall be an annual collection of data from the records of births, deaths, marriages, and divorces in registration areas. The data shall be obtained only from and restricted to such records of the States and municipalities which the Secretary, in his discretion, determines possess records affording satisfactory data in necessary detail and form. Each State or registration area shall be paid by the Secretary the Federal share of its reasonable costs (as determined by the Secretary) for collecting and transcribing (at the request of the Secretary and by whatever method authorized by him) its records for such data.

United States
National Com-
mittee on Vital
and Health Sta-
tistics.

Establishment;
membership.

“(i) (1) There is established in the Office of the Secretary a committee to be known as the United States National Committee on Vital and Health Statistics (hereinafter in this subsection referred to as the ‘Committee’) which shall consist of fifteen members.

“(2) (A) The members of the Committee shall be appointed by the Secretary from among persons who have distinguished themselves in the fields of health statistics, epidemiology, and the provision of health services. Except as provided in subparagraph (B), members of the Committee shall be appointed for terms of three years.

“(B) Of the members first appointed—

“(i) five shall be appointed for terms of one year,

“(ii) five shall be appointed for terms of two years, and

“(iii) five shall be appointed for terms of three years,

as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration

of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

"(3) Members of the Committee shall be compensated in accordance with section 208(c).

"(4) It shall be the function of the Committee to assist and advise the Secretary—

"(A) to delineate statistical problems bearing on health and health services which are of national or international interest;

"(B) to stimulate studies of such problems by other organizations and agencies whenever possible or to make investigations of such problems through subcommittees;

"(C) to determine, approve, and revise the terms, definitions, classifications, and guidelines for assessing health status and health services, their distribution and costs, for use (i) within the Department of Health, Education, and Welfare, (ii) by all programs administered or funded by the Secretary, including the Federal-State-local cooperative health statistics system referred to in subsection (e), and (iii) to the extent possible as determined by the head of the agency involved, by the Veterans' Administration, the Department of Defense, and other Federal agencies concerned with health and health services;

"(D) with respect to the design of and approval of health statistical and health information systems concerned with the collection, processing, and tabulation of health statistics within the Department of Health, Education, and Welfare;

"(E) to review and comment on findings and proposals developed by other organizations and agencies and to make recommendations for their adoption or implementation by local, State, national, or international agencies;

"(F) to cooperate with national committees of other countries and with the World Health Organization and other national agencies in the studies of problems of mutual interest; and

"(G) to issue an annual report on the state of the Nation's health, its health services, their costs and distributions, and to make proposals for improvement of the Nation's health statistics and health information systems.

"(5) In carrying out health statistical activities under this part, the Secretary shall consult with, and seek the advice of, the Committee and other appropriate professional advisory groups."

SEC. 106. Section 308 is redesignated as section 307 and is amended to read as follows:

"INTERNATIONAL COOPERATION

"SEC. 307. (a) For the purpose of advancing the status of the health sciences in the United States (and thereby the health of the American people), the Secretary may participate with other countries in cooperative endeavors in biomedical research and the health services research and statistical activities authorized by sections 304, 305, and 306.

"(b) In connection with the cooperative endeavors authorized by subsection (a), the Secretary may—

"(1) make such use of resources offered by participating foreign countries as he may find necessary and appropriate;

"(2) establish and maintain fellowships in the United States and in participating foreign countries;

"(3) make grants to public institutions or agencies and to non-profit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining the fellowships authorized by paragraph (2);

Compensation.
Post, p. 369.
Functions.

42 USC 242f.

42 USC 242l.

Ante, pp. 362,
363, 365.

"(4) make grants or loans of equipment and materials, for use by public or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

"(5) participate and otherwise cooperate in any international meetings, conferences, or other activities concerned with biomedical research, health services research, or health statistics;

Interchange of
scientists and
experts.

"(6) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments and programs of biomedical research, health services research, and health statistical activities, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently; and

"(7) procure, in accordance with section 3109 of title 5, United States Code, the temporary or intermittent services of experts or consultants.

The Secretary may not, in the exercise of his authority under this section, provide financial assistance for the construction of any facility in any foreign country."

Ante, p. 367.

SEC. 107. (a) Part A of title III is amended by inserting after section 307 (as so redesignated) the following new sections:

"GENERAL PROVISIONS RESPECTING SECTIONS 304, 305, 306, AND 307

42 USC 242m.
Report to
Congress.
Ante, pp. 362,
363, 365, 367.

"SEC. 308. (a) (1) Not later than September 1 of each year, the Secretary shall make a report to Congress respecting (A) the administration of sections 304 through 307 during the preceding fiscal year, and (B) the current state and progress of health services research and health statistics.

Reports to
President and
Congress.

"(2) The Secretary, acting through the National Center for Health Services Research and the National Center for Health Statistics, shall assemble and submit to the President and the Congress not later than September 1 of each year the following reports:

Ante, p. 365.

"(A) A report on health care costs and financing. Such report shall include a description and analysis of the statistics collected under section 306(b) (1) (G).

"(B) A report on health resources. Such report shall include a description and analysis, by geographic area, of the statistics collected under section 306(b) (1) (E).

"(C) A report on the utilization of health resources. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 306(b) (1) (F).

"(D) A report on the health of the Nation's people. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 306(b) (1) (A).

OMB review.

"(5) The Office of Management and Budget may review any report required by paragraph (1) or (2) of this subsection before its submission to Congress, but the Office may not revise any such report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting any such report.

Application
submittal.

"(b) (1) No grant or contract may be made under section 304, 305, 306, or 307 unless an application therefor has been submitted to the Secretary in such form and manner, and containing such information, as the Secretary may by regulation prescribe.

"(2) Each application submitted for a grant or contract under section 304 or 305, in an amount exceeding \$35,000 of direct costs and for a health services research, evaluation, or demonstration project, shall be submitted by the Secretary for review for scientific merit to a panel of experts appointed by him from persons who are not officers or employees of the United States and who possess qualifications relevant to the project for which the application was made. A panel to which an application is submitted under this paragraph shall report its findings and recommendations respecting the application to the Secretary in such form and manner as the Secretary shall by regulation prescribe.

Application
review panel.
Ante, pp. 362,
363.

Ante, p. 365.

"(3) If an application is submitted under section 304, 305, or 306 for a grant or contract for a project for which a grant or contract may be made or entered into under another provision of this Act, such application may not be approved under section 304, 305, or 306 and funds appropriated under this section may not be obligated for such grant or contract. The applicant who submitted such application shall be notified of the other provision (or provisions) of this Act under which such application may be submitted.

Limited grants.

"(c) The aggregate number of grants and contracts made or entered into under sections 304 and 305 for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed twenty; and the aggregate amount of funds obligated under grants and contracts under such sections for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed \$5,000,000.

"(d) No information obtained in the course of activities undertaken or supported under section 304, 305, 306, or 307 may be used for any purpose other than the purpose for which it was supplied unless authorized under regulations of the Secretary; and (1) in the case of information obtained in the course of health statistical activities under section 304 or 306, such information may not be published or released in other form if the particular establishment or person supplying the information or described in it is identifiable unless such establishment or person has consented (as determined under regulations of the Secretary) to its publication or release in other form, and (2) in the case of information obtained in the course of health services research, evaluations, or demonstrations under section 304 or 305, such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Secretary) to its publication or release in other form.

Information,
publication re-
strictions.
Ante, p. 367.

"(e) (1) Payments of any grant or under any contract under section 304, 305, 306, or 307 may be made in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary deems necessary to carry out the purposes of such section.

Payment proce-
dures.

"(2) The amounts otherwise payable to any person under a grant or contract made under section 304, 305, 306, or 307 shall be reduced by—

"(A) amounts equal to the fair market value of any equipment or supplies furnished to such person by the Secretary for the purpose of carrying out the project with respect to which such grant or contract is made, and

"(B) amounts equal to the pay, allowances, traveling expenses, and related personnel expenses attributable to the performance of services by an officer or employee of the Government in connection with such project, if such officer or employee was assigned or detailed by the Secretary to perform such services,

but only if such person requested the Secretary to furnish such equipment or supplies, or such services, as the case may be.

Ante, pp. 362,
363, 365.

"(f) Contracts may be entered into under section 304, 305, or 306 without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"(g) (1) The Secretary shall—

Research re-
sults, publication.

"(A) publish, make available and disseminate, promptly in understandable form and on as broad a basis as practicable, the results of health services research, demonstrations, and evaluations undertaken and supported under sections 304 and 305;

"(B) make available to the public data developed in such research, demonstrations, and evaluations; and

Indexing, ab-
stracting, and
other services.

"(C) provide indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on health services research, demonstrations, and evaluations in health care delivery to public and private entities and individuals engaged in the improvement of health care delivery and the general public; and undertake programs to develop new or improved methods for making such information available.

Except as provided in subsection (d), the Secretary may not restrict the publication and dissemination of data from, and results of projects undertaken by, centers supported under section 305 (d).

Statistics,
publication.

"(2) The Secretary shall (A) take such action as may be necessary to assure that statistics developed under sections 304, 305, and 306 are of high quality, timely, comprehensive as well as specific, standardized, and adequately analyzed and indexed, and (B) publish, make available, and disseminate such statistics on as wide a basis as is practicable.

"(h) (1) Except where the Secretary determines that unusual circumstances make a larger percentage necessary in order to effectuate the purposes of section 304, 305, or 306, a grant or contract under section 304, 305, or 306 with respect to any project for construction of a facility or for acquisition of equipment may not provide for payment of more than 50 per centum of so much of the cost of the facility or equipment as the Secretary determines is reasonably attributable to research, evaluation, or demonstration purposes.

Laborers and
mechanics, wage
rate.

"(2) Laborers and mechanics employed by contractors and subcontractors in the construction of such a facility shall be paid wages at rates not less than those prevailing on similar work in the locality, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 267a—267a-5, known as the Davis-Bacon Act); and the Secretary of Labor shall have with respect to any labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

40 USC 276a
note.

5 USC app. II.
Regulations.

"(3) Such grants and contracts shall be subject to such additional requirements as the Secretary may by regulation prescribe.

Appropriations.

"(i) (1) For health service research, evaluation, and demonstration activities undertaken or supported under section 304 or 305, there are authorized to be appropriated \$65,200,000 for the fiscal year ending June 30, 1975, and \$80,000,000 for the fiscal year ending June 30, 1976. Of the funds appropriated under this paragraph for any fiscal year, not less than 25 per centum of such funds shall be made available only for health services research, evaluation, and demonstration activities directly undertaken by the Secretary under such section.

"(2) For health statistical activities undertaken or supported under section 304 or 306, there are authorized to be appropriated \$30,000,000 for the fiscal year ending June 30, 1975, and \$30,000,000 for the fiscal year ending June 30, 1976.

"HEALTH CONFERENCES

"SEC. 309. A conference of the health authorities in and among the several States shall be called annually by the Secretary. Whenever in his opinion the interests of the public health would be promoted by a conference, the Secretary may invite as many of such health authorities and officials of other State or local public or private agencies, institutions, or organizations to confer as he deems necessary or proper. Upon the application of health authorities of five or more States it shall be the duty of the Secretary to call a conference of all State health authorities joining in the request. Each State represented at any conference shall be entitled to a single vote. Whenever at any such conference matters relating to mental health are to be discussed, the mental health authorities of the respective States shall be invited to attend.

42 USC 242n.

"HEALTH EDUCATION AND INFORMATION

"SEC. 310. From time to time the Secretary shall issue information related to public health, in the form of publications or otherwise, for the use of the public, and shall publish weekly reports of health conditions in the United States and other countries and other pertinent health information for the use of persons and institutions concerned with health services."

42 USC 242o.

(b) The authorizations of appropriations provided by section 308(i) of the Public Health Service Act is extended for the fiscal year ending June 30, 1977, in the amounts authorized for the preceding fiscal year unless before June 30, 1976, Congress has passed legislation repealing this subsection.

Appropriation extension.
42 USC 242m note.
Ante, p. 368.

SEC. 108. (a) Subject to regulations of the President, lightkeepers, assistant lightkeepers, and officers and crews of vessels of the former Lighthouse Service, including any such persons who subsequent to June 30, 1939, were involuntarily assigned to other civilian duty in the Coast Guard, who were entitled to medical relief at hospitals and other stations of the Public Health Service prior to July 1, 1944, and who retired under the provisions of section 6 of the Act of June 20, 1918 (40 U.S.C. 763), shall be entitled to medical, surgical, and dental treatment and hospitalization at hospitals and other stations of the Public Health Service.

Former Lighthouse Service employees, medical service eligibility.
42 USC 253b.

33 USC 763.

(b) Subsection (a) shall be effective from December 28, 1973.

Effective date.

TITLE II—REVISION AND EXTENSION OF MEDICAL LIBRARY ASSISTANCE PROGRAMS

SEC. 201. (a) Effective July 1, 1974, section 390 is amended by adding after subsection (b) the following new subsection:

42 USC 280b.

"(c) For the purpose of grants and contracts under sections 393, 394, 395, 396, and 397, there are authorized to be appropriated \$17,500,000 for the fiscal year ending June 30, 1975, and \$20,000,000 for the fiscal year ending June 30, 1976."

Appropriation.
42 USC 280b-3 to 280b-8.

(b) The section heading for such section is amended to read as follows:

"DECLARATION OF POLICY, STATEMENT OF PURPOSE, AND AUTHORIZATION OF APPROPRIATIONS".

(c) The authorization of appropriations provided by section 390(c) of the Public Health Service Act is extended for the fiscal year ending June 30, 1977, in the amount authorized for the preceding fiscal year

Extension.
42 USC 280b note.
Supra.

unless before June 30, 1976, Congress has passed legislation repealing this subsection.

42 USC 280b.

SEC. 202. (a) Subsection (b) of section 390 is amended by striking out paragraph (1) and by redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively.

42 USC 280b-1.

(b) Section 391 is amended—

(1) by inserting “and” at the end of paragraph (2),

(2) by striking out paragraph (3), and

(3) by redesignating clause (4) as paragraph (3).

42 USC 280b-2.

(c) Section 392(b) is amended to read as follows:

“(b) The Board shall advise and assist the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this part.”

Repeal.

42 USC 280b-3.

(d) Section 393 is repealed.

42 USC 280b-8.

(e) Section 397(b) is amended—

(1) by inserting “and” at the end of paragraph (4),

(2) by striking out “; and” at the end of paragraph (5) and inserting in lieu thereof a period, and

(3) by striking out paragraph (6).

Repeal.

Repeals.

42 USC 280b-4.

(f) The first sentence of section 397(d) is repealed.

SEC. 203. (a) The first sentence of section 394(a) is repealed; and the second sentence of such section is amended by striking out “Sums made available under this section shall be utilized by the Secretary in making” and inserting in lieu thereof “To carry out the purposes of section 390(b) (1), the Secretary shall make”.

Supra.

42 USC 280b-5.

(b) (1) The first and second sentences of section 395(a) are repealed; and the third sentence of such section is amended by striking out “Sums made available under this subsection shall be utilized by the Secretary to” and inserting in lieu thereof “To carry out the purposes of section 390(b) (2), the Secretary shall”.

(2) The first and second sentences of section 395(b) are repealed; and the third sentence of such section is amended (A) by striking out “Sums made available under this subsection shall be utilized by the Secretary in making” and inserting in lieu thereof “To carry out the purposes of section 390(b) (3), the Secretary shall make”, and (B) by striking out “entering into contracts” and inserting in lieu thereof “enter into contracts”.

Supra.

42 USC 280b-7.

(c) (1) The first sentence of section 396(b) is amended by striking out “Sums made available under this section shall be utilized by the Secretary for making” and inserting in lieu thereof “To carry out the purposes of section 390(b) (4), the Secretary shall make”.

(2) Clauses (A), (B), (C), and (D) of section 396(b) are redesignated as clauses (1), (2), (3), and (4), respectively.

(3) Subsection (a) of section 396 is repealed and subsections (b) and (c) of such section are redesignated as subsections (a) and (b), respectively.

42 USC 280b-8.

(d) (1) The first sentence of section 397(a) is repealed; and the second sentence of such section is amended by striking out “Sums made available under this section shall be utilized by the Secretary, with the advice of the Board, to make” and inserting in lieu thereof “To carry out the purposes of section 390(b) (5), the Secretary, with the advice of the Board, shall make”.

(2) The section heading for section 397 is amended by inserting “AND CONTRACTS” after “GRANTS”.

42 USC 280b-9.

(e) The first and second sentences of section 398(a) are repealed; and the third sentence of such section is amended by striking out “Sums made available under this section shall be utilized by the Secretary, with the advice of the Board, in making grants to, and enter-

ing into appropriate contracts” and inserting in lieu thereof “To carry out the purposes of section 390(b) (6), the Secretary, with the advice of the Board, shall make grants to, and enter into appropriate contracts”.

42 USC 280b.

SEC. 204. Section 399b is repealed; and sections 394 through 399a are redesignated as sections 393 through 399, respectively.

Repeal.
42 USC 280b-12.

SEC. 205. The amendments made by sections 202, 203, and 204 shall apply with respect to appropriations under part J of the Public Health Service Act for fiscal years beginning after June 30, 1974.

42 USC 280b
note.
42 USC 280b.

Approved July 23, 1974.

Public Law 93-354

AN ACT

July 23, 1974
[S. 2830]

To amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

National Dia-
betes Mellitus
Research and
Education Act.

SHORT TITLE

SECTION 1. This Act may be cited as the “National Diabetes Mellitus Research and Education Act”.

42 USC 289c-2
note.

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress makes the following findings:

42 USC 289c-2
note.

(1) Diabetes mellitus is a major health problem in the United States which directly affects perhaps as many as ten million Americans and indirectly affects perhaps as many as fifty million Americans who will pass the tendency to develop diabetes mellitus to their children or grandchildren or to both.

(2) Diabetes mellitus is a family of diseases that has an impact on virtually all biological systems of the human body.

(3) Diabetes mellitus is the fifth leading cause of death from disease, and it is the second leading cause of new cases of blindness.

(4) The severity of diabetes mellitus in children and most adolescents is greater than in adults, which in most cases involves greater problems in the management of the disease.

(5) The complications of diabetes mellitus, particularly cardiovascular degeneration, lead to many other serious health problems.

(6) Uncontrolled diabetes mellitus significantly decreases life expectancy.

(7) There is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade.

(8) The citizens of the United States should have a full understanding of the nature of the impact of diabetes mellitus.

(9) The attainment of better methods of diagnosis and treatment of diabetes mellitus deserves the highest priority.

(10) The establishment of regional diabetes research and training centers throughout the country is essential for the development of scientific information and appropriate therapies to deal with diabetes mellitus.

(11) In order to provide for the most effective program against diabetes mellitus it is important to mobilize the resources of the National Institutes of Health as well as the public and private organizations capable of the necessary research and public education in the disease.

(b) It is the purpose of this Act to—

(1) expand the authority of the National Institutes of Health to advance the national attack on diabetes mellitus; and

(2) as part of that attack, to establish a long-range plan to—
(A) expand and coordinate the national research effort against diabetes mellitus;

(B) advance activities of patient education, professional education, and public education which will alert the citizens of the United States to the early indications of diabetes mellitus; and

(C) to emphasize the significance of early detection, proper control, and complications which may evolve from the disease.

DIABETES PLAN

National Commission on Diabetes.

Establishment.
42 USC 289c-2
note.

Membership.

SEC. 3. (a) The Director of the National Institutes of Health shall, within sixty days of the date of the enactment of this section, establish a National Commission on Diabetes (hereinafter in this section referred to as the "Commission").

(b) The Commission shall be composed of seventeen members as follows:

(1) The Directors of the seven Institutes referred to in subsection (e).

(2) Six members appointed by the Secretary of Health, Education, and Welfare from scientists or physicians who are not in the employment of the Federal Government and who represent the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases.

(3) Four members appointed by the Secretary of Health, Education, and Welfare from the general public. At least two of the members appointed pursuant to this paragraph shall be diabetics or parents of diabetics.

The members of the Commission shall select a chairman from among their own number.

Director and
personnel.

(c) The Commission may appoint an executive director and such additional personnel as it determines are necessary for the performance of the Commission's functions.

Compensation.

(d) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall each receive the daily equivalent of the rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members of the Commission shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

5 USC 5332
note.

Travel
expenses.

(e) The Commission shall formulate a long-range plan to combat diabetes mellitus with specific recommendations for the utilization and organization of national resources for that purpose. Such a plan shall be based on a comprehensive survey investigating the magnitude of diabetes mellitus, its epidemiology, and its economic and social consequences and on an evaluation of available scientific information and the national resources capable of dealing with the problem. The plan shall include a plan for a coordinated research program encompassing programs of the National Institute of Arthritis, Metabolism, and Digestive Diseases, the National Eye Institute, the National Institute of Neurological Diseases, the National Heart and Lung Institute, the

National Institute of General Medical Sciences, the National Institute of Child Health and Human Development, and the National Institute of Dental Research, and other Federal and non-Federal programs. The coordinated research program shall provide for—

Investigation,
studies and
research pro-
grams.

(1) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus, including abnormalities of the skin, cardiovascular system, kidneys, eyes, and nervous system, and evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

(3) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

(4) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

(5) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

(6) the education and training of scientists, clinicians, educators, and allied health personnel in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus;

(7) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus;

(8) appropriate distribution of resources between basic and applied research.

The long-range plan formulated under this subsection shall also include within its scope related endocrine and metabolic diseases and basic biological processes and mechanisms, the better understanding of which is essential to the solution of the problem of diabetes mellitus.

(f) In the development of the long-range plan under subsection (e), attention shall be given to means to assure continued development of knowledge, and dissemination of such knowledge to the public, which would form the basis of future advances in the understanding, treatment, and control of diabetes mellitus.

(g) The Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission deems advisable to develop the long-range plan required by subsection (e).

Hearings.

(h)(1) The Commission shall prepare for each of the Institutes whose programs are to be encompassed by the plan for a coordinated diabetes research program described in subsection (e) budget estimates for each Institute's part of such program. The budget estimates shall be prepared for the fiscal year ending June 30, 1976, and for each of the next two fiscal years.

Budget esti-
mates.

(2) Within five days after the Budget for the fiscal year ending June 30, 1976, and the Budget for each of the next two fiscal years is transmitted by the President to the Congress the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare

Budget esti-
mates from HEW,
transmittal to
congressional
committees.

of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives an estimate of the amounts requested for each of the Institutes for diabetes research, and a comparison of such amounts with the budget estimates prepared by the Commission under paragraph (1).

Final report to Congress.

(i) (1) The Commission shall publish and transmit directly to the Congress (without prior administrative approval) a final report within nine months after the date funds are first appropriated for the implementation of this section. Such report shall contain the long-range plan required by subsection (e), the budget estimates required by subsection (h), and any recommendations of the Commission for legislation.

Termination.

(2) The Commission shall cease to exist on the thirtieth day following the date of the submission of its final report pursuant to paragraph (1) of this subsection.

Appropriation.

(j) There are authorized to be appropriated to carry out the purposes of this section \$1,000,000.

DIABETES MELLITUS PREVENTION AND CONTROL PROGRAMS

42 USC 247b.

SEC. 4. Section 317 of the Public Health Service Act is amended—

(1) by striking out “communicable disease control” each place it occurs and inserting in lieu thereof “communicable and other disease control”;

(2) by striking out “communicable diseases” in subsection (a) and inserting in lieu thereof “communicable or other diseases”;

(3) by striking out “communicable disease program” in subsection (a) and inserting in lieu thereof “communicable or other disease control program”;

(4) by striking out “communicable disease” in subsection (b) (2)(C)(i) and inserting in lieu thereof “communicable or other disease”;

(5) by striking out “Rh disease,” in subsection (h) (1) and by inserting “diabetes mellitus and Rh disease and” before “tuberculosis” in that subsection; and

(6) by striking out “COMMUNICABLE” in the section heading.

RESEARCH AND TRAINING CENTERS; DIABETES COORDINATING COMMITTEE AND GENERAL AUTHORITY

SEC. 5. (a) Part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new sections:

“DIABETES RESEARCH AND TRAINING CENTERS

42 USC 289c-2.

“SEC. 435. (a) Consistent with applicable recommendations of the National Commission on Diabetes, the Secretary shall provide for the development, or substantial expansion, of centers for research and training in diabetes mellitus and related endocrine and metabolic disorders. Each center developed or expanded under this section shall (1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and (2) conduct (A) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic disorders and the complications resulting from such disease or disorders, (B) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such disease, disorders, and complications, and (C) information programs for physicians and allied health personnel who provide primary care for patients with such disease, disorders, or com-

plications. Insofar as practicable, centers developed or expanded under this section shall be located geographically on the basis of population density throughout the United States and in environments with proven research capabilities.

“(b) The Secretary shall evaluate on an annual basis the activities of centers developed or expanded under this section and shall report to the Congress (on or before June 30 of each year) the results of his evaluation.

Report to Congress.

“(c) There are authorized to be appropriated to carry out this section \$8,000,000 for fiscal year ending June 30, 1975, \$12,000,000 for fiscal year ending June 30, 1976, and \$20,000,000 for fiscal year ending June 30, 1977.

Appropriation.

“DIABETES COORDINATING COMMITTEE

“SEC. 436. For the purpose of—

“(1) better coordination of the total National Institutes of Health research activities relating to diabetes mellitus; and

“(2) coordinating those aspects of all Federal health programs and activities relating to diabetes mellitus to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities,

Diabetes Mellitus Coordinating Committee.
Establishment.
42 USC 289c-3.

the Director of the National Institutes of Health shall establish a Diabetes Mellitus Coordinating Committee. The Committee shall be composed of the Directors (or their designated representatives) of each of the Institutes and divisions involved in diabetes-related research and shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities as determined by the Secretary. The Committee shall be chaired by the Director of the National Institutes of Health (or his designated representative). The Committee shall prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the Committee in carrying out the coordinating activities described in paragraphs (1) and (2).”

Chairman.

Report.

(b) Section 434 of the Public Health Service Act is amended by adding at the end the following new subsection:

42 USC 289c-1.

“(d) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, working through the Associate Director for Diabetes (if that position is established), shall (1) carry out programs of support for research and training in the diagnosis, prevention, and treatment of diabetes mellitus and related endocrine and metabolic diseases, and (2) establish programs of evaluation, planning, and dissemination of knowledge related to research and training in diabetes mellitus and related endocrine and metabolic diseases.”

ASSOCIATE DIRECTOR FOR DIABETES

SEC. 6. The Secretary of Health, Education, and Welfare may establish within the National Institute of Arthritis, Metabolism, and Digestive Diseases the position of Associate Director for Diabetes who would report directly to the Director of the Institute and who, under the supervision of the Director of the Institute, would be responsible for programs with regard to diabetes mellitus within the Institute.

42 USC 289c-1a.

Approved July 23, 1974.

Public Law 93-355

July 25, 1974
[H. R. 7824]

AN ACT

To amend the Economic Opportunity Act of 1964 to provide for the transfer of the legal services program from the Office of Economic Opportunity to a Legal Services Corporation, and for other purposes.

Legal Services
Corporation Act
of 1974,
42 USC 2996
note.
42 USC 2701
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Legal Services Corporation Act of 1974".

SEC. 2. The Economic Opportunity Act of 1964 is amended by adding at the end thereof the following new title:

"TITLE X—LEGAL SERVICES CORPORATION ACT

"STATEMENT OF FINDINGS AND DECLARATION OF PURPOSE

42 USC 2996.

"SEC. 1001. The Congress finds and declares that—

"(1) there is a need to provide equal access to the system of justice in our Nation for individuals who seek redress of grievances;

"(2) there is a need to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel and to continue the present vital legal services program;

"(3) providing legal assistance to those who face an economic barrier to adequate legal counsel will serve best the ends of justice;

"(4) for many of our citizens, the availability of legal services has reaffirmed faith in our government of laws;

"(5) to preserve its strength, the legal services program must be kept free from the influence of or use by it of political pressures; and

"(6) attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the Code of Professional Responsibility, the Canons of Ethics, and the high standards of the legal profession.

"DEFINITIONS

42 USC 2996a.

"SEC. 1002. As used in this title, the term—

"(1) 'Board' means the Board of Directors of the Legal Services Corporation;

"(2) 'Corporation' means the Legal Services Corporation established under this title;

"(3) 'eligible client' means any person financially unable to afford legal assistance;

"(4) 'Governor' means the chief executive officer of a State;

"(5) 'legal assistance' means the provision of any legal services consistent with the purposes and provisions of this title;

"(6) 'recipient' means any grantee, contractee, or recipient of financial assistance described in clause (A) of section 1006(a) (1);

"(7) 'staff attorney' means an attorney who receives more than one-half of his annual professional income from a recipient organized solely for the provision of legal assistance to eligible clients under this title; and

"(8) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"ESTABLISHMENT OF CORPORATION

"SEC. 1003. (a) There is established in the District of Columbia a private nonmembership nonprofit corporation, which shall be known as the Legal Services Corporation, for the purpose of providing financial support for legal assistance in noncriminal proceedings or matters to persons financially unable to afford legal assistance.

Legal Services
Corporation.
Establishment.
42 USC 2996b.

"(b) The Corporation shall maintain its principal office in the District of Columbia and shall maintain therein a designated agent to accept service of process for the Corporation. Notice to or service upon the agent shall be deemed notice to or service upon the Corporation.

"(c) The Corporation, and any legal assistance program assisted by the Corporation, shall be eligible to be treated as an organization described in section 170(c)(2)(B) of the Internal Revenue Code of 1954 and as an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from taxation under section 501(a) of such Code. If such treatments are conferred in accordance with the provisions of such Code, the Corporation, and legal assistance programs assisted by the Corporation, shall be subject to all provisions of such Code relevant to the conduct of organizations exempt from taxation.

Tax exemption.

26 USC 170.

26 USC 501.

"GOVERNING BODY

"SEC. 1004. (a) The Corporation shall have a Board of Directors consisting of eleven voting members appointed by the President, by and with the advice and consent of the Senate, no more than six of whom shall be of the same political party. A majority shall be members of the bar of the highest court of any State, and none shall be a full-time employee of the United States.

Board of Direc-
tors, membership.
42 USC 2996c.

"(b) The term of office of each member of the Board shall be three years, except that five of the members first appointed, as designated by the President at the time of appointment, shall serve for a term of two years. Each member of the Board shall continue to serve until the successor to such member has been appointed and qualified. The term of initial members shall be computed from the date of the first meeting of the Board. The term of each member other than initial members shall be computed from the date of termination of the preceding term. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term. No member shall be reappointed to more than two consecutive terms immediately following such member's initial term.

Term of office.

"(c) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States.

"(d) The President shall select from among the voting members of the Board a chairman, who shall serve for a term of three years. Thereafter the Board shall annually elect a chairman from among its voting members.

Chairman.

"(e) A member of the Board may be removed by a vote of seven members for malfeasance in office or for persistent neglect of or inability to discharge duties, or for offenses involving moral turpitude, and for no other cause.

Removal.

"(f) Within six months after the first meeting of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for such State. A majority of the members of the advisory council shall be appointed, after recommendations have been received from the State bar association, from among the attorneys admitted to practice in the State, and the membership of the council shall be subject to annual reappointment. If ninety days have elapsed without such an advisory council appointed by the Governor,

Nine-member
State advisory
council, appoint-
ment.

Violation notification.

Copy.

Open meetings.

Quarterly meetings.

the Board is authorized to appoint such a council. The advisory council shall be charged with notifying the Corporation of any apparent violation of the provisions of this title and applicable rules, regulations, and guidelines promulgated pursuant to this title. The advisory council shall, at the same time, furnish a copy of the notification to any recipient affected thereby, and the Corporation shall allow such recipient a reasonable time (but in no case less than thirty days) to reply to any allegation contained in the notification.

“(g) All meetings of the Board, of any executive committee of the Board, and of any advisory council established in connection with this title shall be open to the public, and any minutes of such public meetings shall be available to the public, unless the membership of such bodies, by two-thirds vote of those eligible to vote, determines that an executive session should be held on a specific occasion.

“(h) The Board shall meet at least four times during each calendar year.

“OFFICERS AND EMPLOYEES

President, appointment by Board.
42 USC 2996d.

“SEC. 1005. (a) The Board shall appoint the president of the Corporation, who shall be a member of the bar of the highest court of a State and shall be a non-voting ex officio member of the Board, and such other officers as the Board determines to be necessary. No officer of the Corporation may receive any salary or other compensation for services from any source other than the Corporation during his period of employment by the Corporation, except as authorized by the Board. All officers shall serve at the pleasure of the Board.

“(b) (1) The president of the Corporation, subject to general policies established by the Board, may appoint and remove such employees of the Corporation as he determines necessary to carry out the purposes of the Corporation.

“(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this title.

“(c) No member of the Board may participate in any decision, action, or recommendation with respect to any matter which directly benefits such member or pertains specifically to any firm or organization with which such member is then associated or has been associated within a period of two years.

Compensation.

83 Stat. 863.

“(d) Officers and employees of the Corporation shall be compensated at rates determined by the Board, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5, United States Code.

“(e) (1) Except as otherwise specifically provided in this title, officers and employees of the Corporation shall not be considered officers or employees, and the Corporation shall not be considered a department, agency, or instrumentality, of the Federal Government.

“(2) Nothing in this title shall be construed as limiting the authority of the Office of Management and Budget to review and submit comments upon the Corporation's annual budget request at the time it is transmitted to the Congress.

Budget, OMB review and comments.

5 USC 8101,
8301.
5 USC 8701.
5 USC 8901.

“(f) Officers and employees of the Corporation shall be considered officers and employees of the Federal Government for purposes of the following provisions of title 5, United States Code: subchapter I of chapter 81 (relating to compensation for work injuries); chapter 83 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance). The Corporation shall make contributions at the same rates applicable to agencies of the Federal Government under the provisions referred to in this subsection.

“(g) The Corporation and its officers and employees shall be subject to the provisions of section 552 of title 5, United States Code (relating to freedom of information).

“POWERS, DUTIES, AND LIMITATIONS

“SEC. 1006. (a) To the extent consistent with the provisions of this title, the Corporation shall exercise the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (except for section 1005(o) of title 29 of the District of Columbia Code). In addition, the Corporation is authorized—

42 USC 2996e.

D.C. Code 29-1001.

“(1) (A) to provide financial assistance to qualified programs furnishing legal assistance to eligible clients, and to make grants to and contracts with—

“(i) individuals, partnerships, firms, corporations, and nonprofit organizations, and

“(ii) State and local governments (only upon application by an appropriate State or local agency or institution and upon a special determination by the Board that the arrangements to be made by such agency or institution will provide services which will not be provided adequately through non-governmental arrangements),

for the purpose of providing legal assistance to eligible clients under this title, and (B) to make such other grants and contracts as are necessary to carry out the purposes and provisions of this title;

“(2) to accept in the name of the Corporation, and employ or dispose of in furtherance of the purposes of this title, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and

“(3) to undertake directly and not by grant or contract, the following activities relating to the delivery of legal assistance—

“(A) research,

“(B) training and technical assistance, and

“(C) to serve as a clearinghouse for information.

“(b) (1) The Corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this title and the rules, regulations, and guidelines promulgated pursuant to this title, and to terminate, after a hearing in accordance with section 1011, financial support to a recipient which fails to comply.

“(2) If a recipient finds that any of its employees has violated or caused the recipient to violate the provisions of this title or the rules, regulations, and guidelines promulgated pursuant to this title, the recipient shall take appropriate remedial or disciplinary action in accordance with the types of procedures prescribed in the provisions of section 1011.

Violations,
disciplinary
action.

“(3) The Corporation shall not, under any provision of this title, interfere with any attorney in carrying out his professional responsibilities to his client as established in the Canons of Ethics and the Code of Professional Responsibility of the American Bar Association (referred to collectively in this title as ‘professional responsibilities’) or abrogate as to attorneys in programs assisted under this title the authority of a State or other jurisdiction to enforce the standards of professional responsibility generally applicable to attorneys in such jurisdiction. The Corporation shall ensure that activities under this title are carried out in a manner consistent with attorneys’ professional responsibilities.

"(4) No attorney shall receive any compensation, either directly or indirectly, for the provision of legal assistance under this title unless such attorney is admitted or otherwise authorized by law, rule, or regulation to practice law or provide such assistance in the jurisdiction where such assistance is initiated.

Restrictions.

"(5) The Corporation shall insure that (A) no employee of the Corporation or of any recipient (except as permitted by law in connection with such employee's own employment situation), while carrying out legal assistance activities under this title, engage in, or encourage others to engage in, any public demonstration or picketing, boycott, or strike; and (B) no such employee shall, at any time, engage in, or encourage others to engage in, any of the following activities: (i) any rioting or civil disturbance, (ii) any activity which is in violation of an outstanding injunction of any court of competent jurisdiction, (iii) any other illegal activity, or (iv) any intentional identification of the Corporation or any recipient with any political activity prohibited by section 1007(a)(6). The Board, within ninety days after its first meeting, shall issue rules and regulations to provide for the enforcement of this paragraph and section 1007(a)(5), which rules shall include, among available remedies, provisions, in accordance with the types of procedures prescribed in the provisions of section 1011, for suspension of legal assistance supported under this title, suspension of an employee of the Corporation or of any employee of any recipient by such recipient, and, after consideration of other remedial measures and after a hearing in accordance with section 1011, the termination of such assistance or employment, as deemed appropriate for the violation in question.

Rules and regulations.

"(6) In areas where significant numbers of eligible clients speak a language other than English as their principal language, the Corporation shall, to the extent feasible, provide that their principal language is used in the provision of legal assistance to such clients under this title.

"(c) The Corporation shall not itself—

"(1) participate in litigation on behalf of clients other than the Corporation; or

"(2) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative bodies, except that personnel of the Corporation may testify or make other appropriate communication (A) when formally requested to do so by a legislative body, a committee, or a member thereof, or (B) in connection with legislation or appropriations directly affecting the activities of the Corporation.

"(d) (1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

"(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

"(3) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment to any political party or association, or the campaign of any candidate for public or party office.

"(4) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any ballot measures, initiatives, or referendums. However, an attorney may provide legal advice and representation as an attorney to any eligible client with respect to such client's legal rights.

"(5) No class action suit, class action appeal, or amicus curiae class action may be undertaken, directly or through others, by a staff attor-

ney, except with the express approval of a project director of a recipient in accordance with policies established by the governing body of such recipient.

“(e) (1) Employees of the Corporation or of recipients shall not at any time intentionally identify the Corporation or the recipient with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.

“(2) Employees of the Corporation shall be deemed to be State or local employees for purposes of chapter 15 of title 5, United States Code.

5 USC 1501.

“(f) If an action is commenced by the Corporation or by a recipient and a final order is entered in favor of the defendant and against the Corporation or a recipient's plaintiff, the court may, upon motion by the defendant and upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant or that the Corporation or a recipient's plaintiff maliciously abused legal process, enter an order (which shall be appealable before being made final) awarding reasonable costs and legal fees incurred by the defendant in defense of the action, except when in contravention of a State law, a rule of court, or a statute of general applicability. Any such costs and fees shall be directly paid by the Corporation.

“GRANTS AND CONTRACTS

“SEC. 1007. (a) With respect to grants or contracts in connection with the provision of legal assistance to eligible clients under this title, the Corporation shall—

42 USC 2996f.

“(1) insure the maintenance of the highest quality of service and professional standards, the preservation of attorney-client relationships, and the protection of the integrity of the adversary process from any impairment in furnishing legal assistance to eligible clients;

“(2) (A) establish, in consultation with the Director of the Office of Management and Budget and with the Governors of the several States, maximum income levels (taking into account family size, urban and rural differences, and substantial cost-of-living variations) for individuals eligible for legal assistance under this title;

Maximum income levels, determination.

“(B) establish guidelines to insure that eligibility of clients will be determined by recipients on the basis of factors which include—

Eligibility guidelines.

- “(i) the liquid assets and income level of the client,
- “(ii) the fixed debts, medical expenses, and other factors which affect the client's ability to pay,
- “(iii) the cost of living in the locality, and
- “(iv) such other factors as relate to financial inability to afford legal assistance, which shall include evidence of a prior determination, which shall be a disqualifying factor, that such individual's lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation; and

“(C) establish priorities to insure that persons least able to afford legal assistance are given preference in the furnishing of such assistance;

Priorities.

“(3) insure that grants and contracts are made so as to provide the most economical and effective delivery of legal assistance to persons in both urban and rural areas;

“(4) insure that attorneys employed full time in legal assistance activities supported in major part by the Corporation refrain

from (A) any compensated outside practice of law, and (B) any uncompensated outside practice of law except as authorized in guidelines promulgated by the Corporation;

"(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, except where—

"(A) representation by an attorney as an attorney for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities (which shall not be construed to permit a recipient or an attorney to solicit a client for the purpose of making such representation possible, or to solicit a group with respect to matters of general concern to a broad class of persons as distinguished from acting on behalf of any particular client); or

"(B) a governmental agency, a legislative body, a committee, or a member thereof requests personnel of any recipient to make representations thereto;

"(6) insure that all attorneys engaged in legal assistance activities supported in whole or in part by the Corporation refrain, while so engaged, from—

"(A) any political activity, or

"(B) any activity to provide voters or prospective voters with transportation to the polls or provide similar assistance in connection with an election (other than legal advice and representation), or

"(C) any voter registration activity (other than legal advice and representation);

and insure that staff attorneys refrain at any time during the period for which they receive compensation under this title from the activities described in clauses (B) and (C) of this paragraph and from political activities of the type prohibited by section 1502(a) of title 5, United States Code, whether partisan or nonpartisan;

"(7) require recipients to establish guidelines, consistent with regulations promulgated by the Corporation, for a system for review of appeals to insure the efficient utilization of resources and to avoid frivolous appeals (except that such guidelines or regulations shall in no way interfere with attorneys' professional responsibilities);

"(8) insure that recipients solicit the recommendations of the organized bar in the community being served before filling staff attorney positions in any project funded pursuant to this title and give preference in filling such positions to qualified persons who reside in the community to be served;

"(9) insure that every grantee, contractor, or person or entity receiving financial assistance under this title or predecessor authority under this Act which files with the Corporation a timely application for refunding is provided interim funding necessary to maintain its current level of activities until (A) the application for refunding has been approved and funds pursuant thereto received, or (B) the application for refunding has been finally denied in accordance with section 1011 of this Act; and

"(10) insure that all attorneys, while engaged in legal assistance activities supported in whole or in part by the Corporation, refrain from the persistent incitement of litigation and any other

Restrictions on
legal assistance
attorneys.

Review of ap-
peals, guidelines,
establishment.

activity prohibited by the Canons of Ethics and Code of Professional Responsibility of the American Bar Association, and insure that such attorneys refrain from personal representation for a private fee in any cases in which they were involved while engaged in such legal assistance activities.

“(b) No funds made available by the Corporation under this title, either by grant or contract, may be used—

Funds, limitations.

“(1) to provide legal assistance with respect to any fee-generating case (except in accordance with guidelines promulgated by the Corporation), to provide legal assistance with respect to any criminal proceeding, or to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against an officer of the court or against a law enforcement official for the purpose of challenging the validity of the criminal conviction;

“(2) for any of the political activities prohibited in paragraph (6) of subsection (a) of this section;

“(3) to make grants to or enter into contracts with any private law firm which expends 50 percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

“(4) to provide legal assistance under this title to any unemancipated person of less than eighteen years of age, except (A) with the written request of one of such person's parents or guardians, (B) upon the request of a court of competent jurisdiction, (C) in child abuse cases, custody proceedings, persons in need of supervision (PINS) proceedings, or cases involving the initiation, continuation, or conditions of institutionalization, or (D) where necessary for the protection of such person for the purpose of securing, or preventing the loss of, benefits, or securing, or preventing the loss or imposition of, services under law in cases not involving the child's parent or guardian as a defendant or respondent;

“(5) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, as distinguished from the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients;

“(6) to organize, to assist to organize, or to encourage to organize, or to plan for the creation or formation of, or the structuring of, any organization, association, coalition, alliance, federation, confederation, or any similar entity, except for the provision of legal assistance to eligible clients in accordance with guidelines promulgated by the Corporation;

“(7) to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system;

“(8) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution; or

“(9) to provide legal assistance with respect to any proceeding or litigation arising out of a violation of the Military Selective Service Act or of desertion from the Armed Forces of the United States.

50 USC app.
451.

Governing
board, member-
ship.

Post, p. 390.

Program evalu-
ation.

Grant approval,
public notifica-
tion.

Staff-attorney
program, study.

“(c) In making grants or entering into contracts for legal assistance, the Corporation shall insure that any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body at least 60 percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided (except that the Corporation (1) shall, upon application, grant waivers to permit a legal services program, supported under section 222(a)(3) of the Economic Opportunity Act of 1964, which on the date of enactment of this title has a majority of persons who are not attorneys on its policy-making board to continue such a non-attorney majority under the provisions of this title, and (2) may grant, pursuant to regulations issued by the Corporation, such a waiver for recipients which, because of the nature of the population they serve, are unable to comply with such requirement) and which include at least one individual eligible to receive legal assistance under this title. Any such attorney, while serving on such board, shall not receive compensation from a recipient.

“(d) The Corporation shall monitor and evaluate and provide for independent evaluations of programs supported in whole or in part under this title to insure that the provisions of this title and the bylaws of the Corporation and applicable rules, regulations, and guidelines promulgated pursuant to this title are carried out.

“(e) The president of the Corporation is authorized to make grants and enter into contracts under this title.

“(f) At least thirty days prior to the approval of any grant application or prior to entering into a contract or prior to the initiation of any other project, the Corporation shall announce publicly, and shall notify the Governor and the State bar association of any State where legal assistance will thereby be initiated, of such grant, contract, or project. Notification shall include a reasonable description of the grant application or proposed contract or project and request comments and recommendations.

“(g) The Corporation shall provide for comprehensive, independent study of the existing staff-attorney program under this Act and, through the use of appropriate demonstration projects, of alternative and supplemental methods of delivery of legal services to eligible clients, including judicare, vouchers, prepaid legal insurance, and contracts with law firms; and, based upon the results of such study, shall make recommendations to the President and the Congress, not later than two years after the first meeting of the Board, concerning improvements, changes, or alternative methods for the economical and effective delivery of such services.

“RECORDS AND REPORTS

42 USC 2996g.

“SEC. 1008. (a) The Corporation is authorized to require such reports as it deems necessary from any grantee, contractor, or person or entity receiving financial assistance under this title regarding activities carried out pursuant to this title.

“(b) The Corporation is authorized to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records at all reasonable times for the purpose of insuring compliance with the grant or contract or the terms and conditions upon which financial assistance was provided.

“(c) The Corporation shall publish an annual report which shall be filed by the Corporation with the President and the Congress.

“(d) Copies of all reports pertinent to the evaluation, inspection, or monitoring of any grantee, contractor, or person or entity receiving financial assistance under this title shall be submitted on a timely basis to such grantee, contractor, or person or entity, and shall be maintained

Annual report
to President and
Congress.

in the principal office of the Corporation for a period of at least five years subsequent to such evaluation, inspection, or monitoring. Such reports shall be available for public inspection during regular business hours, and copies shall be furnished, upon request, to interested parties upon payment of such reasonable fees as the Corporation may establish.

“(e) The Corporation shall afford notice and reasonable opportunity for comment to interested parties prior to issuing rules, regulations, and guidelines, and it shall publish in the Federal Register at least 30 days prior to their effective date all its rules, regulations, guidelines, and instructions.

Publication in
Federal Register.

“AUDITS

“SEC. 1009. (a) (1) The accounts of the Corporation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

42 USC 2996h.

“(2) The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to any such person.

“(3) The report of the annual audit shall be filed with the General Accounting Office and shall be available for public inspection during business hours at the principal office of the Corporation.

Audit report,
submittal to GAO.

“(b) (1) In addition to the annual audit, the financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

GAO audit.

“(2) Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audit; and full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation.

Records, acces-
sibility.

“(3) A report of such audit shall be made by the Comptroller General to the Congress and to the President, together with such recommendations with respect thereto as he shall deem advisable.

Report to
Congress and
President.

“(c) (1) The Corporation shall conduct, or require each grantee, contractor, or person or entity receiving financial assistance under this title to provide for, an annual financial audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Corporation.

“(2) The Corporation shall submit to the Comptroller General of the United States copies of such reports, and the Comptroller General may, in addition, inspect the books, accounts, financial records, files, and other papers or property belonging to or in use by such grantee, contractor, or person or entity, which relate to the disposition or use of funds received from the Corporation. Such audit reports shall be available for public inspection, during regular business hours, at the principal office of the Corporation.

Audit reports,
public inspection.

Attorney-client
privilege.

"(d) Notwithstanding the provisions of this section or section 1008, neither the Corporation nor the Comptroller General shall have access to any reports or records subject to the attorney-client privilege.

"FINANCING

Appropriation.
42 USC 2996i.

"SEC. 1010. (a) There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation, \$90,000,000 for fiscal year 1975, \$100,000,000 for fiscal year 1976, and such sums as may be necessary for fiscal year 1977. The first appropriation may be made available to the Corporation at any time after six or more members of the Board have been appointed and qualified. Appropriations shall be for not more than two fiscal years, and, if for more than one year, shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in appropriation Acts.

Funds, avail-
ability.

"(b) Funds appropriated pursuant to this section shall remain available until expended.

Non-Federal
funds.

"(c) Non-Federal funds received by the Corporation, and funds received by any recipient from a source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds; but any funds so received for the provision of legal assistance shall not be expended by recipients for any purpose prohibited by this title, except that this provision shall not be construed to prevent recipients from receiving other public funds or tribal funds (including foundation funds benefiting Indians or Indian tribes) and expending them in accordance with the purposes for which they are provided, or to prevent contracting or making other arrangements with private attorneys, private law firms, or other State or local entities of attorneys, or with legal aid societies having separate public defender programs, for the provision of legal assistance to eligible clients under this title.

"SPECIAL LIMITATIONS

42 USC 2996j.

"SEC. 1011. The Corporation shall prescribe procedures to insure that—

"(1) financial assistance under this title shall not be suspended unless the grantee, contractor, or person or entity receiving financial assistance under this title has been given reasonable notice and opportunity to show cause why such action should not be taken; and

"(2) financial assistance under this title shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this title has been afforded reasonable notice and opportunity for a timely, full, and fair hearing.

"COORDINATION

Support func-
tions.
42 USC 2996k.

"SEC. 1012. The President may direct that appropriate support functions of the Federal Government may be made available to the Corporation in carrying out its activities under this title, to the extent not inconsistent with other applicable law.

"RIGHT TO REPEAL, ALTER, OR AMEND

42 USC 2996l.

"SEC. 1013. The right to repeal, alter, or amend this title at any time is expressly reserved.

"SHORT TITLE

"SEC. 1014. This title may be cited as the 'Legal Services Corporation Act'." 42 USC 2996 note.

TRANSITION PROVISIONS

SEC. 3. (a) Notwithstanding any other provision of law, effective ninety days after the date of the first meeting of the Board of Directors of the Legal Services Corporation established under the Legal Services Corporation Act (title X of the Economic Opportunity Act of 1964, as added by this Act), the Legal Services Corporation shall succeed to all rights of the Federal Government to capital equipment in the possession of legal services programs or activities assisted pursuant to section 222(a)(3), 230, 232, or any other provision of the Economic Opportunity Act of 1964. 42 USC 2996b note.

Ante, p. 378.

42 USC 2809, 2823, 2825.

(b) Within ninety days after the first meeting of the Board, all assets, liabilities, obligations, property, and records as determined by the Director of the Office of Management and Budget, in consultation with the Director of the Office of Economic Opportunity or the head of any successor authority, to be employed directly or held or used primarily, in connection with any function of the Director of the Office of Economic Opportunity or the head of any successor authority in carrying out legal services activities under the Economic Opportunity Act of 1964, shall be transferred to the Corporation. Personnel transferred to the Corporation from the Office of Economic Opportunity or any successor authority shall be transferred in accordance with applicable laws and regulations, and shall not be reduced in compensation for one year after such transfer, except for cause. The Director of the Office of Economic Opportunity or the head of any successor authority shall take whatever action is necessary and reasonable to seek suitable employment for personnel who do not transfer to the Corporation.

42 USC 2701 note.

(c) Collective-bargaining agreements in effect on the date of enactment of this Act covering employees transferred to the Corporation shall continue to be recognized by the Corporation until the termination date of such agreements, or until mutually modified by the parties.

OEO Director, assistance.

(d) (1) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity or the head of any successor authority shall take such action as may be necessary, in cooperation with the president of the Legal Services Corporation, including the provision (by grant or otherwise) of financial assistance to recipients and the Corporation and the furnishing of services and facilities to the Corporation—

(A) to assist the Corporation in preparing to undertake, and in the initial undertaking of, its responsibilities under this title;

(B) out of appropriations available to him, to make funds available to meet the organizational and administrative expenses of the Corporation;

(C) within ninety days after the first meeting of the Board, to transfer to the Corporation all unexpended balances of funds appropriated for the purpose of carrying out legal services programs and activities under the Economic Opportunity Act of 1964 or successor authority; and

(D) to arrange for the orderly continuation by such Corporation of financial assistance to legal services programs and activities assisted pursuant to the Economic Opportunity Act of 1964 or successor authority.

Whenever the Director of the Office of Economic Opportunity or the head of any successor authority determines that an obligation to provide financial assistance pursuant to any contract or grant for such

legal services will extend beyond six months after the date of enactment of this Act, he shall include, in any such contract or grant, provisions to assure that the obligation to provide such financial assistance may be assumed by the Legal Services Corporation, subject to such modifications of the terms and conditions of such contract or grant as the Corporation determines to be necessary.

(2) Section 222(a)(3) of the Economic Opportunity Act of 1964 is repealed, effective ninety days after the first meeting of the Board of Directors of the Legal Services Corporation.

(e) There are authorized to be appropriated for the fiscal year ending June 30, 1975, such sums as may be necessary for carrying out this section.

(f) Title VI of the Economic Opportunity Act of 1964 is amended by inserting after section 625 thereof the following new section:

“INDEPENDENCE OF LEGAL SERVICES CORPORATION

“SEC. 626. Nothing in this Act, except title X, and no reference to this Act unless such reference refers to title X, shall be construed to affect the powers and activities of the Legal Services Corporation.”.

Approved July 25, 1974.

Public Law 93-356

AN ACT

To provide for the use of simplified procedures in the procurement of property and services by the Government where the amount involved does not exceed \$10,000.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), is amended by striking out “\$2,500” and inserting in lieu thereof “\$10,000”.

SEC. 2. The third full unnumbered paragraph under the heading “Office of Architect of the Capitol” contained in the appropriations for the Architect of the Capitol in the Legislative Branch Appropriation Act, 1966 (79 Stat. 276; 41 U.S.C. 6a-1) is amended by striking out “\$2,500” and inserting in lieu thereof “\$10,000”.

SEC. 3. Section 302(c)(3) of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 252(c)(3)) is amended by striking out “\$2,500” and inserting in lieu thereof “\$10,000”.

SEC. 4. (a) Section 2304(a)(3) of title 10, United States Code, is amended by striking out “\$2,500” and inserting in lieu thereof “\$10,000”.

(b) Section 2304(g) of such title is amended by striking out “\$2,500” and inserting in lieu thereof “\$10,000”.

SEC. 5. Section 9(b) of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831h(b)(3)) is amended by striking out “\$500” and inserting in lieu thereof “\$10,000”.

Approved July 25, 1974.

Repeal; effective date.
42 USC 2809 and note.

Appropriation.
42 USC 2996b note.

42 USC 2971e.
Ante, p. 378.

July 25, 1974
[S. 3311]

Government property procurement and services.
Simplified procedures.
D.C. Code 1-808.

Public Law 93-357

AN ACT

To provide temporary emergency livestock financing through the establishment of a guaranteed loan program.

July 25, 1974
[S. 3679]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Livestock Credit Act of 1974".

SEC. 2. (a) The Secretary of Agriculture is authorized and directed to provide financial assistance to bona fide farmers and ranchers who are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening, or marketing livestock. In the case of corporations or partnerships, such financial assistance shall be extended only when a majority interest in such corporations or partnerships is held by stockholders or partners who themselves are primarily and directly engaged in such agricultural production. For purposes of this Act, the term "livestock" shall mean beef cattle, dairy cattle, swine, sheep, goats, chickens, and turkeys.

(b) The Secretary shall guarantee loans, including both principal and interest, made by any legally organized lending agency which otherwise meet the purposes and conditions of this Act. As used herein, a guaranteed loan is one which is made, held, and serviced by a legally organized lending agency and which is guaranteed by the Secretary hereunder: *Provided*, That the term "legally organized lending agency" shall not be deemed to include the Federal Financing Bank.

(c) No contract guaranteeing any such loan by a lender shall require the Secretary to participate in more than 80 per centum of any loss sustained thereon.

(d) No fees or charges shall be assessed by the Secretary for any guarantee provided by him under this Act.

(e) Loans guaranteed under this Act shall bear interest at a rate to be agreed upon by the lender and borrower.

(f) Loans guaranteed under this Act shall be payable in not more than three years, but may be renewed for not more than two additional years.

SEC. 3. As a condition of the Secretary's guaranteeing any loan under this Act—

(a) The lender shall certify that—

(1) the lender is unwilling to provide credit to the loan applicant in the absence of the guarantee authorized by this Act;

(2) the loan applicant is directly and in good faith engaged in agricultural production, and the financing to be furnished the loan applicant is to be used for purposes related to the breeding, raising, fattening, or marketing of livestock;

(3) the loan is for the purpose of maintaining the operations of the loan applicant, and the total loans made to the loan applicant do not exceed the amount necessary to permit the continuation of his livestock operations at a level equal to its highest level during the eighteen months immediately preceding the date of enactment of this Act: *Provided*, That the total loans guaranteed under this Act for any loan applicant shall not exceed \$250,000;

(4) in the case of any loan to refinance the livestock operations of a loan applicant (i) the loan and refinancing are absolutely essential in order for the loan applicant to remain in business, (ii) the lending agency would not refinance such loan in the absence of a guarantee, and (iii) the lending agency is not currently refinancing similar loans to others without such guarantees.

(b) The loan applicant shall certify that he will be unable to obtain financing in the absence of the guarantee authorized by this Act.

Emergency
Livestock Credit
Act of 1974.
7 USC prec.
1961 note.

"Livestock."

Loan guarantee.

"Legally orga-
nized lending
agency."

Interest rate.

Loan certifica-
tion.
7 USC prec.
1961 note.

(c) The Secretary finds there is reasonable probability of accomplishing the objectives of the Act and repayment of the loan.

SEC. 4. Loans guaranteed under this Act shall be secured by security adequate to protect the Government's interests, as determined by the Secretary.

SEC. 5. Loan guarantees outstanding under this Act shall not exceed \$2,000,000,000 at any one time. Subject to the provisions of section 2(c) of this Act, the fund created in section 309 of the Consolidated Farm and Rural Development Act shall be used by the Secretary for the discharge of the obligations of the Secretary under contracts of guarantee made pursuant to this Act.

SEC. 6. Contracts of guarantee under this Act shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States.

SEC. 7. Any contract of guarantee executed by the Secretary under this Act shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or misrepresentation of which the holder had actual knowledge at the time it became a holder.

SEC. 8. The provisions of this Act shall become effective upon enactment, and the authority to make new guarantees under this Act shall terminate one year from the date of enactment of this Act, except that the Secretary of Agriculture may extend the guarantee authority provided in this Act for a period not to exceed six months if he (1) determines that such guarantees are necessary to the welfare of livestock producers and that adequate credit cannot be obtained without such guarantee by the Secretary, and (2) notifies the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives at least thirty days prior to the date on which he elects to extend the guarantee authority provided in the Act.

SEC. 9. (a) The provisions of section 310B(d)(6) of the Consolidated Farm and Rural Development Act shall apply to loans guaranteed under this Act.

(b) Contracts of guarantee executed pursuant to the provisions of this Act shall be fully assignable.

SEC. 10. The Secretary is authorized to issue such regulations as he determines necessary to carry out this Act. The proposed regulations shall be issued as soon as possible, but in no event later than thirty days from the date of enactment of this Act.

Approved July 25, 1974.

Public Law 93-358

AN ACT

To provide the authorization for fiscal year 1975 and succeeding fiscal years for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (41 U.S.C. 46-48c) is amended as follows:

(1) Section 1(a) is amended—

(A) by striking out "Committee for Purchase of Products and Services of" in the first sentence thereof and inserting in lieu thereof "Committee for Purchase from";

Guaranteed loan
security.
7 USC prec.
1961 note.

Outstanding
loan guarantees,
limitation.
7 USC prec.
1961 note.
7 USC 1929.

7 USC prec.
1961 note.

7 USC prec.
1961 note.

Effective date.
7 USC prec.
1961 note.

7 USC prec.
1961 note.
7 USC 1932.

Regulations.
7 USC prec.
1961 note.

July 25, 1974
[H. R. 11143]

Committee for
Purchase of
Products and
Services of the
Blind and Other
Severely Handi-
capped.

Appropriation
authorization.
41 USC 46.

(B) by striking out “fourteen” in the second sentence thereof and inserting in lieu thereof “fifteen”;

(C) by striking out “and other severely handicapped individuals.” in paragraph (2)(A) and inserting in lieu thereof a period; and

(D) by redesignating subparagraphs (B) and (C) of paragraph (2) as subparagraphs (C) and (D), respectively, and inserting after subparagraph (A) the following new subparagraph:

“(B) The President shall appoint one member from persons who are not officers or employees of the Government and who are conversant with the problems incident to the employment of other severely handicapped individuals.”

Presidential
appointee.

(2) Section 1(d) is amended—

41 USC 46.

(A) by striking out “paragraphs (2) and (3)” in paragraph (1) and inserting in lieu thereof “paragraphs (2), (3), and (4)”;

(B) by adding at the end thereof the following new paragraph:

“(4) The member first appointed under paragraph (2)(B) of subsection (a) shall be appointed for a term of three years.”

41 USC 48b.

(3) Section 5 is amended—

(A) by inserting after paragraph (4) the following new paragraph:

“(5) The term ‘direct labor’ includes all work required for preparation, processing, and packing of a commodity, or work directly relating to the performance of a service, but not supervision, administration, inspection, or shipping.”;

“Direct labor.”

(B) by striking out paragraph (6); and

(C) by redesignating paragraphs (7), (8), and (9) as paragraphs (6), (7), and (8), respectively.

(4) Section 6 is amended to read as follows:

“SEC. 6. There are authorized to be appropriated to the Committee to carry out this Act \$240,000 for the fiscal year ending June 30, 1974, and such sums as may be necessary for the succeeding fiscal years.”

41 USC 48c.

Approved July 25, 1974.

Public Law 93-359

AN ACT

To authorize the waiver of claims of the United States arising out of erroneous payments of pay and allowances to certain officers and employees of the legislative branch.

July 25, 1974
[S. 1803]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5584 of title 5, United States Code, is amended as follows:

(1) Strike out “executive” wherever it appears in such section.

(2) In subsection (b) (2)—

(A) immediately after “(2)” insert the following: “except in the case of employees of the Government Printing Office, the Library of Congress, the Office of the Architect of the Capitol, or the Botanic Garden,”; and

(B) strike out “or” at the end thereof.

(3) In subsection (b) (3)—

(A) immediately after “(3)” insert the following “except in the case of employees of the Government Printing Office, the

Legislative
branch.
Overpayment
claims, waiver.

Library of Congress, the Office of the Architect of the Capitol, or the Botanic Garden,"; and

(B) strike out "the effective date of the amendment authorizing the waiver of allowances, whichever is later." and insert in lieu thereof "October 2, 1972, whichever is later; or".

(4) At the end of subsection (b), add the following new clause:

"(4) in the case of employees of the Government Printing Office, the Library of Congress, the Office of the Architect of the Capitol, or the Botanic Garden, if application for waiver is received in his office after the expiration of 3 years immediately following the date on which the erroneous payment of pay or allowances was discovered or 3 years immediately following the date on which this clause (4) is enacted into law, whichever is later."

(5) At the end of the section, add the following new subsection:

"Agency."

"(g) For the purpose of this section, 'agency' means—

- "(1) an Executive agency;
- "(2) the Government Printing Office;
- "(3) the Library of Congress;
- "(4) the Office of the Architect of the Capitol; and
- "(5) the Botanic Garden."

Vice President,
Senator or Senate
employees, waiver
by Secretary of
Senate.
2 USC 130c.

SEC. 2. (a) A claim of the United States against a person arising out of an erroneous payment of any pay or allowances, other than travel and transportation expenses and allowances, on or after the date of enactment of this Act, to the Vice President, a Senator, or to an officer or employee whose pay is disbursed by the Secretary of the Senate, the collection of which would be against equity and good conscience and not in the best interests of the United States, may be waived in whole or in part by the Secretary of the Senate, if the claim is not the subject of an exception made by the Comptroller General in the account of any accountable officer or official. An application for waiver shall be investigated by the Financial Clerk of the Senate who shall submit a written report of his investigation to the Secretary of the Senate. An application for waiver of a claim in an amount aggregating more than \$500 shall also be investigated by the Comptroller General of the United States who shall submit a written report of his investigation to the Secretary of the Senate.

Investigation,
report to Secretary
of Senate.

(b) The Secretary of the Senate may not exercise his authority under this section to waive any claim—

(1) if, in his opinion, there exists, in connection with the claim, an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the Vice President, the Senator, the officer or employee, or any other person having an interest in obtaining a waiver of the claim; or

Time limitation.

(2) if the application for waiver is received in his office after the expiration of 3 years immediately following the date on which the erroneous payment of pay or allowances was discovered.

(c) In the audit and settlement of accounts of any accountable officer or official, full credit shall be given for any amounts with respect to which collection by the United States is waived under this section.

(d) An erroneous payment, the collection of which is waived under this section, is deemed a valid payment for all purposes.

Savings provi-
sion.

(e) This section does not affect any authority under any other law to litigate, settle, compromise, or waive any claim of the United States.

Rules and regu-
lations.

(f) The Secretary of the Senate shall promulgate rules and regulations to carry out the provisions of this section.

SEC. 3. (a) A claim of the United States against a person arising out of an erroneous payment of any pay or allowances, other than travel and transportation expenses and allowances, on or after the date of enactment of this section, to an officer or employee whose pay is disbursed by the Clerk of the House of Representatives, the collection of which would be against equity and good conscience and not in the best interests of the United States, may be waived in whole or in part by the Speaker of the House, if the claim is not the subject of an exception made by the Comptroller General in the account of any accountable officer or official.

House officers or employees, waiver by Clerk of the House.
2 USC 130d.

(b) An application for waiver of a claim shall be investigated by the Clerk of the House of Representatives who shall submit a written report of his investigation to the Speaker of the House.

Investigation, report to Speaker of the House.

(c) The Speaker of the House may not exercise his authority under this section to waive any claim—

(1) if, in his opinion, there exists, in connection with the claim, an indication of fraud, misrepresentation, fault, or lack of good faith on the part of the officer or employee or any other person having an interest in obtaining a waiver of the claim; or

(2) if the application for waiver is received in his office after the expiration of 3 years immediately following the date on which the erroneous payment of pay or allowances was discovered.

Time limitation.

(d) In the audit and settlement of the accounts of any accountable officer or official, full credit shall be given for any amounts with respect to which collection by the United States is waived under this section.

(e) An erroneous payment, the collection of which is waived under this section, is deemed a valid payment for all purposes.

(f) This section does not affect any authority under any other law to litigate, settle, compromise, or waive any claim of the United States.

Savings provision.

(g) The Speaker of the House shall prescribe rules and regulations to carry out the provisions of this section.

Rules and regulations.

Approved July 25, 1974.

Public Law 93-360

AN ACT

To amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes.

July 26, 1974
[S. 3203]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2(2) of the National Labor Relations Act is amended by striking out "or any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual,"

National Labor Relations Act, amendments,
29 USC 152.

(b) Section 2 of such Act is amended by adding at the end thereof the following new subsection:

"Health care institution."

"(14) The term 'health care institution' shall include any hospital, convalescent hospital, health maintenance organization, health clinic, nursing home, extended care facility, or other institution devoted to the care of sick, infirm, or aged person."

(c) The last sentence of section 8(d) of such Act is amended by striking out the words "the sixty-day" and inserting in lieu thereof "any notice" and by inserting before the words "shall lose" a comma and the following: "or who engages in any strike within the appropriate period specified in subsection (g) of this section,".

29 USC 158.

Post, p. 396.

Notices.
29 USC 158.

(d) (1) The last paragraph of section 8(d) of such Act is amended by adding at the end thereof the following new sentence: "Whenever the collective bargaining involves employees of a health care institution, the provisions of this section 8(d) shall be modified as follows:

"(A) The notice of section 8(d) (1) shall be ninety days; the notice of section 8(d) (3) shall be sixty days; and the contract period of section 8(d) (4) shall be ninety days.

"(B) Where the bargaining is for an initial agreement following certification or recognition, at least thirty days' notice of the existence of a dispute shall be given by the labor organization to the agencies set forth in section 8(d) (3).

"(C) After notice is given to the Federal Mediation and Conciliation Service under either clause (A) or (B) of this sentence, the Service shall promptly communicate with the parties and use its best efforts, by mediation and conciliation, to bring them to agreement. The parties shall participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of the dispute."

Notification
preceding strikes.

(e) Section 8 of such Act is amended by adding at the end thereof the following new subsection.

"(g) A labor organization before engaging in any strike, picketing, or other concerted refusal to work at any health care institution shall, not less than ten days prior to such action, notify the institution in writing and the Federal Mediation and Conciliation Service of that intention, except that in the case of bargaining for an initial agreement following certification or recognition the notice required by this subsection shall not be given until the expiration of the period specified in clause (B) of the last sentence of section 8(d) of this Act. The notice shall state the date and time that such action will commence. The notice, once given, may be extended by the written agreement of both parties."

SEC. 2. Title II of the Labor Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"CONCILIATION OF LABOR DISPUTES IN THE HEALTH CARE INDUSTRY"

Board of In-
quiry.
29 USC 183.

"SEC. 213. (a) If, in the opinion of the Director of the Federal Mediation and Conciliation Service a threatened or actual strike or lock-out affecting a health care institution will, if permitted to occur or to continue, substantially interrupt the delivery of health care in the locality concerned, the Director may further assist in the resolution of the impasse by establishing within 30 days after the notice to the Federal Mediation and Conciliation Service under clause (A) of the last sentence of section 8(d) (which is required by clause (3) of such section 8(d)), or within 10 days after the notice under clause (B), an impartial Board of Inquiry to investigate the issues involved in the dispute and to make a written report thereon to the parties within fifteen (15) days after the establishment of such a Board. The written report shall contain the findings of fact together with the Board's recommendations for settling the dispute, with the objective of achieving a prompt, peaceful and just settlement of the dispute. Each such Board shall be composed of such number of individuals as the Director may deem desirable. No member appointed under this section shall have any interest or involvement in the health care institutions or the employee organizations involved in the dispute.

Ante, p. 395.

Report.

Membership.

"(b) (1) Members of any board established under this section who are otherwise employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out its duties under this section.

“(2) Members of any board established under this section who are not subject to paragraph (1) shall receive compensation at a rate prescribed by the Director but not to exceed the daily rate prescribed for GS-18 of the General Schedule under section 5332 of title 5, United States Code, including travel for each day they are engaged in the performance of their duties under this section and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out their duties under this section.

Compensation.

5 USC 5332
note.

“(c) After the establishment of a board under subsection (a) of this section and for 15 days after any such board has issued its report, no change in the status quo in effect prior to the expiration of the contract in the case of negotiations for a contract renewal, or in effect prior to the time of the impasse in the case of an initial bargaining negotiation, except by agreement, shall be made by the parties to the controversy.

Appropriation.

“(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.”

SEC. 3. The National Labor Relations Act is amended by adding immediately after section 18 thereof the following new section:

“INDIVIDUALS WITH RELIGIOUS CONVICTIONS

“SEC. 19. Any employee of a health care institution who is a member of and adheres to established and traditional tenets or teachings of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support any labor organization as a condition of employment; except that such employee may be required, in lieu of periodic dues and initiation fees, to pay sums equal to such dues and initiation fees to a nonreligious charitable fund exempt from taxation under section 501(c)(3) of the Internal Revenue Code, chosen by such employee from a list of at least three such funds, designated in a contract between such institution and a labor organization, or if the contract fails to designate such funds, then to any such fund chosen by the employee.”

29 USC 169.

26 USC 501.

SEC. 4. The amendments made by this Act shall become effective on the thirtieth day after its date of enactment.

Effective date.
29 USC 169
note.

Approved July 26, 1974.

Public Law 93-361

AN ACT

To secure to the Congress additional time in which to consider the proposed amendments to the Federal Rules of Criminal Procedure which the Chief Justice of the United States Supreme Court transmitted to the Congress on April 22, 1974.

July 30, 1974
[H. R. 15461]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of sections 3771 and 3772 of title 18 of the United States Code, the effective date of the proposed amendments to the Federal Rules of Criminal Procedure which are embraced by the order entered by the United States Supreme Court on April 22, 1974, and which were transmitted to the Congress by the Chief Justice on April 22, 1974, is postponed until August 1, 1975.

Federal Rules
of Criminal
Procedure.
Congressional
approval, time
extension.
18 USC 3771
note.

Approved July 30, 1974.

Public Law 93-362

July 30, 1974
[H. R. 11295]

AN ACT

To amend the Anadromous Fish Conservation Act in order to extend the authorization for appropriations to carry out such Act, and for other purposes.

Anadromous
Fish Conserva-
tion Act, amend-
ments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Anadromous Fish Conservation Act (16 U.S.C. 757b) is amended by striking out the semicolon at the end of clause (3) thereof, and inserting the following new language: “, and for the control of the sea lamprey;”.

SEC. 2. Section 4(a) of the Anadromous Fish Conservation Act (16 U.S.C. 757d(a)) is amended by striking out “the fiscal year ending June 30, 1974” and inserting in lieu thereof the following: “each of the fiscal years ending June 30, 1974, June 30, 1975, June 30, 1976, June 30, 1977, June 30, 1978, and June 30, 1979”.

SEC. 3. (a) Subsection (c) of the first section of the Anadromous Fish Conservation Act (16 U.S.C. 757a(c)) is amended by striking out “60 per centum” and inserting in lieu thereof “66⅔ per centum”.

(b) Section 4(a) of the Anadromous Fish Conservation Act (16 U.S.C. 757d(a)) (as amended by section 2 of this Act) is further amended by striking out “\$10,000,000” and inserting in lieu thereof “\$20,000,000”.

Approved July 30, 1974.

Public Law 93-363

July 30, 1974
[H. R. 9440]

AN ACT

To provide for access to all duly licensed clinical psychologists and optometrists without prior referral in the Federal employee health benefits program.

Federal employ-
ees.
Access to clin-
ical psychologists
and optometrists.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8902 of title 5, United States Code, is amended by adding at the end thereof the following:

“(j) When a contract under this chapter requires payment or reimbursement for services which may be performed by a clinical psychologist or optometrist, licensed or certified as such under Federal or State law, as applicable, an employee, annuitant, or family member covered by the contract shall be free to select, and shall have direct access to, such a clinical psychologist or optometrist without supervision or referral by another health practitioner and shall be entitled under the contract to have payment or reimbursement made to him or on his behalf for the services performed. The provisions of this subsection shall not apply to group practice prepayment plans.”.

SEC. 2. The amendment made by this Act shall become effective with respect to any contract entered into or renewed on or after the date of enactment of this Act.

Approved July 30, 1974.

Effective date.
5 USC 8902
note.

Public Law 93-364

AN ACT

To authorize the Secretary of the Interior to sell certain rights in the State of Florida.

August 2, 1974
[H. R. 377]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to convey to the record owner thereof, in accordance with section 3 of this Act, all right, title, and interest in minerals reserved to the United States in land described as the northwest quarter of the southwest quarter of section 20, township 15 south range 23 east, in Marion County, Florida.

Marion County,
Fla.
Mineral inter-
ests, conveyance.

SEC. 2. The Secretary shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is not made pursuant to this Act, and the administrative costs exceed the deposit the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

Administrative
costs.

SEC. 3. No conveyance shall be made unless application for conveyance is filed with the Secretary within six months of the date of approval of this Act and unless within the time specified by him payment is made to the Secretary of (1) administrative costs of the conveyance and (2) the fair market value of the interest to be conveyed. The amount of the payment required shall be the difference between the amount deposited and the full amount required to be paid under this section. If the amount deposited exceeds the full amount required to be paid, the applicant shall be given a credit or refund for the excess.

Application.

SEC. 4. The term "administrative costs" as used in this Act, includes, but is not limited to, all costs of (1) conducting an exploratory program to determine the character of the mineral deposits in the land, (2) evaluating the data obtained under the exploratory program to determine the fair market value of the mineral rights to be conveyed, and (3) preparing and issuing the instrument of conveyance.

"Administrative
costs."

SEC. 5. Moneys paid to the Secretary for administrative costs shall be paid to the agency which rendered the service, and deposited to the appropriation then current. Moneys paid for the minerals or mineral interests conveyed shall be deposited into the general fund of the Treasury as miscellaneous receipts.

Approved August 2, 1974.

Public Law 93-365

AN ACT

To authorize appropriations during the fiscal year 1975 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

August 5, 1974
[H. R. 14592]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Department of
Defense Appropri-
ation Authoriza-
tion Act, 1975.

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

AIRCRAFT

For aircraft: for the Army, \$320,300,000; for the Navy and the Marine Corps, \$2,866,200,000; for the Air Force, \$3,286,300,000 of which (1) \$104,900,000 shall be used only for the procurement of A-7D aircraft for the Air National Guard of the United States, and (2) \$405,100,000 shall be available only for procurement in connection with the Airborne Warning and Control System, and shall be available for that purpose only if and after the Secretary of Defense determines and certifies such determination to the Congress that such system is cost effective and meets the mission needs and requirements of the Department of Defense, except that the foregoing certification requirement shall not apply with respect to the procurement of long lead time items for such system.

MISSILES

For missiles: for the Army, \$436,500,000; for the Navy, \$634,500,000; for the Marine Corps, \$74,100,000; for the Air Force, \$1,579,200,000.

NAVAL VESSELS

For Naval vessels: for the Navy, \$3,156,400,000, of which sum \$1,166,800,000 shall be used only for the Trident program; \$502,500,000 shall be used only for the SSN-688 nuclear attack submarine; \$244,300,000 shall be used only for the DLGN nuclear powered guided missile frigate program; \$457,100,000 shall be used only for the DD-963 program; \$16,000,000 shall be used only for the sea control ship program; \$92,300,000 shall be used only for the patrol hydrofoil missile program; \$186,000,000 shall be used only for the patrol frigate program; \$81,400,000 shall be used only for the fleet oiler; \$116,700,000 shall be used only for a destroyer tender; \$10,800,000 shall be used only for a fleet ocean tug; \$104,600,000 shall be used only for the Poseidon conversion of fleet ballistic-missile submarines; \$18,300,000 shall be used only for conversion of a submarine tender; \$22,000,000 shall be used only for craft; \$10,400,000 shall be used only for pollution abatement craft; \$55,300,000 shall be used only for outfitting material and post delivery; \$71,900,000 shall be used only for escalation on prior year programs.

TRACKED COMBAT VEHICLES

For tracked combat vehicles: for the Army, \$300,600,000; for the Marine Corps, \$74,200,000.

TORPEDOES

For torpedoes and related support equipment: for the Navy, \$187,700,000.

OTHER WEAPONS

For other weapons: for the Army, \$52,200,000; for the Navy, \$25,500,000; for the Marine Corps, \$500,000.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1975 for the use of the Armed Forces of the United States for research, development, test and evaluation, as authorized by law, in amounts as follows:

For the Army, \$1,878,397,000;

For the Navy (including the Marine Corps), \$3,153,006,000, of which \$57,500,000 shall be available only for application to surface naval gunnery (excluding the Close-In Weapon System), including gun fire control systems, gun mounts, unguided and guided ordnance, and fuzing;

For the Air Force, \$3,389,517,000; and

For the Defense Agencies, \$516,057,000, of which \$25,000,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

TITLE III—ACTIVE FORCES

SEC. 301. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

- (1) The Army, 785,000;
- (2) The Navy, 540,380;
- (3) The Marine Corps, 196,398;
- (4) The Air Force, 627,535.

SEC. 302. (a) The United States military forces in Europe can reduce headquarters and noncombat military personnel relative to the number of combat personnel located in Europe. Therefore, except in the event of imminent hostilities in Europe, the noncombat component of the total United States military strength in Europe authorized as of June 30, 1974, shall be reduced by 18,000. Such reduction shall be completed not later than June 30, 1976, and not less than 6,000 of such reduction shall be completed on or before June 30, 1975; however, the Secretary of Defense is authorized to increase the combat component strength of United States forces in Europe by the amount of any such reduction made in noncombat personnel. The Secretary of Defense shall report semi-annually to the Congress on all actions taken to improve the combat proportion of United States forces in Europe. The first report shall be submitted not later than March 31, 1975.

(b) For purposes of this section, the combat component of the Army includes only the infantry, cavalry, artillery, armored, combat engineers, special forces, attack assault helicopter units, air defense, and missile combat units of battalion or smaller size; the combat component of the Navy includes only the combat ships (aircraft carrier, cruiser, destroyer, submarine, escort and amphibious assault ships)

Reduction.

U.S. military
forces in Europe,
deployment.

Reports to
Congress.

Army, Navy and
Air Force, com-
bat components.

and combat aircraft wings (fighter, attack, reconnaissance, and patrol); the combat component of the Air Force includes only the tactical fighter reconnaissance, tactical airlift, fighter interceptor and bomber units of wing or smaller size.

NATO members,
weapons systems,
standardization,
assessment and
evaluation.

Submittal to
Congress.

Reports to
Congress.

U.S. tactical
nuclear warheads
in Europe.

Use and reduc-
tion, study.

Report to
congressional
committees.

(c) The Secretary of Defense shall undertake a specific assessment of the costs and possible loss of nonnuclear combat effectiveness of the military forces of the North Atlantic Treaty Organization countries caused by the failure of the North Atlantic Treaty Organization members, including the United States, to standardize weapons systems, ammunition, fuel, and other military impedimenta for land, air, and naval forces. The Secretary of Defense shall also develop a list of standardization actions that could improve the overall North Atlantic Treaty Organization nonnuclear defense capability or save resources for the alliance as a whole. He shall also evaluate the relative priority and effect of each such action. The Secretary shall submit the results of these assessments and evaluations to the Congress and subsequently shall also cause them to be brought before the appropriate North Atlantic Treaty Organization bodies in order that the suggested actions and recommendations can become an integral part of the overall North Atlantic Treaty Organization review of force goals and development of force plans. The Secretary of Defense shall report semiannually to the Congress on the specific assessments and evaluations made under the above provisions as well as the results achieved with the North Atlantic Treaty Organization allies. The first such report shall be submitted to Congress not later than January 31, 1975.

(d) The total number of United States tactical nuclear warheads located in Europe on the date of enactment of this Act shall not be increased until after June 30, 1975, except in the event of imminent hostilities in Europe. The Secretary of Defense shall study the overall concept for use of tactical nuclear weapons in Europe; how the use of such weapons relates to deterrence and to a strong conventional defense; reductions in the number and type of nuclear warheads which are not essential for the defense structure for Western Europe; and the steps that can be taken to develop a rational and coordinated nuclear posture by the North Atlantic Treaty Organization Alliance that is consistent with proper emphasis on conventional defense forces. The Secretary of Defense shall report to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives on the results of the above study on or before April 1, 1975.

TITLE IV—RESERVE FORCES

SEC. 401. For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Selected Reserve of each Reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

- (1) The Army National Guard of the United States, 400,000;
- (2) The Army Reserve, 225,000;
- (3) The Naval Reserve, 117,000;
- (4) The Marine Corps Reserve, 36,703;
- (5) The Air National Guard of the United States, 95,000;
- (6) The Air Force Reserve, 51,319;
- (7) The Coast Guard Reserve, 11,700.

SEC. 402. The average strength prescribed by section 401 of this title for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component

which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 403. (a) The average strength prescribed by section 401 of this title for the Air National Guard of the United States shall be used to man a force which shall include not less than 91 flying units in the Air National Guard during the fiscal year beginning July 1, 1974.

Air National
Guard.

(b) It is the policy of Congress that any increase in the ratio of aircrew to aircraft for the strategic airlift mission of the Air Force above the present ratio of crewmembers per aircraft should be achieved to the maximum extent possible through the components of the Selected Reserve and not by increasing the active duty force level of the Air Force. To carry out such policy the Secretary of Defense is directed to study the possibility of increasing the strategic airlift crew ratio per aircraft to the required levels by utilizing jointly the resources of the Air National Guard and the Air Force Reserve. Such study shall specifically include: (1) restructuring the missions of Air National Guard units so as to retain an effective strategic airlift capability within the Air National Guard and the Air Force Reserve; (2) the utilization of Air National Guard units now in existence so as to avoid the loss of existing skills in those units; (3) alternatives, including, but not limited to, transfer, rotation, "hybridization", and "association", for making available to the Air National Guard and the Air Force Reserve strategic airlift aircraft in numbers sufficient to support an effective capability; and (4) the desirability of new statutory authority for the limited selective mobilization of members of the Air National Guard under circumstances not leading to a declaration of a national emergency by the Congress or the President. The Secretary shall submit his study to the Congress not later than 180 days after the date of enactment of this Act, and before the implementation thereof, together with an evaluation of such study, a proposed schedule for its possible implementation, and such recommendations for legislative action relating to the subject matter of this section as he may deem appropriate.

Strategic
airlift crew ratio
increase, study.

Submission to
Congress.

TITLE V—CIVILIAN PERSONNEL

SEC. 501. (a)(1) For the fiscal year beginning July 1, 1974, and ending June 30, 1975, the Department of Defense is authorized an end strength for civilian personnel as follows:

Reduction.

(A) The Department of the Army, 358,717;

(B) The Department of the Navy, including the Marine Corps, 323,529;

(C) The Department of the Air Force, 269,709;

(D) Activities and agencies of the Department of Defense (other than the military departments), 75,372.

(2) The end strength for civilian personnel prescribed in paragraph (1) of this subsection for the fiscal year ending June 30, 1975, shall be reduced by 32,327. Such reduction shall be apportioned among the Army, Navy, Air Force, and activities and agencies of the Department of Defense as the Secretary of Defense shall prescribe. The

Report to
Congress.

Secretary of Defense shall report to Congress within 60 days after the date of enactment of this Act on the manner in which this reduction is to be apportioned among the military services and the activities and agencies of the Department of Defense and among the mission categories described in the Manpower Requirements Report. This report shall include the rationale for each reduction.

(b) In computing the authorized end strength for civilian personnel there shall be included all direct-hire civilian personnel employed to perform military functions administered by the Department of Defense (other than those performed by the National Security Agency) whether in permanent or temporary positions and whether employed on a full-time, part-time, or intermittent basis, but excluding special employment categories for students and disadvantaged youth such as the stay-in-school campaign, the temporary summer aid program and the Federal junior fellowship program and personnel participating in the worker-trainee opportunity program. Whenever a function, power, or duty or activity is transferred or assigned to a department or agency of the Department of Defense from a department or agency outside of the Department of Defense or from a department or agency within the Department of Defense, the civilian personnel end strength authorized for such departments or agencies of the Department of Defense affected shall be adjusted to reflect any increases or decreases in civilian personnel required as a result of such transfer or assignment.

Personnel in-
crease, limita-
tion.

(c) When the Secretary of Defense determines that such action is necessary in the national interest, he may authorize the employment of civilian personnel in excess of the number authorized by subsection (a) of this section, but such additional number may not exceed one half of one per centum of the total number of civilian personnel authorized for the Department of Defense by subsection (a) of this section. The Secretary of Defense shall promptly notify the Congress of any authorization to increase civilian personnel strength under the authority of this subsection.

Notification to
Congress.

Manpower con-
version.
10 USC 138
note.

SEC. 502. It is the sense of Congress that the Department of Defense shall use the least costly form of manpower that is consistent with military requirements and other needs of the Department of Defense. Therefore, in developing the annual manpower authorization requests to the Congress and in carrying out manpower policies, the Secretary of Defense shall, in particular, consider the advantages of converting from one form of manpower to another (military, civilian, or private contract) for the performance of a specified job. A full justification of any conversion from one form of manpower to another shall be contained in the annual manpower requirements report to the Congress required by section 138(c) (3) of title 10, United States Code.

TITLE VI—MILITARY TRAINING STUDENT LOADS

SEC. 601. (a) For the fiscal year beginning July 1, 1974, and ending June 30, 1975, each component of the Armed Forces is authorized an average military training student load as follows:

- (1) The Army, 97,638;
- (2) The Navy, 71,279;
- (3) The Marine Corps, 26,262;
- (4) The Air Force, 52,900;
- (5) The Army National Guard of the United States, 12,111;
- (6) The Army Reserve, 6,673;
- (7) The Naval Reserve, 2,536;
- (8) The Marine Corps Reserve, 3,403;
- (9) The Air National Guard of the United States, 2,359; and
- (10) The Air Force Reserve, 1,126.

(b) The average military training student loads for the Army, the Navy, the Marine Corps, and the Air Force and the Reserve components prescribed in subsection (a) of this section for the fiscal year ending June 30, 1975, shall be adjusted consistent with the manpower strengths provided in title III, title IV, and title V of this Act. Such adjustment shall be apportioned among the Army, the Navy, the Marine Corps, and the Air Force and the Reserve Components in such manner as the Secretary of Defense shall prescribe.

TITLE VII—GENERAL PROVISIONS

SEC. 701. (a) Paragraph (1) of section 401(a) of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is amended to read as follows:

Funds, availability for South Vietnamese forces.

“(1) There is authorized to be appropriated as a single appropriation to the Department of Defense for the fiscal year ending June 30, 1975, the sum of \$1,000,000,000, including \$263,860,000 for procurement of aircraft, missiles, tracked combat vehicles, and other weapons, to support South Vietnamese military forces. Such appropriation shall be administered and accounted for as one fund and may be obligated only by the issuance of orders by the Secretary of Defense for such support. Funds appropriated pursuant to this section shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind to South Vietnamese military forces. No support herein authorized may be made available in any manner unless pursuant to a specific order issued by the Secretary.”

(b) That portion of paragraph (2) of such section 401(a) which precedes clause (A) is amended to read as follows:

“(2) No defense article may be furnished to the South Vietnamese forces with funds authorized under this or any other Act unless the Government of the Republic of South Vietnam shall have agreed that—”

(c) Section 401 of such Public Law 89-367 is amended by striking out subsections (b), (c), and (d) and inserting in lieu thereof the following:

“(b) No funds authorized by this or any other Act to or for use by the Department of Defense may be obligated in the fiscal year ending June 30, 1975, for support of South Vietnamese military forces in any amount in excess of the amount of \$1,000,000,000.

Limitation.

“(c) Any obligation incurred against funds authorized under this section shall, in the case of nonexcess materials and supplies furnished from the inventory of the Department of Defense, be equal to the replacement cost thereof at the time such obligation is incurred, and in the case of excess materials and supplies, be equal to the actual value thereof at the time such obligation is incurred.

Nonexcess and excess materials and supplies.

“(d) No funds authorized by this section may be used in any way to support Vietnamese or other forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos.

Cambodia and Laos.

“(e) Within 30 days after the end of each quarter of the fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a written report regarding actual obligations incurred against funds appropriated pursuant to this section. Such report shall indicate the different purposes for which such obligations were incurred and the amounts thereof, together with such other information as the Secretary determines appropriate.”

Report to congressional committees.

SEC. 702. Subsection (b) of section 7307 of title 10, United States Code, is amended to read as follows:

Naval vessels, disposal restrictions.

"(b)(1) After the date of enactment of this paragraph, no naval vessel in excess of 2,000 tons or less than 20 years of age may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of to another nation unless the disposition thereof has been approved by law enacted after such date of enactment.

"(2) After the date of enactment of this paragraph, any naval vessel not subject to the provisions of paragraph (1) may be sold, leased, granted, loaned, bartered, transferred, or otherwise disposed of to another nation in accordance with applicable provisions of law only after the Secretary of the Navy, or his designee, has notified the Committees on Armed Services of the Senate and the House of Representatives in writing of the proposed disposition and 30 days of continuous session of Congress have expired following the date on which notice was transmitted to such committees. For purposes of this paragraph, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of such 30-day period."

Notification to congressional committees.

Congressional session, continuity.

Dogs, use for research, prohibition.

SEC. 703. Notwithstanding any other provision of law, no funds authorized to be appropriated pursuant to this Act may be used for research, testing, and/or evaluation of poisonous gases, radioactive materials, poisonous chemicals, or biological or chemical warfare agents upon dogs for the purpose of developing biological or chemical weapons.

Island of Culebra, naval training operations, restrictions.

SEC. 704. Section 204 of Public Law 93-166 is amended by adding at the end thereof a new subsection as follows:

"(e) Notwithstanding any other provision of law, the conduct by the Department of the Navy of training operations at the Culebra complex involving the firing of any shells, missiles, or other projectiles from ships or the dropping of any bombs, strafing, firing of rockets or missiles, or the launching of any other projectiles from aircraft at Culebra or at any keys within three nautical miles thereof is prohibited during any period of time that the negotiations required by subsection (b) have been ended on the initiative of the United States Government prior to the conclusion of a satisfactory agreement. In the conduct of the negotiations required by subsection (b) the Secretary of the Navy shall not agree to any relocation of training operations from the Island of Culebra which would be rendered ineffective by any international agreement on the law of the sea which may become international law within three years after the date of the enactment of this Act."

Enlistment, *Ante*, p. 234.

SEC. 705. Section 401 of the Department of Defense Supplemental Appropriations Authorization Act, 1974, is amended by striking out the period at the end of such section and inserting in lieu thereof the following: "when his enlistment is needed to meet established strength requirements."

Minuteman missile flight test, restriction.

SEC. 706. None of the funds authorized by this Act may be used for the purpose of carrying out any proposed flight test (including operational base launch) of the Minuteman missile from any place within the United States other than Vandenberg Air Force Base, Lompoc, California.

Foreign goods, procurement restrictions.

SEC. 707. (a) No funds authorized to be appropriated by this or any other Act may be obligated under a contract entered into by the Department of Defense after the date of the enactment of this Act for procurement of goods which are other than American goods unless, under regulations of the Secretary of Defense and subject to the determinations and exceptions contained in title III of the Act of

March 3, 1933, as amended (47 Stat. 1520; 41 U.S.C. 10a, 10b), popularly known as the Buy American Act, there is adequate consideration given to—

- (1) the bids or proposals of firms located in labor surplus areas in the United States as designated by the Department of Labor which have offered to furnish American goods;
- (2) the bids or proposals of small business firms in the United States which have offered to furnish American goods;
- (3) the bids or proposals of all other firms in the United States which have offered to furnish American goods;
- (4) the United States balance of payments;
- (5) the cost of shipping goods which are other than American goods; and
- (6) any duty, tariff, or surcharge which may enter into the cost of using goods which are other than American goods.

(b) For purposes of this section, the term "goods which are other than American goods" means (1) an end product which has not been mined, produced, or manufactured in the United States, or (2) an end product manufactured in the United States but the cost of the components thereof which are not mined, produced, or manufactured in the United States exceeds the cost of components mined, produced, or manufactured in the United States.

"Goods which are other than American goods."

SEC. 708. (a) Chapter 401 of title 10, United States Code, is amended—

- (1) by adding the following new section at the end thereof:

"§ 4314. United States Army Command and General Staff College degree

10 USC 4314.

"Under regulations prescribed by the Secretary of the Army, and with the approval of a nationally recognized civilian accrediting association approved by the Commissioner of Education, Department of Health, Education, and Welfare, the Commandant of the United States Army Command and General Staff College may upon recommendation by the faculty confer the degree of master of military art and science upon graduates of the college who have fulfilled the following degree requirements: a minimum of thirty semester hours of graduate credit, including a masters thesis of six to eight semester hours, and a demonstration of competence in the discipline of military art and science as evidenced by satisfactory performance on a general comprehensive examination. These requirements may be altered only with the approval of such association. The Secretary of the Army shall report annually to the Committees on Armed Services of the Senate and House of Representatives the following information: (1) the criteria which must be met to entitle a student to award of the degree, (2) whether such criteria have changed in any respect during the reporting year, (3) the number of students in the most recent resident course graduating class, (4) the number of such students who were enrolled in the master of military art and science program, and (5) the number of students successfully completing the master of military art and science program."; and

Master of military art and science, degree requirements.

Report to congressional committees.

- (2) by adding the following new item at the end of the analysis of such chapter:

"4314. United States Army Command and General Staff College degree."

(b) The Commandant of the United States Army Command and General Staff College may confer the degree of master of military art and science upon graduates of the college who have completed the requirements for that degree since 1964 but prior to the enactment of this Act; but the number of such degrees awarded for such period may not exceed two hundred.

Retroactive degree conferral, limitation.

10 USC 4314 note.

Proposed export of goods, technology and industrial techniques developed by DOD.
50 USC app. 2403-1.

Notice to Secretary; review authorization.

Export application, review and assessment.

Recommendation to President for disapproval.

Presidential statement to Congress.

"Controlled country."

"Days of continuous session of the Congress."

Report to Congress.

SEC. 709. (a) The Congress finds that the defense posture of the United States may be seriously compromised if goods, technology, and industrial techniques which have been developed in whole or in part as a direct or indirect result of research and development programs or procurement programs financed in whole or in part with funds authorized by this or any other Act authorizing funds for the Department of Defense are exported to a controlled country without an adequate and knowledgeable assessment having been made to determine whether the export of such goods, technology, and techniques will significantly increase the present or potential military capability of any such country. It is the purpose of this section, therefore, to provide for such an assessment, to insure notice of proposed exports to the Secretary of Defense, and to authorize the Secretary of Defense to review the proposed export of goods, technology, or industrial techniques to any such country whenever he has reason to believe that the export of such goods, technology, or techniques will significantly increase the military capability of such country.

(b) Effective upon enactment of this section, any application for the export of any goods, technology, or industrial techniques described in subsection (a) shall, before being eligible for export to a controlled country, be reviewed and assessed by the Secretary of Defense for the purpose of determining whether the export of such goods, technology or techniques will significantly increase the present or potential military capability of such country.

(c) If the Secretary of Defense determines, after his review and assessment, that the export of such goods, technology or industrial techniques will in his judgment significantly increase the present or potential military capability of any controlled country, he shall recommend to the President that the application for export be disapproved. In any case in which the President disagrees with a recommendation made by the Secretary of Defense to prohibit the export of such goods, technology, or techniques to a controlled country, the President shall submit to the Congress a statement indicating his disagreement with the Secretary of Defense together with the recommendation of the Secretary of Defense. The application for the export of any such goods, technology, or techniques may be approved after submission by the President of his statement and the recommendation of the Secretary of Defense to the Congress and 60 days of continuous session of the Congress has elapsed following such submission unless within such 60 day period Congress has adopted a concurrent resolution disapproving the application for the export of such goods, technology, or techniques.

(d) As used in this section (1) the term "controlled country" means the Soviet Union, Poland, Romania, Hungary, Bulgaria, Czechoslovakia, the German Democratic Republic (East Germany), and such other countries as may be designated by the Secretary of Defense. and (2) the term "days of continuous session of the Congress" shall not include days on which either House of Congress is not in session because of an adjournment of more than three days.

(e) The Secretary of Defense shall submit to the Congress a written report on his implementation of this section not later than 30 days after the close of each quarter of each fiscal year. Each such report shall, among other things, identify each instance in which the Secretary recommended to the President that exports be disapproved and the action finally taken by the executive branch on the matter.

TITLE VIII—NUCLEAR POWERED NAVY

SEC. 801. It is the policy of the United States of America to modernize the strike forces of the United States Navy by the construction

of nuclear powered major combatant vessels and to provide for an adequate industrial base for the research, development, design, construction, operation, and maintenance for such vessels. New construction major combatant vessels for the strike forces of the United States Navy authorized subsequent to the date of the enactment of this Act becomes law shall be nuclear powered, except as provided in this title.

SEC. 802. For the purposes of this title, the term "major combatant vessels for the strike forces of the United States Navy" means—

(1) combatant submarines for strategic or tactical missions, or both;

(2) combatant vessels intended to operate in combat in aircraft carrier task groups (that is, aircraft carriers and the cruisers, frigates, and destroyers which accompany aircraft carriers); and

(3) those types of combatant vessels referred to in clauses (1) and (2) above designed for independent combat missions where essentially unlimited high speed endurance will be of significant military value.

SEC. 803. The Secretary of Defense shall submit to Congress each calendar year, at the same time the President submits the budget to Congress under section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), a written report regarding the application of nuclear propulsion to major combatant vessels for the strike forces of the United States Navy. The report shall identify contract placement dates for their construction and shall identify the Department of Defense Five Year Defense Program for construction of nuclear powered major combatant vessels for the strike forces of the United States Navy.

SEC. 804. All requests for authorizations or appropriations from Congress for major combatant vessels for the strike forces of the United States Navy shall be for construction of nuclear powered major combatant vessels for such forces unless and until the President has fully advised the Congress that construction of nuclear powered vessels for such purpose is not in the national interest. Such report of the President to the Congress shall include for consideration by Congress an alternate program of nuclear powered ships with appropriate design, cost, and schedule information.

This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1975".

Approved August 5, 1974.

"Major combatant vessels for the strike forces of the United States Navy."
10 USC 7291 note.

Report to Congress.
10 USC 7291 note.

Department of Defense Five Year Program.

10 USC 7291 note.

Short title.

Public Law 93-366

AN ACT

To amend the Federal Aviation Act of 1958 to implement the Convention for the Suppression of Unlawful Seizure of Aircraft; to provide a more effective program to prevent aircraft piracy; and for other purposes.

August 5, 1974
[S. 39]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ANTIHIJACKING ACT OF 1974

SEC. 101. This title may be cited as the "Antihijacking Act of 1974".

SEC. 102. Section 101(32) of the Federal Aviation Act of 1958 (49 U.S.C. 1301(32)), relating to the definition of the term "special aircraft jurisdiction of the United States", is amended to read as follows:

"(32) The term 'special aircraft jurisdiction of the United States' includes—

"(a) civil aircraft of the United States;

Federal Aviation Act of 1958, amendments.
Antihijacking Act of 1974.
49 USC 1301 note.

"Special aircraft jurisdiction of the United States."

“(b) aircraft of the national defense forces of the United States;

“(c) any other aircraft within the United States;

“(d) any other aircraft outside the United States—

“(i) that has its next scheduled destination or last point of departure in the United States, if that aircraft next actually lands in the United States; or

22 UST 1641.

“(ii) having ‘an offense’, as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, committed aboard, if that aircraft lands in the United States with the alleged offender still aboard; and

“(e) other aircraft leased without crew to a lessee who has his principal place of business in the United States, or if none, who has his permanent residence in the United States;

while that aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation or in the case of a forced landing, until the competent authorities take over the responsibility for the aircraft and for the persons and property aboard.”.

Aircraft piracy.

SEC. 103. (a) Paragraph (2) of subsection (i) of section 902 of such Act (49 U.S.C. 1472), relating to the definition of the term “aircraft piracy”, is amended by striking out “threat of force or violence and” inserting in lieu thereof “threat of force or violence, or by any other form of intimidation, and”.

(b) Section 902 of such Act is further amended by redesignating subsections (n) and (o) as subsections (o) and (p), respectively, and by inserting immediately after subsection (m) the following new subsection:

“AIRCRAFT PIRACY OUTSIDE SPECIAL AIRCRAFT JURISDICTION OF THE
UNITED STATES

Penalty.

“(n) (1) Whoever aboard an aircraft in flight outside the special aircraft jurisdiction of the United States commits ‘an offense’, as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft, and is afterward found in the United States shall be punished—

“(A) by imprisonment for not less than 20 years; or

“(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.

“(2) A person commits ‘an offense’, as defined in the Convention for the Suppression of Unlawful Seizure of Aircraft when, while aboard an aircraft in flight, he—

“(A) unlawfully, by force or threat thereof, or by any other form of intimidation, seizes, or exercises control of, that aircraft, or attempts to perform any such act; or

“(B) is an accomplice of a person who performs or attempts to perform any such act.

“(3) This subsection shall only be applicable if the place of takeoff or the place of actual landing of the aircraft on board which the offense, as defined in paragraph (2) of this subsection, is committed is situated outside the territory of the State of registration of that aircraft.

“(4) For purposes of this subsection an aircraft is considered to be in flight from the moment when all the external doors are closed following embarkation until the moment when one such door is opened for disembarkation, or in the case of a forced landing, until the competent authorities take over responsibility for the aircraft and for the persons and property aboard.”

(c) Subsection (o) of such section 902, as so redesignated by subsection (b) of this section, is amended by striking out “subsections (i) through (m)” and inserting in lieu thereof “subsections (i) through (n)”.

Ante, p. 410.

SEC. 104. (a) Section 902(i) (1) is the Federal Aviation Act of 1958 (49 U.S.C. 1472(i) (1)) is amended to read as follows:

Penalty.

“(1) Whoever commits or attempts to commit aircraft piracy, as herein defined, shall be punished—

“(A) by imprisonment for not less than 20 years; or

“(B) if the death of another person results from the commission or attempted commission of the offense, by death or by imprisonment for life.”

(b) Section 902(i) of such Act is further amended by adding at the end thereof the following new paragraph:

Supra.

“(3) An attempt to commit aircraft piracy shall be within the special aircraft jurisdiction of the United States even though the aircraft is not in flight at the time of such attempt if the aircraft would have been within the special aircraft jurisdiction of the United States had the offense of aircraft piracy been completed.”

SEC. 105. Section 903 of the Federal Aviation Act of 1958 (49 U.S.C. 1473), relating to venue and prosecution of offenses, is amended by adding at the end thereof the following new subsection:

“PROCEDURE IN RESPECT OF PENALTY FOR AIRCRAFT PIRACY

“(c) (1) A person shall be subjected to the penalty of death for any offense prohibited by section 902(i) or 902(n) of this Act only if a hearing is held in accordance with this subsection.

Supra.
Ante, p. 410.

“(2) When a defendant is found guilty of or pleads guilty to an offense under section 902(i) or 902(n) of this Act for which one of the sentences provided is death, the judge who presided at the trial or before whom the guilty plea was entered shall conduct a separate sentencing hearing to determine the existence or nonexistence of the factors set forth in paragraphs (6) and (7), for the purpose of determining the sentence to be imposed. The hearing shall not be held if the Government stipulates that none of the aggravating factors set forth in paragraph (7) exists or that one or more of the mitigating factors set forth in paragraph (6) exists. The hearings shall be conducted—

Sentencing
hearing.

“(A) before the jury which determined the defendant's guilt;

“(B) before a jury impaneled for the purpose of the hearing if—

“(i) the defendant was convicted upon a plea of guilty;

“(ii) the defendant was convicted after a trial before the court sitting without a jury; or

“(iii) the jury which determined the defendant's guilt has been discharged by the court for good cause; or

“(C) before the court alone, upon the motion of the defendant and with the approval of the court and of the Government.

Disclosure.

"(3) In the sentencing hearing the court shall disclose to the defendant or his counsel all material contained in any presentence report, if one has been prepared, except such material as the court determines is required to be withheld for the protection of human life or for the protection of the national security. Any presentence information withheld from the defendant shall not be considered in determining the existence or the nonexistence of the factors set forth in paragraph (6) or (7). Any information relevant to any of the mitigating factors set forth in paragraph (6) may be presented by either the Government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials; but the admissibility of information relevant to any of the aggravating factors set forth in paragraph (7) shall be governed by the rules governing the admission of evidence at criminal trials. The Government and the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any of the factors set forth in paragraph (6) or (7). The burden of establishing the existence of any of the factors set forth in paragraph (7) is on the Government. The burden of establishing the existence of any of the factors set forth in paragraph (6) is on the defendant.

Rebuttals.

Special verdict.

"(4) The jury or, if there is no jury, the court shall return a special verdict setting forth its findings as to the existence or nonexistence of each of the factors set forth in paragraph (6) and as to the existence or nonexistence of each of the factors set forth in paragraph (7).

Death sentence.

"(5) If the jury or, if there is no jury, the court finds by a preponderance of the information that one or more of the factors set forth in paragraph (7) exists and that none of the factors set forth in paragraph (6) exists, the court shall sentence the defendant to death. If the jury or, if there is no jury, the court finds that none of the aggravating factors set forth in paragraph (7) exists, or finds that one or more of the mitigating factors set forth in paragraph (6) exists, the court shall not sentence the defendant to death but shall impose any other sentence provided for the offense for which the defendant was convicted.

Exceptions.

"(6) The court shall not impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in paragraph (4) that at the time of the offense—

"(A) he was under the age of eighteen;

"(B) his capacity to appreciate the wrongfulness of his conduct or to conform his conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to prosecution;

"(C) he was under unusual and substantial duress, although not such duress as to constitute a defense to prosecution;

"(D) he was a principal (as defined in section 2(a) of title 18 of the United States Code) in the offense, which was committed by another, but his participation was relatively minor, although not so minor as to constitute a defense to prosecution; or

"(E) he could not reasonably have foreseen that his conduct in the course of the commission of the offense for which he was convicted would cause, or would create a grave risk of causing death to another person.

Death sentence, imposition.

"(7) If no factor set forth in paragraph (6) is present, the court

shall impose the sentence of death on the defendant if the jury or, if there is no jury, the court finds by a special verdict as provided in paragraph (4) that—

“(A) the death of another person resulted from the commission of the offense but after the defendant had seized or exercised control of the aircraft; or

“(B) the death of another person resulted from the commission or attempted commission of the offense, and—

“(i) the defendant has been convicted of another Federal or State offense (committed either before or at the time of the commission or attempted commission of the offense) for which a sentence of life imprisonment or death was imposable;

“(ii) the defendant has previously been convicted of two or more State or Federal offenses with a penalty of more than one year imprisonment (committed on different occasions before the time of the commission or attempted commission of the offense), involving the infliction of serious bodily injury upon another person;

“(iii) in the commission or attempted commission of the offense, the defendant knowingly created a grave risk of death to another person in addition to the victim of the offense or attempted offense; or

“(iv) the defendant committed or attempted to commit the offense in an especially heinous, cruel, or depraved manner.”.

SEC. 106. Title XI of such Act (49 U.S.C. 1501–1513) is amended by adding at the end thereof the following new sections:

“SUSPENSION OF AIR SERVICES

“SEC. 1114. (a) Whenever the President determines that a foreign nation is acting in a manner inconsistent with the Convention for the Suppression of Unlawful Seizure of Aircraft, or if he determines that a foreign nation permits the use of territory under its jurisdiction as a base of operations or training or as a sanctuary for, or in any way arms, aids, or abets, any terrorist organization which knowingly uses the illegal seizure of aircraft or the threat thereof as an instrument of policy, he may, without notice or hearing and for as long as he determines necessary to assure the security of aircraft against unlawful seizure, suspend (1) the right of any air carrier or foreign air carrier to engage in foreign air transportation, and the right of any person to operate aircraft in foreign air commerce, to and from that foreign nation, and (2) the right of any foreign air carrier to engage in foreign air transportation, and the right of any foreign person to operate aircraft in foreign air commerce, between the United States and any foreign nation which maintains air service between itself and that foreign nation. Notwithstanding section 1102 of this Act, the President's authority to suspend rights under this section shall be deemed to be a condition to any certificate of public convenience and necessity or foreign air carrier or foreign aircraft permit issued by the Civil Aeronautics Board and any air carrier operating certificate or foreign air carrier operating specification issued by the Secretary of Transportation.

“(b) It shall be unlawful for any air carrier or foreign air carrier to engage in foreign air transportation, or for any person to operate

Foreign nations
aiding terrorist
groups.
49 USC 1514.
22 UST 1641.

49 USC 1502.

aircraft in foreign air commerce, in violation of the suspension of rights by the President under this section.

“SECURITY STANDARDS IN FOREIGN AIR TRANSPORTATION

49 USC 1515.

“SEC. 1115. (a) Not later than 30 days after the date of enactment of this section, the Secretary of State shall notify each nation with which the United States has a bilateral air transport agreement or, in the absence of such agreement, each nation whose airline or airlines hold a foreign air carrier permit or permits issued pursuant to section 402 of this Act, of the provisions of subsection (b) of this section.

49 USC 1372.

“(b) In any case where the Secretary of Transportation, after consultation with the competent aeronautical authorities of a foreign nation with which the United States has a bilateral air transport agreement and in accordance with the provisions of that agreement or, in the absence of such agreement, of a nation whose airline or airlines hold a foreign air carrier permit or permits issued pursuant to section 402 of this Act, finds that such nation does not effectively maintain and administer security measures relating to transportation of persons or property or mail in foreign air transportation that are equal to or above the minimum standards which are established pursuant to the Convention on International Civil Aviation, he shall notify that nation of such finding and the steps considered necessary to bring the security measures of that nation to standards at least equal to the minimum standards of such convention. In the event of failure of that nation to take such steps, the Secretary of Transportation, with the approval of the Secretary of State, may withhold, revoke, or impose conditions on the operating authority of the airline or airlines of that nation.”.

61 Stat. 1180.

SEC. 107. The first sentence of section 901(a)(1) of such Act (49 U.S.C. 1471(a)(1)), relating to civil penalties, is amended by inserting “, or of section 1114,” immediately before “of this Act”.

Ante, p. 413.

SEC. 108. Subsection (a) of section 1007 of such Act (49 U.S.C. 1487), relating to judicial enforcement, is amended by inserting “or, in the case of a violation of section 1114 of this Act, the Attorney General,” immediately after “duly authorized agents,”.

SEC. 109. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

“Sec. 902. Criminal penalties.”

is amended by striking out—

“(n) Investigations by the Federal Bureau of Investigation.

“(o) Interference with aircraft accident investigation.”

and inserting in lieu thereof—

“(n) Aircraft piracy outside special aircraft jurisdiction of the United States.

“(o) Investigations by Federal Bureau of Investigation.

“(p) Interference with aircraft accident investigation.”.

(b) That portion of such table of contents which appears under the side heading

“Sec. 903. Venue and prosecution of offenses.”

is amended by adding at the end thereof the following new item:

“(c) Procedure in respect of penalty for aircraft piracy.”.

(c) That portion of such table of contents which appears under the center heading “TITLE XI—MISCELLANEOUS” is amended by adding at the end thereof the following new items:

“Sec. 1114. Suspension of air services.

“Sec. 1115. Security standards in foreign air transportation.”.

TITLE II—AIR TRANSPORTATION SECURITY ACT OF 1974

Air Transportation Security Act of 1974.
49 USC 1356 note.

SEC. 201. This title may be cited as the “Air Transportation Security Act of 1974”.

SEC. 202. Title III of the Federal Aviation Act of 1958 (49 U.S.C. 1341–1355), relating to organization of the Federal Aviation Administration and the powers and duties of the Administrator, is amended by adding at the end thereof the following new sections:

“SCREENING OF PASSENGERS

“PROCEDURES AND FACILITIES

“SEC. 315. (a) The Administrator shall prescribe or continue in effect reasonable regulations requiring that all passengers and all property intended to be carried in the aircraft cabin in air transportation or intrastate air transportation be screened by weapon-detecting procedures or facilities employed or operated by employees or agents of the air carrier, intrastate air carrier, or foreign air carrier prior to boarding the aircraft for such transportation. One year after the date of enactment of this section or after the effective date of such regulations, whichever is later, the Administrator may alter or amend such regulations, requiring a continuation of such screening only to the extent deemed necessary to assure security against acts of criminal violence and aircraft piracy in air transportation and intrastate air transportation. The Administrator shall submit semiannual reports to the Congress concerning the effectiveness of screening procedures under this subsection and shall advise the Congress of any regulations or amendments thereto to be prescribed pursuant to this subsection at least 30 days in advance of their effective date, unless he determines that an emergency exists which requires that such regulations or amendments take effect in less than 30 days and notifies the Congress of his determination.

Regulations.
49 USC 1356.

Reports to
Congress.

Emergency,
notification of
Congress.

“EXEMPTION AUTHORITY

“(b) The Administrator may exempt from the provisions of this section, in whole or in part, air transportation operations, other than those scheduled passenger operations performed by air carriers engaging in interstate, overseas, or foreign air transportation under a certificate of public convenience and necessity issued by the Civil Aeronautics Board under section 401 of this Act or under a foreign air carrier permit issued by the Board under section 402 of this Act.

49 USC 1371.

49 USC 1372.

“AIR TRANSPORTATION SECURITY

“RULES AND REGULATIONS

“SEC. 316. (a)(1) The Administrator of the Federal Aviation Administration shall prescribe such reasonable rules and regulations requiring such practices, methods, and procedures, or governing the design, materials, and construction of aircraft, as he may deem necessary to protect persons and property aboard aircraft operating in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy.

49 USC 1357.

“(2) In prescribing and amending rules and regulations under paragraph (1) of this subsection, the Administrator shall—

“(A) consult with the Secretary of Transportation, the Attorney General, and such other Federal, State, and local agencies as he may deem appropriate;

“(B) consider whether any proposed rule or regulation is consistent with protection of passengers in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy and the public interest in the promotion of air transportation and intrastate air transportation ;

“(C) to the maximum extent practicable, require uniform procedures for the inspection, detention, and search of persons and property in air transportation and intrastate air transportation to assure their safety and to assure that they will receive courteous and efficient treatment, by air carriers, their agents and employees, and by Federal, State, and local law enforcement personnel engaged in carrying out any air transportation security program established under this section ; and

“(D) consider the extent to which any proposed rule or regulation will contribute to carrying out the purposes of this section.

“PERSONNEL

“(b) Regulations prescribed under subsection (a) of this section shall require operators of airports regularly serving air carriers certificated by the Civil Aeronautics Board to establish air transportation security programs providing a law enforcement presence and capability at such airports adequate to insure the safety of persons traveling in air transportation or intrastate air transportation from acts of criminal violence and aircraft piracy. Such regulations shall authorize such airport operators to utilize the services of qualified State, local, and private law enforcement personnel whose services are made available by their employers. In any case in which the Administrator determines, after receipt of notification from an airport operator in such form as the Administrator may prescribe, that qualified State, local, and private law enforcement personnel are not available in sufficient numbers to carry out the provisions of subsection (a) of this section, the Administrator may, by order, authorize such airport operator to utilize, on a reimbursable basis, the services of—

“(1) personnel employed by any other Federal department or agency, with the consent of the head of such department or agency ; and

“(2) personnel employed directly by the Administrator ; at the airport concerned in such numbers and for such period of time as the Administrator may deem necessary to supplement such State, local, and private law enforcement personnel. In making the determination referred to in the preceding sentence the Administrator shall take into consideration—

“(A) the number of passengers enplaned at such airport ;

“(B) the extent of anticipated risk of criminal violence and aircraft piracy at such airport or to the air carrier aircraft operations at such airport ; and

“(C) the availability at such airport of qualified State or local law enforcement personnel.

“TRAINING

“(c) The Administrator may provide training for personnel employed by him to carry out any air transportation security program established under this section and for other personnel, including State, local, and private law enforcement personnel, whose services may be utilized in carrying out any such air transportation security program. The Administrator shall prescribe uniform standards with respect to training provided personnel whose services are utilized to enforce any such air transportation security program, including State, local, and

private law enforcement personnel, and uniform standards with respect to minimum qualifications for personnel eligible to receive such training.

“RESEARCH AND DEVELOPMENT; CONFIDENTIAL INFORMATION

“(d) (1) The Administrator shall conduct such research (including behavioral research) and development as he may deem appropriate to develop, modify, test, and evaluate systems, procedures, facilities, and devices to protect persons and property aboard aircraft in air transportation or intrastate air transportation against acts of criminal violence and aircraft piracy.

“(2) Notwithstanding section 552 of title 5, United States Code, relating to freedom of information, the Administrator shall prescribe such regulations as he may deem necessary to prohibit disclosure of any information obtained or developed in the conduct of research and development activities under this subsection if, in the opinion of the Administrator, the disclosure of such information—

Regulations.

“(A) would constitute an unwarranted invasion of personal privacy (including, but not limited to, information contained in any personnel, medical, or similar file);

“(B) would reveal trade secrets or privileged or confidential commercial or financial information obtained from any person; or

“(C) would be detrimental to the safety of persons traveling in air transportation.

Nothing in this subsection shall be construed to authorize the withholding of information from the duly authorized committees of the Congress.

“OVERALL FEDERAL RESPONSIBILITY

“(e) (1) Except as otherwise specifically provided by law, no power, function, or duty of the Administrator of the Federal Aviation Administration under this section shall be assigned or transferred to any other Federal department or agency.

“(2) Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration shall have exclusive responsibility for the direction of any law enforcement activity affecting the safety of persons aboard aircraft in flight involved in the commission of an offense under section 902(i) or 902(n) of this Act. Other Federal departments and agencies shall, upon request by the Administrator, provide such assistance as may be necessary to carry out the purposes of this paragraph.

Ante, pp. 410, 411.

“(3) For the purposes of this subsection, an aircraft is considered in flight from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation.

“DEFINITION

“(f) For the purposes of this section, the term ‘law enforcement personnel’ means individuals—

“(1) authorized to carry and use firearms,

“(2) vested with such police power of arrest as the Administrator deems necessary to carry out this section, and

“(3) identifiable by appropriate indicia of authority.”

SEC. 203. Section 902(i) of the Federal Aviation Act of 1958 is amended to read as follows:

49 USC 1472.

“CARRYING WEAPONS OR EXPLOSIVES ABOARD AIRCRAFT

“(1) (1) Whoever, while aboard, or while attempting to board, any aircraft in, or intended for operation in, air transportation or intra-

state air transportation, has on or about his person or his property a concealed deadly or dangerous weapon, which is, or would be, accessible to such person in flight, or any person who has on or about his person, or who has placed, attempted to place, or attempted to have placed aboard such aircraft any bomb, or similar explosive or incendiary device, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

Penalty.

Penalty.

“(2) Whoever willfully and without regard for the safety of human life, or with reckless disregard for the safety of human life, shall commit an act prohibited by paragraph (1) of this subsection, shall be fined not more than \$5,000 or imprisoned not more than five years, or both.

Exceptions.

“(3) This subsection shall not apply to law enforcement officers of any municipal or State government, or the Federal Government, who are authorized or required within their official capacities to carry arms, or to persons who may be authorized, under regulations issued by the Administrator, to carry deadly or dangerous weapons in air transportation or intrastate air transportation; not shall it apply to persons transporting weapons contained in baggage which is not accessible to passengers in flight if the presence of such weapons has been declared to the air carrier.”

SEC. 204. Section 1111 of the Federal Aviation Act of 1958 (49 U.S.C. 1511), relating to authority to refuse transportation, is amended to read as follows:

“AUTHORITY TO REFUSE TRANSPORTATION

“SEC. 1111. (a) The Administrator shall, by regulation, require any air carrier, intrastate air carrier, or foreign air carrier to refuse to transport—

Ante, p. 415.

“(1) any person who does not consent to a search of his person, as prescribed in section 315(a) of this Act, to determine whether he is unlawfully carrying a dangerous weapon, explosive, or other destructive substance, or

“(2) any property of any person who does not consent to a search or inspection of such property to determine whether it unlawfully contains a dangerous weapon, explosive, or other destructive substance.

Subject to reasonable rules and regulations prescribed by the Administrator, any such carrier may also refuse transportation of a passenger or property when, in the opinion of the carrier, such transportation would or might be inimical to safety of flight.

“(b) Any agreement for the carriage of persons or property in air transportation or intrastate air transportation by an air carrier, intrastate air carrier, or foreign air carrier for compensation or hire shall be deemed to include an agreement that such carriage shall be refused when consent to search such persons or inspect such property for the purposes enumerated in subsection (a) of this section is not given.”

Ante, p. 413.

SEC. 205. Title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) is amended by adding at the end thereof the following new section:

“LIABILITY FOR CERTAIN PROPERTY

Regulations.
49 USC 1516.

“SEC. 1116. The Civil Aeronautics Board shall issue such regulations or orders as may be necessary to require that any air carrier receiving for transportation as baggage any property of a person traveling in air transportation, which property cannot lawfully be carried by such person in the aircraft cabin by reason of any Federal law or regulation, shall assume liability to such person, at a reasonable charge and sub-

ject to reasonable terms and conditions, within the amount declared to the air carrier by such person, for the full actual loss or damage to such property caused by such air carrier.”.

SEC. 206. Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301), relating to definitions, is amended by redesignating paragraphs (22) through (36) as paragraphs (24) through (38), respectively, and by inserting immediately after paragraph (21) the following new paragraphs:

“(22) ‘Intrastate air carrier’ means any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage solely in intrastate air transportation.

“(23) ‘Intrastate air transportation’ means the carriage of persons or property as a common carrier for compensation or hire, by turbojet-powered aircraft capable of carrying thirty or more persons, wholly within the same State of the United States.”.

SEC. 207. (a) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading: “TITLE III—ORGANIZATION OF AGENCY AND POWERS AND DUTIES OF ADMINISTRATOR” is amended by adding at the end thereof the following new items:

“Sec. 315. Screening of passengers in air transportation.

“(a) Procedures and facilities.

“(b) Exemption authority.

“Sec. 316. Air transportation security.

“(a) Rules and regulations.

“(b) Personnel.

“(c) Training.

“(d) Research and development; confidential information.

“(e) Overall Federal responsibility.

“(f) Definition.

(b) That portion of such table of contents which appears under the side heading

“Sec. 902. Criminal penalties.”

is amended by striking out—

“(1) Carrying weapons aboard aircraft.”

and inserting in lieu thereof—

“(1) Carrying weapons or explosives aboard aircraft.”.

(c) That portion of such table of contents which appears under the center heading “TITLE XI—MISCELLANEOUS” is amended by adding at the end thereof the following new item:

“Sec. 1116. Liability for certain property.”.

Approved August 5, 1974.

Public Law 93-367

JOINT RESOLUTION

To extend the expiration date of the Defense Production Act of 1950.

August 7, 1974
[S. J. Res. 228]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 717 (a) of the Defense Production Act of 1950 is amended by striking out “July 30” and inserting in lieu thereof “September 30”.

Ante, p. 280.

Approved August 7, 1974.

Definitions.
Ante, p. 409.

Public Law 93-368

AN ACT

August 7, 1974
[H. R. 8217]

To exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971, and for other purposes.

Vessels.
Foreign repairs,
duty exemption.
Unemployment
and social se-
curity benefits.
19 USC 257
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 3114 and 3115 of the Revised Statutes of the United States (19 U.S.C. 257 and 258) shall not apply to entries made in connection with arrivals before January 5, 1971, of vessels owned by the United States, or bareboat chartered to the United States, and operated by or for the account of any department or agency of the United States.

SEC. 2. On or after the date of the enactment of this Act, no department or agency of the United States shall be entitled to a refund of any duties paid before January 5, 1971, by any department or agency of the United States under section 3114 of the Revised Statutes of the United States.

Ante, p. 288.

SEC. 3. The last sentence of section 203(e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233 and amended by section 2 of Public Law 93-256 and by section 2 of Public Law 93-329) is amended by striking out "August 1, 1974" and inserting in lieu thereof "April 30, 1975".

26 USC 3304
note.

SEC. 4. (a) The second sentence of section 204(b) of the Emergency Unemployment Compensation Act of 1971 is amended to read as follows: "Amounts appropriated as repayable advances and paid to the States under section 203 shall be repaid, without interest, as provided in section 905(d) of the Social Security Act."

42 USC 1105.

42 USC 1103.

(b) Section 903(b) of the Social Security Act is amended by striking out paragraph (3).

42 USC 1383.

SEC. 5. Section 1631 of the Social Security Act is amended by adding the following at the end thereof:

"REIMBURSEMENT TO STATES FOR INTERIM ASSISTANCE PAYMENTS

"(g) (1) Notwithstanding subsection (d) (1) and subsection (b) as it relates to the payment of less than the correct amount of benefits, the Secretary may, upon written authorization by an individual, withhold benefits due with respect to that individual and may pay to a State (or a political subdivision thereof if agreed to by the Secretary and the State) from the benefits withheld an amount sufficient to reimburse the State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

"Benefits."

"(2) For purposes of this subsection, the term 'benefits' with respect to any individual means supplemental security income benefits under this title, and any State supplementary payments under section 1616 or under section 212 of Public Law 93-66 which the Secretary makes on behalf of a State (or political subdivision thereof), that the Secretary has determined to be due with respect to the individual at the time the Secretary makes the first payment of benefits. A cash advance made pursuant to subsection (a) (4) (A) shall not be considered as the first payment of benefits for purposes of the preceding sentence.

42 USC 1382e.

87 Stat. 155,
957.

“(3) For purposes of this subsection, the term ‘interim assistance’ with respect to any individual means assistance financed from State or local funds and furnished for meeting basic needs during the period, beginning with the month in which the individual filed an application for benefits (as defined in paragraph (2)), for which he was eligible for such benefits.

“‘Interim assistance.’”

“(4) In order for a State to receive reimbursement under the provisions of paragraph (1), the State shall have in effect an agreement with the Secretary which shall provide—

Agreement.

“(A) that if the Secretary makes payment to the State (or a political subdivision of the State as provided for under the agreement) in reimbursement for interim assistance (as defined in paragraph (3)) for any individual in an amount greater than the reimbursable amount authorized by paragraph (1), the State (or political subdivision) shall pay to the individual the balance of such payment in excess of the reimbursable amount as expeditiously as possible, but in any event within ten working days or a shorter period specified in the agreement; and

“(B) that the State will comply with such other rules as the Secretary finds necessary to achieve efficient and effective administration of this subsection and to carry out the purposes of the program established by this title, including protection of hearing rights for any individual aggrieved by action taken by the State (or political subdivision) pursuant to this subsection.

“(5) The provisions of subsection (c) shall not be applicable to any disagreement concerning payment by the Secretary to a State pursuant to the preceding provisions of this subsection nor the amount retained by the State (or political subdivision).

“(6) The provisions of this subsection shall expire on June 30, 1976. At least sixty days prior to such expiration date, the Secretary shall submit to Congress a report assessing the effects of actions taken pursuant to this subsection, including the adequacy of interim assistance provided and the efficiency and effectiveness of the administration of such provisions. Such report may include such recommendations as the Secretary deems appropriate.”

Effective date; report to Congress.

Sec. 6. (a) Section 1611 of the Social Security Act is amended—

(1) in subsection (a)(1)(A), by inserting “(or, if greater, the amount determined under section 1617)” immediately after “\$1,752”;

Supplemental security income benefits.
42 USC 1382.

(2) in subsection (a)(2)(A), by inserting “(or, if greater, the amount determined under section 1617)” immediately after “\$2,628”;

(3) in subsection (b)(1), by inserting “(or, if greater, the amount determined under section 1617)” immediately after “\$1,752”; and

(4) in subsection (b)(2), by inserting “(or, if greater, the amount determined under section 1617)” immediately after “\$2,628”.

(b) Part A of title XVI of such Act is further amended by adding at the end thereof the following new section:

"COST-OF-LIVING ADJUSTMENTS IN BENEFITS"

42 USC 1382f.
42 USC 401.

42 USC 415.

Ante, p. 421.

87 Stat. 154,
953.

Publication in
Federal Register.

42 USC 415.

42 USC 1395x
note.

"SEC. 1617. Whenever benefit amounts under title II are increased by any percentage effective with any month as a result of determination made under section 215(i), each of the dollar amounts in effect for such month under subsections (a)(1)(A), (a)(2)(A), (b)(1), (b)(2) of section 1611, and subsection (a)(1)(A) of section 211 of Public Law 93-66, as specified in such subsections or as previously increased under this section, shall be increased by the same percentage (and rounded, when not a multiple of \$1.20, to the next higher multiple of \$1.20), effective with respect to benefits for months after such month; and such dollar amounts as so increased shall be published in the Federal Register together with, and at the same time as, the material required by section 215(i)(2)(D) to be published therein by reason of such determination."

SEC. 7. (a) Section 15(c)(2) of Public Law 93-233 is amended by striking out "December 1, 1974" and inserting in lieu thereof "March 1, 1975", and by striking out "July 1, 1975" and inserting in lieu thereof "March 1, 1976".

(b) Section 15(c)(5) of Public Law 93-233 is amended by striking out "March 1, 1975" and inserting in lieu thereof "June 1, 1975", and by striking out "October 1, 1975" and inserting in lieu thereof "June 1, 1976".

(c) Section 15(d) of Public Law 93-233 is amended by striking out "January 1, 1975, except that if the Secretary of Health, Education, and Welfare determines that additional time is required to prepare the report required by subsection (c), he may, by regulation, extend the applicability of the provisions of subsection (a) to cost accounting periods beginning after June 30, 1975" and inserting in lieu thereof "July 1, 1976".

SEC. 8. Section 249B of the Social Security Amendments of 1972 is amended by striking out "June 30, 1974" and inserting in lieu thereof "June 30, 1977".

SEC. 9. (a) Section 1902(a)(14)(B)(i) of the Social Security Act (relating to certain cost-sharing fees required to be paid by some individuals under medicaid) is amended by striking out "shall" and inserting in lieu thereof "may".

(b) The amendment made by subsection (a) shall be effective January 1, 1973.

SEC. 10. (a) Section 211(a)(1) of the Social Security Act is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(b) Section 1402(a)(1) of the Internal Revenue Code of 1954 (relating to definition of net earnings from self-employment) is amended by inserting after "material participation by the owner or tenant" each time it occurs the following: "(as determined without regard to any activities of an agent of such owner or tenant)".

(c) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1973.

SEC. 11. (a) The staff of the Joint Committee on Internal Revenue Taxation shall conduct a comprehensive study and investigation of the operation and effect of the Renegotiation Act of 1951, as amended, with a view to determining whether such Act should be extended beyond December 31, 1975, and, if so, how the administration of such

42 USC 1396b
note.

42 USC 1396a.

Effective date.
42 USC 1396a
note.

42 USC 411.

26 USC 1402.

42 USC 411
note.

Study and in-
vestigation.
50 USC app.
1212 note.
50 USC app.
1211 note.

Act can be improved. The Joint Committee staff shall specifically consider whether exemption criteria and the statutory factors for determining excessive profits should be changed to make the Act fairer and more effective and more objective. The Joint Committee staff shall also consider whether the Renegotiation Board should be restructured.

(b) In conducting such study and investigation the staff of the Joint Committee on Internal Revenue Taxation shall consult with the staffs of the Renegotiation Board, the General Accounting Office, the Cost Accounting Standards Board, and the Joint Economic Committee.

(c) The staff of the Joint Committee on Internal Revenue Taxation shall submit the results of its study and investigation to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate on or before September 30, 1975, together with such recommendations as it deems appropriate.

Approved August 7, 1974.

Consultation.

Report to congressional committees.

Public Law 93-369

AN ACT

To amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

August 10, 1974
[H. R. 13264]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (5) of section 2 of the Perishable Agricultural Commodities Act, 1930, as amended (7 U.S.C. 499b(5)), is hereby amended by striking out the semicolon at the end thereof and substituting a colon and the following: “*Provided, That any commission merchant, dealer, or broker who has violated this subsection may, with the consent of the Secretary, admit the violation or violations and pay a monetary penalty not to exceed \$2,000 in lieu of a formal proceeding for the suspension or revocation of license, any payment so made to be deposited into the Treasury of the United States as miscellaneous receipts;*”.

Perishable
Agricultural Com-
modities Act,
1930, amendment.

Violation,
penalty.

Approved August 10, 1974.

Public Law 93-370

AN ACT

To amend the Act of June 13, 1933 (Public Law 73-40), concerning safety standards for boilers and pressure vessels, and for other purposes.

August 10, 1974
[H. R. 10309]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4433 of the Revised Statutes, as amended (46 U.S.C. 411) is amended as follows:

(1) By deleting the word “and” before the words “construction of boilers,”.

(2) By inserting the words “, and operation” before the words “of boilers, unfired”.

(3) By inserting after the words “unfired pressure vessels” the words “piping, valves, fittings,”.

(4) By placing the word “other” before the word “appurtenances”.

(5) By deleting the words “thereof, and steam piping”.

(6) By deleting the second sentence including the proviso.

Approved August 10, 1974.

Coast Guard.
Boilers and
pressure vessels,
safety standards.

Public Law 93-371

August 13, 1974
[H. R. 14012]

AN ACT

Making appropriations for the Legislative Branch for the fiscal year ending June 30, 1975, and for other purposes.

Legislative
Branch Approp-
riation Act,
1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending June 30, 1975, and for other purposes, namely:

SENATE

2 USC 60a
note.

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS
AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND LEADERS OF
THE SENATE

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

For compensation and mileage of the Vice President and Senators of the United States, \$4,790,695.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT AND MAJORITY AND
MINORITY LEADERS

For expense allowance of the Vice President, \$10,000; Majority Leader of the Senate, \$3,000; and Minority Leader of the Senate, \$3,000; in all, \$16,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions and longevity compensation as authorized, which shall be paid from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For clerical assistance to the Vice President, \$552,045.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For offices of the Majority and Minority Leaders, \$215,460.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For offices of the Majority and Minority Whips, \$110,580.

OFFICE OF THE CHAPLAIN

2 USC 61d-1.

For office of the Chaplain, \$28,500: *Provided*, That effective July 1, 1974, the Chaplain may fix the per annum compensation of the secretary to the Chaplain at not to exceed \$12,540 per annum in lieu of \$9,120 per annum.

OFFICE OF THE SECRETARY

For office of the Secretary, \$2,691,345, including \$110,010 required for the purpose specified and authorized by section 74b of title 2, United States Code.

COMMITTEE EMPLOYEES

For professional and clerical assistance to standing committees and the Select Committee on Small Business, \$8,069,490.

CONFERENCE COMMITTEES

For clerical assistance to the Conference of the Majority, at rates of compensation to be fixed by the chairman of said committee, \$174,135.

For clerical assistance to the Conference of the Minority, at rates of compensation to be fixed by the chairman of said committee, \$174,135.

ADMINISTRATIVE AND CLERICAL ASSISTANTS TO SENATORS

For administrative and clerical assistants to Senators, \$42,477,540: *Provided*, That effective January 1, 1974, the clerk hire allowance of each Senator from the States of Arkansas and Arizona shall be increased to that allowed Senators from States having a population of two million, the population of each said State having exceeded two million inhabitants. ^{2 USC 61-1 note.}

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

For office of the Sergeant at Arms and Doorkeeper, \$11,998,500: *Provided*, That effective July 1, 1974, the Sergeant at Arms may appoint and fix the compensation of the following positions (a) in the computer center: four senior computer specialists at not to exceed \$24,225 per annum each; seven senior programmer analysts at not to exceed \$22,515 per annum each in lieu of five senior programmer analysts at \$22,515 per annum each; three systems analysts at not to exceed \$20,805 per annum each; five systems programmers at not to exceed \$20,805 per annum each in lieu of three systems programmers at \$20,805 per annum each; eight programmer analysts at not to exceed \$20,805 per annum each; four computer specialists at not to exceed \$18,240 per annum each; a secretary-receptionist at not to exceed \$11,115 per annum; a secretary at \$10,260 per annum; a systems supervisor at not to exceed \$26,790 per annum in lieu of a systems supervisor at \$25,080 per annum; (b) in the service department: an equipment supervisor at not to exceed \$18,240 per annum; an assistant equipment supervisor at not to exceed \$14,820 per annum; a secretary-receptionist at not to exceed \$11,115 per annum; a secretary at not to exceed \$9,975 per annum; six cameramen at not to exceed \$10,260 per annum each; a film processor at not to exceed \$11,115 per annum; an assistant film processor at not to exceed \$10,545 per annum; ten messengers at not to exceed \$8,265 per annum each in lieu of seven messengers at \$8,265 per annum each; (c) in Senate post office: a mail supervisor at not to exceed \$11,115 per annum; sixty-three mail carriers at not to exceed \$9,975 per annum each in lieu of fifty-seven mail carriers at \$9,975 per annum each; (d) in the cabinet shop: a chief cabinetmaker at not to exceed \$18,525 per annum in lieu of \$15,960 per annum; an assistant chief cabinetmaker at not to exceed \$17,670 per annum in lieu of \$13,680 per annum; two cabinetmakers at not to exceed \$13,395 per annum each in lieu of \$12,255 per annum each; a cabinetmaker at not to exceed \$12,255 per annum; a finisher at not to exceed \$13,395 per annum in lieu of \$12,255 per annum; an upholsterer at not to exceed \$13,395 per annum in lieu of \$12,255 per annum; and (e) twelve lieutenants, police force at not to exceed \$17,100 per annum each in lieu of ten lieutenants at \$17,100 per annum each; forty-six sergeants, police force at not to exceed \$14,250 per annum each in lieu of forty sergeants at \$14,250 per annum each; 389 privates, police force at not to exceed

\$10,830 per annum each in lieu of 342 privates at \$10,830 per annum each.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For offices of the Secretary for the Majority and the Secretary for the Minority, \$265,050.

AGENCY CONTRIBUTIONS AND LONGEVITY COMPENSATION

For agency contributions for employee benefits and longevity compensation, as authorized by law, \$4,000,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the office of the Legislative Counsel of the Senate, \$521,740.

SENATE PROCEDURE

For compiling, preparing, and editing "Senate Procedure", 1974 edition, \$5,000, to be paid to Floyd M. Riddick, Parliamentarian of the Senate.

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, \$342,780 for each such committee; in all, \$685,560.

AUTOMOBILES AND MAINTENANCE

For purchase, lease, exchange, maintenance, and operation of vehicles, one for the Vice President, one for the President pro tempore, one for the Majority Leader, one for the Minority Leader, one for the Majority Whip, one for the Minority Whip, for carrying the mails, and for official use of the offices of the Secretary and Sergeant at Arms, \$40,000.

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134 (a) of Public Law 601, Seventy-ninth Congress, including \$538,205 for the Committee on Appropriations, to be available also for the purposes mentioned in Senate Resolution Numbered 193, agreed to October 14, 1943, \$16,253,175.

2 USC 190b.

FOLDING DOCUMENTS

For the employment of personnel for folding speeches and pamphlets at a gross rate of not exceeding \$3.68 per hour per person, \$82,045.

MISCELLANEOUS ITEMS

For miscellaneous items, \$12,921,450.

POSTAGE STAMPS

For postage stamps for the offices of the Secretaries for the Majority and Minority, \$320; Chaplain, \$100; and for air mail and special delivery stamps for the office of the Secretary, \$610; office of the Sergeant at Arms, \$240; and the President of the Senate, as authorized by law, \$1,215; in all, \$2,485.

STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, \$3,600, and for committees and officers of the Senate, \$21,850; in all, \$25,450.

ADMINISTRATIVE PROVISIONS

1. The paragraph under the heading "Administrative Provision" in chapter IV of the Supplemental Appropriations Act, 1972 (2 U.S.C. 64b) is amended by adding at the end thereof the following: "In the event that the Secretary of the Senate is absent or is to be absent for reasons other than disability (as provided in this paragraph), and makes a written designation that he is or will be so absent, the Assistant Secretary shall act during such absence as the Secretary in carrying out the duties and responsibilities of the office in all matters, except those matters relating to the Secretary's duties as such disbursing officer. The designation may be revoked in writing at any time by the Secretary, and is revoked whenever the Secretary making the designation dies, resigns, or is considered disabled in accordance with this paragraph."

2. (a) Whenever—

(1) the law of any State provides for the collection of an income tax by imposing upon employers generally the duty of withholding sums from the compensation of employees and remitting such sums to the authorities of such State; and

(2) such duty to withhold is imposed generally with respect to the compensation of employees who are residents of such State;

State income
tax, withholding
and remittance.
2 USC 60c-3.

then the Secretary of the Senate is authorized, in accordance with the provisions of this section, to enter into an agreement with the appropriate official of that State to provide for the withholding and remittance of sums for individuals—

(A) whose pay is disbursed by the Secretary; and

(B) who request the Secretary to make such withholdings for remittance to that State.

(b) Any agreement entered into under subsection (a) of this section shall not require the Secretary to remit such sums more often than once each calendar quarter.

(c) (1) An individual whose pay is disbursed by the Secretary may request the Secretary to withhold sums from his pay for remittance to the appropriate authorities of the State that he designates. Amounts of withholdings shall be made in accordance with those provisions of the law of that State which apply generally to withholding by employers.

(2) An individual may have in effect at any time only one request for withholdings, and he may not have more than two such requests in effect with respect to different States during any one calendar year. The request for withholdings is effective on the first day of the first month commencing after the day on which the request is received in the Disbursing Office of the Senate, except that—

(A) when the Secretary first enters into an agreement with a State, a request for withholdings shall be effective on such date as the Secretary may determine; and

(B) when an individual first receives an appointment, the request shall be effective on the day of appointment, if the individual makes the request at the time of appointment.

(3) An individual may change the State designated by him for the purposes of having withholdings made and request that the withholdings be remitted in accordance with such change, and he may also revoke his request for withholdings. Any change in the State designated

or revocation is effective on the first day of the first month commencing after the day on which the request for change or the revocation is received in the Disbursing Office.

Rules and
regulations.

(4) The Secretary is authorized to issue rules and regulations he considers appropriate in carrying out this subsection.

(d) The Secretary may enter into agreements under subsection (a) of this section at such time or times as he considers appropriate.

(e) This section imposes no duty, burden, or requirement upon the United States, the Senate, or any officer or employee of the United States, except as specifically provided in this section. Nothing in this section shall be deemed to consent to the application of any provision of law which has the effect of subjecting the United States, the Senate, or any officer or employee of the United States to any penalty or liability by reason of the provisions of this section. Any paper, form, or document filed with the Secretary under this section is a paper of the Senate within the provisions of rule XXX of the Standing Rules of the Senate.

“State.”

(f) For the purposes of this section, “State” means any of the States of the United States and the District of Columbia.

Home state
office space.
2 USC 59.

3. (a) The Sergeant at Arms of the Senate shall secure for each Senator office space suitable for the Senator’s official use in places designated by the Senator in the State he represents. That space shall be secured in post offices or other Federal buildings at such places. In the event suitable office space is not available in post offices or other Federal buildings, the Sergeant at Arms shall secure other office space in those places.

(b) The aggregate square feet of office space secured for Senator shall not at any time exceed—

(1) 4,800 square feet if the population of his State is less than 2,000,000;

(2) 5,000 square feet if such population is 2,000,000 but less than 3,000,000;

(3) 5,200 square feet if such population is 3,000,000 but less than 4,000,000;

(4) 5,400 square feet if such population is 4,000,000 but less than 5,000,000;

(5) 5,800 square feet if such population is 5,000,000 but less than 7,000,000;

(6) 6,200 square feet if such population is 7,000,000 but less than 9,000,000;

(7) 6,400 square feet if such population is 9,000,000 but less than 10,000,000;

(8) 6,600 square feet if such population is 10,000,000 but less than 11,000,000;

(9) 6,800 square feet if such population is 11,000,000 but less than 12,000,000;

(10) 7,000 square feet if such population is 12,000,000 but less than 13,000,000;

(11) 7,400 square feet if such population is 13,000,000 but less than 15,000,000;

(12) 7,800 square feet if such population is 15,000,000 but less than 17,000,000; or

(13) 8,000 square feet if such population is 17,000,000 or more.

Rental, maxi-
mum annual rate.

(c) The maximum annual rate that may be paid for the rental of an office secured for a Senator not in a post office or other Federal building shall not at any time exceed the applicable rate per square foot charged Federal agencies by the Administrator of General Services, based upon a 100 percent building quality rating, for office space located in the place in which the Senator’s office is located, multiplied by the number of square feet contained in that office used by the Senator and his employees to perform their duties.

(d) (1) Notwithstanding subsection (b), the aggregate square feet of office space secured for a Senator who is a Senator on July 1, 1974, shall not at any time exceed, as long as he continuously serves as a Senator, the greater of—

(A) the applicable square footage limitation of such subsection; or

(B) the total square footage of those offices that the Senator has on such date and which are continuously maintained in the same buildings in which such offices were located on such date.

(2) The provisions of subsection (c) do not apply to any office that a Senator has on July 1, 1974, not in a post office or other Federal building, as long as—

(A) that Senator continuously serves as a Senator; and

(B) that office is maintained in the same building in which it was located on such date and contains not more than the same number of square feet it contained on such date.

(e) Clause (4) of subsection (a), the last sentence of subsection (c), and subsection (d) of section 506 of the Supplemental Appropriations Act, 1973, are repealed.

Repeal.

2 USC 58.

Effective date.

2 USC 59 note.

2 USC 61a, 61e,
63a, 273, 61g.

(f) This section is effective on and after July 1, 1974.

4. The Secretary of the Senate, the Sergeant at Arms and Doorkeeper of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of \$38,760. The Secretary for the Majority (other than the incumbent holding office on June 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of \$38,190. The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed \$38,190. The four Senior Counsels in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of \$37,620. The Assistant Secretary of the Senate, the Parliamentarian, and the Financial Clerk may each be paid at a maximum annual rate of compensation not to exceed \$37,620. The Administrative Assistant in the Office of the Majority Leader, the Assistant Secretary for the Majority, the Administrative Assistant in the Office of the Minority Leader, and the Assistant Secretary for the Minority may each be paid at a maximum annual rate of compensation not to exceed \$36,765. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate of compensation not to exceed \$35,625. The two committee employees other than joint committee employees referred to in clause (A), and the three committee employees referred to in clause (B), of section 105(e) (3) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may each be paid at a maximum annual rate of compensation not to exceed \$37,050. The four committee employees other than joint committee employees referred to in such clause (A) and the sixteen committee employees referred to in such clause (B) may each be paid at a maximum annual rate of compensation not to exceed \$35,625. The one employee in a Senator's office referred to in section 105(d) (2) (ii) of such Act may be paid at a maximum annual rate of compensation not to exceed \$37,050. Any officer or employee whose pay is subject to the maximum limitation referred to in section 105(f) of such Act may be paid at a maximum annual rate of compensation not to exceed \$37,050. This paragraph does not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation or limitations referred to in this paragraph under section

2 USC 274
note.

2 USC 61a-3,
61b, 64a-1.

2 USC 61h-1,
61h.

2 USC 61j.

2 USC 61-1.

2 USC 61-1.

2 USC 61a
note.

2 USC 60a note.

Capitol Police,
additional hours
of duty, compen-
sation.

40 USC 206c
note.

40 USC 206c.

4 of the Federal Pay Comparability Act of 1970. This paragraph is effective July 1, 1974.

5. Effective July 1, 1974, the last full paragraph under the heading "ADMINISTRATIVE PROVISIONS" in the appropriation for the Senate in the Legislative Branch Appropriation Act, 1972, is amended to read as follows:

"Each officer or member of the Capitol Police force whose compensation is disbursed by the Secretary of the Senate, who performs duty in addition to the number of hours of his regularly scheduled tour of duty for any day on or after July 1, 1974, is entitled to be paid compensation (when ordered to perform such duty by proper authority) or receive compensatory time off for each such additional hour of duty, except that an officer shall be entitled to such compensation only upon a determination made by the Capitol Police Board with respect to any additional hours. Compensation of an officer or member for each additional hour of duty shall be paid at a rate equal to his hourly rate of compensation in the case of an officer, and at a rate equal to one and one-half times his hourly rate of compensation for a member of such force. The hourly rate of compensation of such officer or member shall be determined by dividing his annual rate of compensation by 2,080. Any officer or member entitled to be paid compensation for such additional hours shall make a written election, which is irrevocable, whether he desires to be paid that compensation or to receive compensatory time off instead for each such hour. Compensation due officers and members under this paragraph shall be paid by the Secretary, upon certification by the Chief of the Capitol Police at the end of each calendar quarter and approval of the Capitol Police Board, from funds available in the Senate appropriation, 'Salaries, Officers and Employees' for the fiscal year in which the additional hours of duty are performed without regard to the limitations specified therein. Any compensatory time off accrued and not used by an officer or member at the time he is separated from service on the Capitol Police force may not be transferred to any other department, agency, or establishment of the United States Government or the government of the District of Columbia, and no lump-sum amount shall be paid for such accrued time. The Capitol Police Board is authorized to prescribe regulations to carry out this paragraph."

2 USC 61-1
note.
2 USC 61-1.

6. Effective July 1, 1974, the first sentence of section 105(d)(1)(A) of the Legislative Branch Appropriation Act, 1968, as amended and modified, is amended to read as follows: "The aggregate of gross compensation paid employees in the office of a Senator shall not exceed during each calendar year the following:

"\$370,215 if the population of his State is less than 2,000,000;
"\$381,330 if such population is 2,000,000 but less than 3,000,000;
"\$408,120 if such population is 3,000,000 but less than 4,000,000;
"\$442,605 if such population is 4,000,000 but less than 5,000,000;
"\$470,820 if such population is 5,000,000 but less than 7,000,000;
"\$500,460 if such population is 7,000,000 but less than 9,000,000;
"\$532,665 if such population is 9,000,000 but less than 10,000,000;
"\$557,460 if such population is 10,000,000 but less than 11,000,000;
"\$589,950 if such population is 11,000,000 but less than 12,000,000;
"\$614,745 if such population is 12,000,000 but less than 13,000,000;
"\$646,380 if such population is 13,000,000 but less than 15,000,000;
"\$678,015 if such population is 15,000,000 but less than 17,000,000;
"\$709,650 if such population is 17,000,000 or more."

7. Any witness requested to appear before the Majority Policy Committee or the Minority Policy Committee shall be entitled to a witness fee for each full day spent in traveling to and from the place at which he is to appear, and reimbursement of actual and necessary transportation expenses incurred in traveling to and from that place, at rates not to exceed those rates paid witnesses appearing before committees of the Senate.

Witness fees.
2 USC 195b.

HOUSE OF REPRESENTATIVES

COMPENSATION AND MILEAGE FOR THE MEMBERS

COMPENSATION OF MEMBERS

For compensation of Members, as authorized by law (wherever used herein the term "Member" shall include Members of the House of Representatives, the Resident Commissioner from Puerto Rico, the Delegate from the District of Columbia, the Delegate from Guam, and the Delegate from the Virgin Islands), \$20,373,580.

MILEAGE OF MEMBERS

For mileage of Members, as authorized by law, \$210,000.

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, \$1,095,655, including: Office of the Speaker, \$316,090, including \$10,000 for official expenses of the Speaker; Office of the Majority Floor Leader, \$228,490, including \$3,000 for official expenses of the Majority Leader; Minority Floor Leader, \$174,185, including \$3,000 for official expenses of the Minority Leader; Majority Whip, \$188,445, including not to exceed \$41,910 for the Chief Deputy Majority Whip; Minority Whip, \$188,445, including not to exceed \$41,910 for the Chief Deputy Minority Whip.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, \$16,548,150, including: Office of the Clerk, \$3,726,145; Office of the Sergeant at Arms, \$6,771,610; Office of the Doorkeeper, \$3,166,205; Office of the Postmaster, \$924,645, including \$16,840 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed \$9,091 per annum each; Office of the Chaplain, \$19,770; Office of the Parliamentarian, including the Parliamentarian and \$2,000 for preparing the Digest of the Rules, \$196,020; for compiling the precedents of the House of Representatives, \$195,000; Official Reporters of Debates, \$467,685; Official Reporters to Committees, \$520,395; two printing clerks, one for the majority appointed by the majority leader and one for the minority appointed by the minority leader, \$26,935 to be equally divided; a technical assistant in the Office of the Attending Physician, to be appointed by the Attending Physician subject to the approval of the Speaker, \$24,205; the House Democratic Steering Committee, \$148,710; the House Republican Conference, \$148,710; and six minority employees, \$212,115.

Such amounts as deemed necessary for the payment of salaries of officers and employees within this appropriation may be transferred among offices upon the approval of the Committee on Appropriations of the House of Representatives.

COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations, \$8,624,000.

COMMITTEE ON APPROPRIATIONS (INVESTIGATIONS)

2 USC 72a.

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, \$1,875,000.

OFFICE OF THE LEGISLATIVE COUNSEL

For salaries and expenses of the Office of the Legislative Counsel of the House, \$1,067,000.

MEMBERS' CLERK HIRE

For staff employed by each Member in the discharge of his official and representative duties, \$80,000,000.

CONTINGENT EXPENSES OF THE HOUSE

MISCELLANEOUS ITEMS

For miscellaneous items, exclusive of salaries unless specifically ordered by the House of Representatives, for purchase, exchange, operation, maintenance, and repair of House motor vehicles (the Clerk's automobile and motor trucks, the Sergeant at Arms' automobile, the Post Office motor vehicle, and the Publications Distribution Service motor truck); and not to exceed \$5,000 for the purposes authorized by section 1 of House Resolution 348, approved June 29, 1961, \$12,059,700.

TELEGRAPH AND TELEPHONE

For telegraph and telephone service, exclusive of personal services, \$6,000,000.

STATIONERY (REVOLVING FUND)

For a stationery allowance for each Member for the first session of the Ninety-fourth Congress, as authorized by law, \$2,304,750, to remain available until expended.

POSTAGE STAMP ALLOWANCES

Postage stamp allowances for the first session of the Ninety-fourth Congress, as authorized by law, \$419,530.

GOVERNMENT CONTRIBUTIONS

For contributions to employees life insurance fund, retirement fund, and health benefits fund, as authorized by law, \$6,668,900, and in addition, such amounts as may be necessary may be transferred from the appropriation for "miscellaneous items".

SPECIAL AND SELECT COMMITTEES

For salaries and expenses of special and select committees authorized by the House, \$14,618,000.

REPORTING HEARINGS

For stenographic reports of hearings of committees other than special and select committees, \$422,500.

FURNITURE

For purchase and repair of furniture, carpets and draperies, including supplies, tools and equipment for repair shops; and for purchase of packing boxes, \$996,000.

LEADERSHIP AUTOMOBILES

For purchase, exchange, hire, driving, maintenance, repair, and operation of automobiles for the leadership of the House of Representatives, including one each for the Speaker, the Majority Leader, and the Minority Leader, \$61,095.

REVISION OF LAWS

For preparation and editing of the laws as authorized by 1 U.S.C. 202, 203, 213, \$39,980, to be expended under the direction of the Committee on the Judiciary.

NEW EDITION OF THE DISTRICT OF COLUMBIA CODE

For the preparation of a new edition of the District of Columbia Code, \$100,000, to remain available until expended, and to be expended under the direction of the Committee on the Judiciary.

ADMINISTRATIVE PROVISIONS

The provisions of House Resolution 427, Ninety-third Congress, relating to postage stamps for the Chaplain of the House of Representatives, shall be the permanent law with respect thereto.

JOINT ITEMS

For joint committees, as follows:

JOINT COMMITTEE ON REDUCTION OF FEDERAL EXPENDITURES

For an amount to enable the Joint Committee on Reduction of Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the Committee, \$80,400, to be disbursed by the Secretary of the Senate.

79 Stat. 1026.

CONTINGENT EXPENSES OF THE SENATE

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, \$950,000.

For an amount (to be disbursed by the Secretary of the Senate on vouchers signed by the chairman or vice chairman and the chairman of the subcommittee) for the Subcommittee on Fiscal Policy, \$135,000, to be available until December 31, 1974.

JOINT COMMITTEE ON ATOMIC ENERGY

For salaries and expenses of the Joint Committee on Atomic Energy, \$611,345.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, \$349,100.

CONTINGENT EXPENSES OF THE HOUSE

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

For salaries and expenses of the Joint Committee on Internal Revenue Taxation, \$1,106,165.

JOINT COMMITTEE ON DEFENSE PRODUCTION

For salaries and expenses of the Joint Committee on Defense Production, \$154,050.

JOINT COMMITTEE ON CONGRESSIONAL OPERATIONS

For salaries and expenses of the Joint Committee on Congressional Operations, including the Office of Placement and Office Management, \$600,000.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the attending physician and his assistants, including (1) an allowance of one thousand dollars per month to the attending physician; (2) an allowance of six hundred dollars per month to one senior medical officer while on duty in the attending physician's office; (3) an allowance of two hundred dollars per month each to two medical officers while on duty in the attending physician's office; and (4) an allowance of two hundred dollars per month each to not exceed eight assistants on the basis heretofore provided for such assistance, \$103,600.

CAPITOL POLICE

GENERAL EXPENSES

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including \$25 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board; \$513,360.

CAPITOL POLICE BOARD

To enable the Capitol Police Board to provide additional protection for the Capitol Buildings and Grounds, including the Senate and House Office Buildings and the Capitol Power Plant, \$1,214,255. Such sum shall be expended only for payment of salaries and other expenses of personnel detailed from the Metropolitan Police of the District of Columbia, and the Commissioner of the District of Columbia is authorized and directed to make such details upon the request of the Board. Personnel so detailed shall, during the period of such detail, serve under the direction and instructions of the Board and are author-

Detailed personnel.

D.C. Code
9-126a.

ized to exercise the same authority as members of such Metropolitan Police and members of the Capitol Police and to perform such other duties as may be assigned by the Board. Reimbursement for salaries and other expenses of such detail personnel shall be made to the government of the District of Columbia, and any sums so reimbursed shall be credited to the appropriation or appropriations from which such salaries and expenses are payable and shall be available for all the purposes thereof: *Provided*, That any person detailed under the authority of this paragraph or under similar authority in the Legislative Branch Appropriation Act, 1942, and the Second Deficiency Appropriation Act, 1940, from the Metropolitan Police of the District of Columbia shall be deemed a member of such Metropolitan Police during the period or periods of any such detail for all purposes of rank, pay, allowances, privileges, and benefits to the same extent as though such detail had not been made, and at the termination thereof any such person shall have a status with respect to rank, pay, allowances, privileges, and benefits which is not less than the status of such person in such police at the end of such detail: *Provided further*, That the Commissioner of the District of Columbia is directed (1) to pay the assistant chief detailed under the authority of this paragraph and serving as Chief of the Capitol Police, the salary of assistant chief plus \$2,000 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, (2) to pay the two deputy chiefs detailed under the authority of this paragraph and serving as assistants to the Chief of the Capitol Police the salary of deputy chief and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (3) to pay the inspector detailed under the authority of this paragraph the salary of inspector plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, (4) to pay the captain detailed under the authority of this paragraph the salary of captain plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, (5) to elevate and pay the lieutenant detailed under the authority of this paragraph the rank and salary of captain plus \$1,625 and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, (6) to elevate and pay the detective sergeant and uniform sergeant detailed under the authority of this paragraph the salary of lieutenant and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (7) to pay the four detective sergeants detailed under the authority of this paragraph the salary of detective sergeant and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (8) to pay the two sergeants of the uniform force detailed under the authority of this paragraph the salary of sergeant and such increases in basic compensation as may be subsequently provided by law so long as these positions are held by the present incumbents, (9) to elevate and pay the desk sergeant detailed under the authority of this paragraph the rank and salary of uniform sergeant and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent, and (10) to elevate and pay the acting sergeant detailed under the authority of this paragraph the rank and salary of uniform sergeant and such increases in basic compensation as may be subsequently provided by law so long as this position is held by the present incumbent.

Reimbursement.

55 Stat. 456.

54 Stat. 629.

No part of any appropriation contained in this Act shall be paid as compensation to any person appointed after June 30, 1935, as an officer or member of the Capitol Police who does not meet the standards to be prescribed for such appointees by the Capitol Police Board: *Provided*, That the Capitol Police Board is hereby authorized to detail police from the House Office, Senate Office, and Capitol Buildings for police duty on the Capitol Grounds and on the Library of Congress Grounds.

EDUCATION OF PAGES

For education of congressional pages and pages of the Supreme Court, pursuant to part 9 of title IV of the Legislative Reorganization Act, 1970, and section 243 of the Legislative Reorganization Act, 1946, \$142,780, which amount shall be advanced and credited to the applicable appropriation of the District of Columbia, and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services in accordance with such rates of compensation as the Board of Education may prescribe.

2 USC 88b-1 and
note; 40 USC
184a.
2 USC 88a.
D.C. Code
31-121.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs pursuant to title 39, U.S.C., section 3216, \$38,756,015, to be available immediately.

The foregoing amounts under "other joint items" shall be disbursed by the Clerk of the House.

CAPITOL GUIDE SERVICE

For salaries and expenses of the Capitol Guide Service, \$348,760, to be disbursed by the Secretary of the Senate: *Provided*, That none of these funds shall be used to employ more than twenty-eight individuals.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the second session of the Ninety-third Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills as required by law, \$13,000, to be paid to the persons designated by the chairman of such committees to supervise the work.

ADMINISTRATIVE PROVISION

2 USC 60j.

Section 106(a) of the Legislative Branch Appropriation Act, 1963, is amended by adding at the end thereof:

40 USC 851.

"(8) The Chief Guide, Assistant Chief Guide, and each Guide of the Capitol Guide Service established under section 441 of the Legislative Reorganization Act of 1970."

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

2 USC 471 note. For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), \$4,000,000: *Provided*, That funds remaining unobligated as of June 30, 1974, shall be merged with and also be available for the general purposes of this appropriation.

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

For the Architect of the Capitol; the Assistant Architect of the Capitol; the Executive Assistant; and other personal services; at rates of pay provided by law, \$1,395,600.

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of \$20,000.

40 USC 166a.

CONTINGENT EXPENSES

To enable the Architect of the Capitol to make surveys and studies, to incur expenses authorized by the Act of December 13, 1973 (87 Stat. 704), and to meet unforeseen expenses in connection with activities under his care, \$140,000.

40 USC 166d,
166e.

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including improvements, maintenance, repair, equipment, supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special and protective clothing for workmen; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902); personal and other services; cleaning and repairing works of art and prevention and eradication of insect and other pests without regard to section 3709 of the Revised Statutes, as amended; purchase or exchange, maintenance and operation of a passenger motor vehicle; purchase of necessary reference books and periodicals; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, \$4,428,500.

41 USC 5.

Not to exceed \$950,000 of the unobligated balance of that part of the appropriation under this head for the fiscal year 1973, made available until June 30, 1974, for restoration of the Old Senate and Supreme Court Chambers, is hereby continued available until June 30, 1975.

Not to exceed \$177,000 of the unobligated balance of the appropriation under this head for the fiscal year 1974 is hereby continued available until June 30, 1975.

CAPITOL GROUNDS

For care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and the Capitol Power Plant; personal and other services; care of trees; planting; fertilizer; repairs to pavements, walks, and roadways; waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without regard to section 3709 of the Revised Statutes, as amended; \$1,176,400.

The amount of \$250,000 of the appropriation under this head for the fiscal year 1974, for modifications to and replacement of existing traffic signals and installation of additional traffic signals and all items appurtenant thereto, is hereby continued available until June 30, 1975.

SENATE OFFICE BUILDINGS

For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; for purchase of waterproof wearing apparel, and for personal and other services; for the care and operation of the Senate Office Buildings; including the subway and subway transportation systems connecting the Senate Office Buildings with the Capitol; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), prevention and eradication of insect and other pests without regard to section 3709 of the Revised Statutes as amended; to be expended under the control and supervision of the Architect of the Capitol in all, \$6,620,800.

41 USC 5.

SENATE GARAGE

For maintenance, repairs, alterations, personal and other services, and all other necessary expenses, \$103,300.

HOUSE OFFICE BUILDINGS

For maintenance, including equipment; waterproof wearing apparel; uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902); prevention and eradication of insect and other pests without regard to section 3709 of the Revised Statutes, as amended; miscellaneous items; and for all necessary services, including the position of Superintendent of Garages as authorized by law, \$8,671,700.

Not to exceed \$9,700 of the unobligated balance of the appropriation under this head for the fiscal year 1974 is hereby continued available until June 30, 1975.

ACQUISITION OF PROPERTY, CONSTRUCTION, AND EQUIPMENT,
ADDITIONAL HOUSE OFFICE BUILDING

For an amount, in addition to amounts heretofore appropriated under this head, for expenses authorized by the Additional House Office Building Act of 1955 (69 Stat. 41, 42), as amended, \$145,000, to remain available until expended.

40 USC 175
note.

CAPITOL POWER PLANT

For lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Supreme Court Building, Congressional Library Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air-conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office, Washington City Post Office, and Folger Shakespeare Library, reimbursement for which shall be made and covered into the Treasury; personal and other services, fuel, oil, materials, waterproof wearing apparel, and all other necessary expenses in connection with the maintenance and operation of the plant; \$5,443,000.

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For necessary expenditures for mechanical and structural maintenance, including improvements, equipment, supplies, waterproof wearing apparel, and personal and other services, \$1,631,000.

BOTANIC GARDENS

SALARIES AND EXPENSES

For all necessary expenses incident to maintaining, operating, repairing, and improving the Botanic Garden and the nurseries, buildings, grounds, collections, and equipment pertaining thereto, including personal services; waterproof wearing apparel; not to exceed \$25 for emergency medical supplies; traveling expenses, including bus fares, not to exceed \$275; the prevention and eradication of insect and other pests and plant diseases by purchase of materials and procurement of personal services by contract without regard to the provisions of any other Act; purchase and exchange of motor trucks; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; purchase of botanical books, periodicals, and books of reference, not to exceed \$100; all under the direction of the Joint Committee on the Library; \$916,600.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including development and maintenance of the Union Catalogs; custody, care, and maintenance of the Library Buildings; special clothing; cleaning, laundering, and repair of uniforms; preservation of motion pictures in the custody of the Library; for the National Program for acquisition and cataloging of Library material; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, \$48,460,000, including \$2,778,000 to be available for reimbursement to the General Services Administration for rental of suitable space in the District of Columbia or its immediate environs for the Library of Congress.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, \$5,839,000.

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166), \$13,345,000: *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration.

DISTRIBUTION OF CATALOG CARDS

SALARIES AND EXPENSES

For necessary expenses for the preparation and distribution of catalog cards and other publications of the Library, \$10,581,000: *Provided*, That \$200,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments.

BOOKS FOR THE GENERAL COLLECTIONS

For necessary expenses (except personal services) for acquisition of books, periodicals, and newspapers, and all other material for the increase of the Library, \$1,458,000, to remain available until expended, including \$40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections.

BOOKS FOR THE LAW LIBRARY

For necessary expenses (except personal services) for acquisition of books, legal periodicals, and all other material for the increase of the law library, \$229,000, to remain available until expended.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931 (2 U.S.C. 135a), as amended, \$11,416,900.

COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS

(SPECIAL FOREIGN CURRENCY PROGRAM)

For necessary expenses for carrying out the provisions of section 104(b)(5) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), to remain available until expended, \$2,014,100, of which \$1,718,500 shall be available only for payments in any foreign currencies owed to or owned by the United States which the Treasury Department shall determine to be excess to the normal requirements of the United States.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, \$3,819,000, of which \$2,726,000 shall be available until expended only for the purchase and supply of furniture, book stacks, shelving, furnishings, and related costs necessary for the initial outfitting of the James Madison Memorial Library Building.

REVISION OF ANNOTATED CONSTITUTION

SALARIES AND EXPENSES

For necessary expenses to enable the Librarian to revise and extend the Annotated Constitution of the United States of America, \$34,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations in this Act available to the Library of Congress for salaries shall be available for expenses of investigating the loyalty of Library employees; special and temporary services (including employees engaged by day or hour or in piecework); and services as authorized by 5 U.S.C. 3109.

Not to exceed fifteen positions in the Library of Congress may be exempt from the provisions of appropriation Acts concerning the employment of aliens during the current fiscal year, but the Librarian shall not make any appointment to any such position until he has ascertained that he cannot secure for such appointments a person in any of the categories specified in such provisions who possesses the special qualifications for the particular position and also otherwise meets the general requirements for employment in the Library of Congress.

Aliens, employment.
2 USC 169.

Funds available to the Library of Congress may be expended to reimburse the Department of State for medical services rendered to employees of the Library of Congress stationed abroad and for contracting on behalf of and hiring alien employees for the Library of Congress under compensation plans comparable to those authorized by section 444 of the Foreign Service Act of 1946, as amended (22 U.S.C. 889(a)); for purchase or hire of passenger motor vehicles; for payment of travel, storage and transportation of household goods, and transportation and per diem expenses for families en route (not to exceed twenty-four); for benefits comparable to those payable under sections 911(9), 911(11), and 941 of the Foreign Service Act of 1946, as amended (22 U.S.C. 1136(9), 1136(11), and 1156, respectively); and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (Public Law 87-195, 22 U.S.C. 2396(b)); subject to such rules and regulations as may be issued by the Librarian of Congress.

2 USC 143a.

2 USC 143a.

2 USC 143a.

Payments in advance for subscriptions or other charges for bibliographical data, publications, materials in any other form, and services may be made by the Librarian of Congress whenever he determines it to be more prompt, efficient, or economical to do so in the interest of carrying out required Library programs.

Advance payments.

Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed \$57,500, when specifically authorized by the Librarian, for expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

Funds available to the Library of Congress may be expended to provide additional parking facilities for Library of Congress employees in an area or areas in the District of Columbia outside the limits of the Library of Congress grounds, and to provide for transportation of such employees to and from such area or areas and the Library of Congress grounds without regard to the limitations imposed by 31 U.S.C. 638a(c)(2).

GOVERNMENT PRINTING OFFICE

PRINTING AND BINDING

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing, binding, and distribution of the Federal Register (including the Code of Federal Regulations) as authorized by law (44 U.S.C. 1509, 1510); and printing and binding of Government publications authorized by law to be distributed without charge to the recipients; \$80,000,000: *Provided*, That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture): *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the provisions of 44 U.S.C. 305; travel expenses (not to exceed \$88,300): *Provided*, That expenditures in connection with travel expenses of the Depository Library Advisory Council shall be deemed necessary to carrying out the provisions of chapter 19 of title 44, United States Code; price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying books to depository libraries; \$36,000,000: *Provided*, That \$222,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments.

44 USC 1901.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

For payment to the "Government Printing Office revolving fund", \$12,000,000, to remain available until expended, to provide additional working capital necessary for the support of normal operation of the revolving fund.

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided*, That not to exceed \$3,500 may be expended on the certification of the Public Printer in connection with special studies of governmental printing, binding, and distribution practices and procedures: *Provided further*, That during the current fiscal year the revolving fund shall be available for the hire of two passenger motor vehicles and the purchase of one passenger motor vehicle.

31 USC 849.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not to exceed \$4,000 to be expended on the certification of the Comptroller General of the United States in connection with special studies of governmental financial practices and procedures; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries notwithstanding section 3648, Revised Statutes, as amended (31 U.S.C. 529); benefits comparable to those payable under section 911(9), 911(11), and 942(a) of the Foreign Service Act of 1946, as amended (22 U.S.C. 1136(9), 1136(11), and 1157(a), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (Public Law 87-195, 22 U.S.C. 2396(b)), \$121,376,000: *Provided*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Secretary and secretarial support: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed.

5 USC 5332
note.

COST-ACCOUNTING STANDARDS BOARD

SALARIES AND EXPENSES

For expenses of the Cost-Accounting Standards Board necessary to carry out the provisions of section 719 of the Defense Production Act of 1950, as amended (Public Law 91-379, approved August 15, 1970), \$1,628,000.

50 USC app.
2168.

GENERAL PROVISIONS

SEC. 102. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations issued by the House of Representatives Select Committee To Regulate Parking on the House Side of the Capitol.

SEC. 103. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided*, That the

2 USC 60a
note.

provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

Fiscal year
limitation.

SEC. 104. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 105. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

Senate em-
ployee, exemp-
tion.

SEC. 106. Notwithstanding any other provision of law, the citizenship or nationality of Karin Birgitta Holmen shall not prohibit the Secretary of the Senate from paying compensation to the said Karin Birgitta Holmen while serving as an employee of the Senate.

SEC. 107. Section 502(b) of the Mutual Security Act of 1954 (22 U.S.C. 1754(b)), relating to the use of foreign currency, is amended by striking out the last two sentences and inserting in lieu thereof the following: "Each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member or employee of such committee or subcommittee, and shall forward such consolidated report to the Clerk of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Secretary of the Senate (if the committee be a Senate committee or joint committee whose funds are disbursed by the Secretary of the Senate)."

Report to Clerk
of the House or
Secretary of the
Senate.

Short title.

This Act may be cited as the "Legislative Branch Appropriation Act, 1975".

Approved August 13, 1974.

Public Law 93-372

August 14, 1974
[H. J. Res. 1104]

JOINT RESOLUTION

To extend by sixty-two days the expiration date of the Export Administration Act of 1969.

Ante, p. 287.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14 of the Export Administration Act of 1969 is amended by striking out "July 30" and inserting in lieu thereof "September 30".

Approved August 14, 1974.

Public Law 93-373

AN ACT

August 14, 1974
[S. 2665]

To provide for increased participation by the United States in the International Development Association and to permit United States citizens to purchase, hold, sell, or otherwise deal with gold in the United States or abroad.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

“SEC. 14. (a) The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association four annual installments of \$375,000,000 each as the United States contribution to the Fourth Replenishment of the Resources of the Association.

International Development Association.
U.S. participation, increase.
Gold commerce.
U.S. citizen participation.
22 USC 284l.

“(b) In order to pay for the United States contribution, there is hereby authorized to be appropriated without fiscal year limitation four annual installments of \$375,000,000 each for payment by the Secretary of the Treasury.”.

Appropriation.

SEC. 2. Subsections 3 (b) and (c) of Public Law 93-110 (87 Stat. 352) are repealed and in lieu thereof add the following:

Repeals.
31 USC 442 notes.

“(b) No provision of any law in effect on the date of enactment of this Act, and no rule, regulation, or order in effect on the date subsections (a) and (b) become effective may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing with gold in the United States or abroad.

“(c) The provisions of subsections (a) and (b) of this section shall take effect either on December 31, 1974, or at any time prior to such date that the President finds and reports to Congress that international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the United States’ international monetary position.”.

Effective date.

Presidential report to Congress.

SEC. 3. The International Development Association Act (22 U.S.C. 284 et seq.) is amended by inserting at the end thereof the following:

Development of nuclear explosive devices, loan restrictions.
22 USC 284m.

“SEC. 15. The United States Governor is authorized and directed to vote against any loan or other utilization of the funds of the Association for the benefit of any country which develops any nuclear explosive device, unless the country is or becomes a State Party to the Treaty on the Non-Proliferation of Nuclear Weapons (21 UST 483).”

Approved August 14, 1974.

Public Law 93-374

JOINT RESOLUTION

To amend the Export-Import Bank Act of 1945.

August 14, 1974
[S. J. Res. 229]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Export-Import Bank Act of 1945 is amended by striking out “July 30” and inserting in lieu thereof “September 30”.

Ante, p. 289.

Approved August 14, 1974.

Public Law 93-375

August 14, 1974
[S. 3477]

AN ACT

To amend the Act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia.

D.C.
School fare
subsidy.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia", approved August 9, 1955 (D.C. Code, sec. 44-214a), as amended by an Act approved October 18, 1968, and by an Act approved August 11, 1971, is further amended by deleting "1974" and substituting "1977".

D.C. Code 44-
214a note.

SEC. 2. Notwithstanding any other provision of law, or any rule of law, nothing in this Act (including the amendment made by this Act) shall be construed as limiting the authority of the Council of the District of Columbia to enact any act or resolution, after January 2, 1975, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act with respect to any matter covered by this Act.

D.C. Code 1-
121 note.

Approved August 14, 1974.

Public Law 93-376

August 14, 1974
[H. R. 15074]

AN ACT

To regulate certain political campaign finance practices in the District of Columbia, and for other purposes.

District of
Columbia Cam-
paign Finance
Reform and Con-
flict of Interest
Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SHORT TITLE, DEFINITIONS

Sec. 101. Short title.
Sec. 102. Definitions.

TITLE II—FINANCIAL DISCLOSURES

Sec. 201. Organization of political committees.
Sec. 202. Principal campaign committee.
Sec. 203. Designation of campaign depository.
Sec. 204. Registration of political committees; statements.
Sec. 205. Registration of candidates.
Sec. 206. Reports by political committees and candidates.
Sec. 207. Reports by others than political committees.
Sec. 208. Formal requirements respecting reports and statements.
Sec. 209. Exemption for candidates who anticipate spending less than \$250.
Sec. 210. Identification of campaign literature.
Sec. 211. Effect on liability.

TITLE III—DIRECTOR OF CAMPAIGN FINANCE

Sec. 301. Establishment of the Office of Director.
Sec. 302. Powers of the Director.
Sec. 303. Duties of the Director.
Sec. 304. General Accounting Office to assist Board and Director.
Sec. 305. Nominating committee.
Sec. 306. District of Columbia Board of Elections and Ethics.

TITLE IV—FINANCE LIMITATIONS

- Sec. 401. General limitations.
Sec. 402. Limitation on expenditures.

TITLE V—LOBBYING

- Sec. 501. Definitions.
Sec. 502. Detailed accounts of contributions; retention of receipted bills of expenditures.
Sec. 503. Receipts for contributions.
Sec. 504. Statements of accounts filed with Director.
Sec. 505. Preservation of statements.
Sec. 506. Persons to whom title is applicable.
Sec. 507. Registration of lobbyists with Director; compilation of information.
Sec. 508. Reports and statements under oath.
Sec. 509. Penalties and prohibitions.
Sec. 510. Exemptions.

TITLE VI—CONFLICT OF INTEREST AND DISCLOSURE

- Sec. 601. Conflict of interest.
Sec. 602. Disclosure of financial interest.

TITLE VII—PENALTIES AND ENFORCEMENT TAX CREDITS, USE OF SURPLUS CAMPAIGN FUNDS, VOTERS' INFORMATION PAMPHLETS, STUDY OF 1974 AND REPORT BY COUNCIL, EFFECTIVE DATES, AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION ACT, AND AUTHORIZATION

- Sec. 701. Penalties and enforcement.
Sec. 702. Tax credit for campaign contributions.
Sec. 703. Use of surplus campaign funds.
Sec. 704. A study of 1974 election and report by Council.
Sec. 705. Effective dates.
Sec. 706. Amendments to District of Columbia Election Act.
Sec. 707. Authority of Council.
Sec. 708. Authorization of appropriation.

TITLE I—SHORT TITLE, DEFINITIONS

SHORT TITLE

SEC. 101. This Act may be cited as the "District of Columbia Campaign Finance Reform and Conflict of Interest Act."

D.C. Code 1-1121 note.

DEFINITIONS

SEC. 102. When used in this Act, unless otherwise provided—

(a) The term "election" means a primary, runoff, general, or special election held in the District of Columbia for the purpose of nominating an individual to be a candidate for election to office or for the purpose of electing a candidate to office, and includes a convention or caucus of a political party held for the purpose of nominating such a candidate.

(b) The term "candidate" means an individual who seeks nomination for election, or election, to office, whether or not such individual is nominated or elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if

D.C. Code 1-1121.

he has (1) obtained or authorized any other person to obtain nominating petitions to qualify himself for nomination for election, or election, to office, (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to office, or (3) reason to know, or knows, that any other person has received contributions or made expenditures for that purpose, and has not notified that person in writing to cease receiving contributions or making expenditures for that purpose. A person who is deemed to be a candidate for the purposes of this Act shall not be deemed, solely by reason of that status, to be a candidate for the purposes of any other Federal law.

(c) The term "office" means the office of Mayor of the District of Columbia, Chairman or member of the Council of the District of Columbia, member of the Board of Education of the District of Columbia, or an official of a political party.

(d) The term "official of a political party" means—

- (1) national committeemen and national committeewomen;
- (2) delegates to conventions of political parties nominating candidates for the Presidency and Vice Presidency of the United States;
- (3) alternates to the officials referred to in clauses (1) and (2) above, where permitted by political party rules; and
- (4) such members and officials of local committees of political parties as may be designated by the duly authorized local committees of such parties for election, by public ballot, at large or by ward in the District of Columbia.

(e) The term "political committee" means any committee (including a principal campaign committee), club, association, organization, or other group of individuals organized for the purpose of, or engaged in, promoting or opposing a political party or the nomination or election of an individual to office.

(f) The term "contribution" means—

- (1) a gift, subscription (including any assessment, fee, or membership dues), loan, advance, or deposit of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee;
- (2) a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;
- (3) a transfer of funds between political committees; or
- (4) the payment, by any person other than a candidate or political committee, of compensation for the personal services of another person which are rendered to such candidate or committee without charge, or for less than reasonable value, for any such purpose or the furnishing of goods, advertising, or services to a candidate's campaign without charge, or at a rate which is less than the rate normally charged for such services.

Notwithstanding the foregoing, such term shall not be construed to include (A) services provided without compensation, by individuals

volunteering a portion or all of their time on behalf of a candidate or political committee, (B) personal services provided without compensation by individuals volunteering a portion or all of their time to a candidate or political committee, (C) communications by an organization, other than a political party, solely to its members and their families on any subject, (D) communications (including advertisements) to any person on any subject by any organization which is organized solely as an issue-oriented organization, which communications neither endorse nor oppose any candidate for office, or (E) normal billing credit for a period not exceeding thirty days.

(g) The term "expenditure" means—

(1) a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of financing, directly or indirectly, the election campaign of a candidate or any operations of a political committee;

(2) a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

(3) a transfer of funds between political committees; and

(4) notwithstanding the foregoing provisions of this paragraph, such term shall not be construed to include the incidental expenses (as defined by the Board) made by or on behalf of individuals in the course of volunteering their time on behalf of a candidate or political committee.

(h) The term "person" means an individual, partnership, committee, association, corporation, labor organization, and any other organization or group of persons.

(i) The term "Director" means the Director of Campaign Finance of the District of Columbia Board of Elections and Ethics created by title III.

(j) The term "political party" means an association, committee, or organization which nominates a candidate for election to any office and qualifies under the District of Columbia Election Act (D.C. Code, sec. 1-1101 et seq.), to have the names of its nominees appear on the election ballot as the candidate of that association, committee, or organization.

(k) The term "Board" means the District of Columbia Board of Elections and Ethics established under the District of Columbia Election Act (D.C. Code, sec. 1-1101 et seq.) and redesignated by section 306.

TITLE II—FINANCIAL DISCLOSURES

ORGANIZATION OF POLITICAL COMMITTEES

SEC. 201. (a) Every political committee shall have a chairman and a treasurer. No contribution and no expenditure shall be accepted or made by or on behalf of a political committee at a time when there is a vacancy in the office of treasurer thereof and no other person has been designated and has agreed to perform the functions of treasurer. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their designated agents.

Chairman and
treasurer.
D.C. Code 1-
1131.

Contributions.

(b) Every person who receives a contribution of \$10 or more for or on behalf of a political committee shall, on demand of the treasurer, and in any event within five days after receipt of such contribution, submit to the treasurer of such committee a detailed account thereof, including the amount, the name and address (including the occupation and the principal place of business, if any) of the person making such contribution, and the date on which such contribution was received. All funds of a political committee shall be segregated from, and may not be commingled with, any personal funds of officers, members, or associates of such committee.

Commingled funds, prohibition.

Contributions and expenditures, accounts.
Post, p. 451.

(c) Except for accounts of expenditures made out of the petty cash fund provided for under section 201(b), the treasurer of a political committee, and each candidate, shall keep a detailed and exact account of—

(1) all contributions made to or for such political committee or candidate;

(2) the full name and mailing address (including the occupation and the principal place of business, if any) of every person making a contribution of \$10 or more, and the date and amount thereof;

(3) all expenditures made by or on behalf of such committee or candidate; and

(4) the full name and mailing address (including the occupation and the principal place of business, if any) of every person to whom any expenditure is made, the date and amount thereof and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made.

Records, preservation.

(d) The treasurer or candidate shall obtain and preserve such receipted bills and records as may be required by the Board.

(e) Each political committee and candidate shall include on the face or front page of all literature and advertisements soliciting funds the following notice: "A copy of our report is filed with the Director of Campaign Finance of the District of Columbia Board of Elections and Ethics."

PRINCIPAL CAMPAIGN COMMITTEE

D.C. Code 1-1132.

SEC. 202. (a) Each candidate for office shall designate in writing one political committee as his principal campaign committee. The principal campaign committee shall receive all reports made by any other political committee accepting contributions or making expenditures for the purpose of influencing the nomination for election, or election, of the candidate who designated it as his principal campaign committee. The principal committee may require additional reports to be made to it by any such political committee and may designate the time and number of all reports. No political committee may be designated as the principal campaign committee of more than one candidate, except a principal campaign committee supporting the nomination or election of a candidate as an official of a political party may support the nomination or election of more than one such candidate, but may not support the nomination or election of a candidate for any public office.

(b) Each statement (including the statement of organization required under section 204) or report that a political committee is required to file with or furnish to the Director under the provisions of this Act shall also be furnished, if that political committee is not a principal campaign committee, to the campaign committee for the candidate on whose behalf that political committee is accepting or making, or intends to accept or make, contributions or expenditures.

(c) The treasurer of each political committee which is a principal campaign committee, and each candidate, shall receive all reports and

statements filed with or furnished to it or him by other political committees, consolidate, and furnish the reports and statements to the Director, together with the reports and statements of the principal campaign committee of which he is treasurer or which was designated by him, in accordance with the provisions of this title and regulations prescribed by the Board.

DESIGNATION OF CAMPAIGN DEPOSITORY

SEC. 203. (a) Each political committee, and each candidate accepting contributions or making expenditures, shall designate, in the registration statement required under section 204 or 205, one national bank located in the District of Columbia as the campaign depository of that political committee or candidate. Each such committee or candidate shall maintain a checking account at such depository and shall deposit any contributions received by the committee or candidate into that account. No expenditures may be made by such committee or candidate except by check drawn payable to the person to whom the expenditure is being made on that account, other than petty cash expenditures as provided in subsection (b).

(b) A political committee or candidate may maintain a petty cash fund out of which may be made expenditures not in excess of \$50 to any person in connection with a single purchase or transaction. A record of petty cash receipts and disbursements shall be kept in accordance with requirements established by the Board and such statements and reports thereof shall be furnished to the Director as it may require. Payments may be made into the petty cash fund only by check drawn on the checking account maintained at the campaign depository of such political committee or candidate.

D.C. Code 1-1133.

Petty cash fund.
Recordkeeping.

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 204. (a) Each political committee shall file with the Director a statement of organization within ten days after its organization. Each such committee in existence at the date of enactment of this Act shall file a statement of organization with the Director at such time as the Director may prescribe—

Statement of organization.
D.C. Code 1-1134.

(b) The statement of organization shall include—

Contents.

- (1) the name and address of the political committee;
- (2) the names, addresses, and relationships of affiliated or connected organizations;
- (3) the area, scope, or jurisdiction of the political committee;
- (4) the name, address, and position of the custodian of books and accounts;
- (5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;
- (6) the name, address, office sought, and party affiliation of (A) each candidate whom the committee is supporting, and (B) any other individual, if any, whom the committee is supporting for nomination for election or election, to any public office whatever; or, if the committee is supporting the entire ticket of any party, the name of the party;
- (7) a statement whether the political committee is a continuing one;
- (8) the disposition of residual funds which will be made in the event of dissolution;
- (9) the name and address of the bank designated by the committee as the campaign depository, together with the title and number of each account and safety deposit box used by that com-

mittee at the depository, and the identification of each individual authorized to make withdrawals or payments out of each such account or box; and

(10) such other information as shall be required by the Director.

(c) Any change in information previously submitted in a statement of organization shall be reported to the Director within the ten-day period following the change.

(d) Any political committee which, after having filed one or more statements of organization, disbands or determines it will no longer receive contributions or make expenditures during the calendar year shall so notify the Director.

REGISTRATION OF CANDIDATES

Filing.
D.C. Code 1-
1135.

SEC. 205. (a) Each individual shall, within five days of becoming a candidate, or within five days of the day on which he, or any person authorized by him (pursuant to section 401(d)) to do so, has received a contribution or made an expenditure in connection with his campaign or for the purposes of preparing to undertake his campaign, file with the Director a registration statement in such form as the Director may prescribe.

(b) In addition, candidates shall provide the Director the name and address of the campaign depository designated by that candidate, together with the title and number of each account and safety deposit box used by that candidate at the depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box, and such other information as shall be required by the Director.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

D.C. Code 1-
1136.

Filing dates.

SEC. 206. (a) The treasurer of each political committee supporting a candidate, and each candidate, required to register under this Act, shall file with the Director, and with the applicable principal campaign committee, reports of receipts and expenditures on forms to be prescribed or approved by the Director. Except for the first such report which shall be filed on the twenty-first day after the date of enactment of this Act, such reports shall be filed on the 10th day of March, June, August, October, and December in each year during which there is held an election for the office such candidate is seeking, and on the fifteenth and fifth days next preceding the date on which such election is held, and also by the 31st day of January of each year. In addition such reports shall be filed on the 31st day of July of each year in which there is no such election. Such reports shall be complete as of such date as the Director may prescribe, which shall not be more than five days before the date of filing, except that any contribution of \$200 or more received after the closing date prescribed by the Director for the last report required to be filed prior to the election shall be reported within twenty-four hours after its receipt.

Contents.

(b) Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (including the occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of \$50 or more, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or values of \$50 or more, together with the full names and mailing addresses (including the occupation and the principal place of business, if any) of the lender and endorsers, if any, and the date and amount of such loans;

(6) the net amount of proceeds from (A) the sale of tickets to each dinner, luncheon, rally, and other fundraising events organized by such committee; (B) mass collections made at such events; and (C) sales by such committee of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt of \$50 or more not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period;

(9) the full name and mailing address (including the occupation and the principal place of business, if any) of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value of \$10 or more, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the total sum of expenditures made by such committee or candidate during the calendar year;

(11) the amount and nature of debts and obligations owed by or to the committee, in such form as the Director may prescribe and a continuous reporting of its debts and obligations after the election at such periods as the Director may require until such debts and obligations are extinguished; and

(12) such other information as may be required by the Director.

(c) The reports to be filed under subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the unchanged amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

Cumulative reports.

(d) Each treasurer of a political committee, each candidate for election to office, and each treasurer appointed by a candidate, shall file with the Director weekly reports of cash contributions on forms to be prescribed or approved by the Director.

Cash contributions, reports.

REPORTS BY OTHERS THAN POLITICAL COMMITTEES

Sec. 207. Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount of \$50 or more within a calendar year shall file with the Director a statement containing the information required by section 206. Statements required by this section shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

Filing.
D.C. Code 1-
1137.

FORMAL REQUIREMENTS RESPECTING REPORTS AND STATEMENTS

D.C. Code 1-
1138.

SEC. 208. (a) A report or statement required by this title to be filed by a treasurer of a political committee, a candidate, or by any other person, shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths.

Copies.

(b) A copy of a report or statement shall be preserved by the person filing it for a period to be designated by the Board in a published regulation.

Regulations.

(c) The Board, shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

EXEMPTION FOR CANDIDATES WHO ANTICIPATE SPENDING LESS THAN \$250

D.C. Code 1-
1139.

SEC. 209. Except for the provisions of subsections (c) and (d) of section 201, and subsection (a) of section 205, the provisions of this title shall not apply to any candidate who anticipates spending or spends less than \$250 in any one election and who has not designated a principal campaign committee. On the fifteenth day prior to the date of the election in which such candidate is entered, and on the thirtieth day after the date of such election, such candidate shall certify to the Director that he has not spent more than \$250 in such election.

IDENTIFICATION OF CAMPAIGN LITERATURE

D.C. Code 1-
1140.

SEC. 210. All newspaper or magazine advertising, posters, circulars, billboards, handbills, bumper stickers, sample ballots, and other printed matter with reference to or intended for the support or defeat of a candidate or group of candidates for nomination or election to any public office shall be identified by the words "paid for by" followed by the name and address of the payer or the committee or other person and its treasurer on whose behalf the material appears.

EFFECT ON LIABILITY

D.C. Code 1-
1141.

SEC. 211. Nothing in this title shall be construed as creating or limiting in any way the liability of any person under existing law for any financial obligation incurred by a political committee or candidate.

TITLE III—DIRECTOR OF CAMPAIGN FINANCE

ESTABLISHMENT OF THE OFFICE OF DIRECTOR

D.C. Code 1-
1151.

SEC. 301. (a) There is established within the District of Columbia Board of Elections and Ethics the office of Director of Campaign Finance (hereinafter in this Act referred to as the "Director"). The Commissioner of the District of Columbia shall appoint, by and with the advice and consent of the Senate, the Director, except that on and after January 2, 1975, any vacancy in the office of Director shall be filled by appointment by the Mayor, with the advice and consent of the Council. Such appointments shall be made without regard to the provisions of title 5 of the United States Code, governing appoint-

Appointment.

5 USC 101
et seq.

ments in the competitive service. The Director shall be entitled to receive compensation at the maximum rate as may be established from time to time for grade 16 of the General Schedule in section 5332 of title 5 of the United States Code, and shall be responsible for the administrative operations of the Board pertaining to this Act and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Board. However, the Board shall not delegate to the Director the making of regulations regarding elections.

Compensation.

5 USC 5332
note.

(b) The Board may appoint a General Counsel without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service, to serve at the pleasure of the Board. The General Counsel shall be entitled to receive compensation at the same rate as the Director of the Board and shall be responsible solely to the Board. The General Counsel shall perform such duties as may be delegated or assigned to him from time to time by regulation or order of the Board.

General Coun-
sel, appointment.
5 USC 101
et seq.

(c) In any appropriate case where the Board upon its own motion or upon recommendation of the Director makes a finding of an apparent violation of this Act, it shall refer such case to the United States Attorney for the District of Columbia for prosecution, and shall make public the fact of such referral and the basis for such finding. In addition, the Board, through its General Counsel, shall initiate, maintain, defend, or appeal any civil action (in the name of the Board) relating to the enforcement of the provisions of this Act. The Board may, through its General Counsel, petition the courts of the District of Columbia for declaratory or injunctive relief concerning any action covered by the provisions of this Act.

Violations,
prosecution.

Public notifica-
tion.
Civil actions.

Injunctive re-
lief.

POWERS OF THE DIRECTOR

SEC. 302. (a) The Director, under regulations of general applicability approved by the Board, shall have the power—

D.C. Code 1-
1152.

(1) to require any person to submit in writing such reports and answers to questions as the Director may prescribe relating to the administration and enforcement of this Act; and such submission shall be made within such reasonable period and under oath or otherwise as the Director may determine;

(2) to administer oaths;

(3) to require by subpoena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Director and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the Superior Court of the District of Columbia; and

(6) to accept gifts and voluntary and uncompensated services. Subpenas issued under this section shall be issued by the Director upon the approval of the Board.

Subpenas.

(b) The Superior Court of the District of Columbia may, upon petition by the Board, in case of refusal to obey a subpoena or order of the Board issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

Compliance
order.

DUTIES OF THE DIRECTOR

D.C. Code 1-1153.

SEC. 303. The Director shall—

(1) develop and furnish (upon request) prescribed forms for the making of the reports and statements required to be filed with him under this Act;

(2) develop a filing, coding, and cross-indexing system consonant with the purposes of this Act;

Reports and statements, availability.

(3) make the reports and statements filed with him available for public inspection and copying, commencing as soon as practicable but not later than the end of the second day following the day during which it was received, and to permit and facilitate copying of any such report or statement by hand and by duplicating machine, as requested by any person, at reasonable cost to such person, except any information copied from such reports and statements shall not be sold or utilized by any person for the purpose of soliciting contributions or for any commercial purpose;

Recordkeeping.

(4) preserve such reports and statements for a period of ten years from date of receipt;

(5) compile and maintain a current list of all statements or parts of statements on file pertaining to each candidate;

(6) prepare and publish such other reports as he may deem appropriate;

(7) assure dissemination of statistics, summaries, and reports prepared under this title;

Audits and investigations.

(8) make from time to time audits and field investigations with respect to reports and statements filed under the provisions of this title, and with respect to alleged failures to file any report or statement required under the provisions of this title; and

(9) perform such other duties as the Board may require.

GENERAL ACCOUNTING OFFICE TO ASSIST BOARD AND DIRECTOR

D.C. Code 1-1154.

SEC. 304. The Board and Director may, in the performance of its functions under this Act, request the assistance of the Comptroller General of the United States, including such investigations and audits as the Board and Director may determine necessary, and the Comptroller General shall provide such assistance with or without reimbursement, as the Board and Director and the Comptroller General shall agree.

NOMINATING COMMITTEE

District of Columbia Board of Elections and Ethics Nominating Committee. Establishment.
D.C. Code 1-1155.

SEC. 305. (a) Effective January 2, 1975, there is established within the Government of the District of Columbia a committee to be known as the "District of Columbia Board of Elections and Ethics Nominating Committee" (hereinafter in this Act referred to as the "Committee"). The Committee shall have the function of nominating individuals for appointment as members of the District of Columbia Board of Elections and Ethics for any and all vacancies occurring on such Board on or after the date on which a majority of the members first appointed pursuant to this section hold their first meeting as members of the Committee. Such nominations shall be made by the Committee in accordance with the provisions of this section. The Committee shall consist of five members. Within ten days following the date on which a majority of the members are first appointed pursuant to this section, such members so appointed shall hold their first meeting as members of the Committee.

Membership.

(b) (1) Two members of the Committee shall be appointed by the Mayor, at least one of whom shall be a lawyer.

(2) Three members of the Committee shall be appointed by the Chairman of the Council of the District of Columbia, with the approval of the Council.

(c) Members of the Committee shall serve for terms of five years, except that of the members first appointed pursuant to subsection (b) (1), one shall serve for one year and one for five years, as designated at the time of appointment, and members appointed pursuant to subsection (b) (2), one shall serve for two years, one for three years, and one for four years, as designated at the time of appointment.

(d) (1) No individual may be appointed as a member of the Committee unless he or she—

(A) is a citizen of the United States, and

(B) is a resident of the District of Columbia and has maintained his or her domicile within the District for at least one year immediately preceding the date of his or her appointment, and

(C) is not a member of the Council of the District of Columbia or an officer or employee of the Government of the District of Columbia (including the judicial branch).

(2) Any vacancy in the membership of the Committee shall be filled in the same manner in which the original appointment was made. Any individual appointed to fill a vacancy, occurring other than upon the expiration of a term, shall serve only for the remainder of the term of such individual's predecessor.

(e) Members of the Committee shall be paid for each day spent performing their duties as members of the Committee at a rate which is equal to the daily equivalent of the rate provided by step 1 of grade 17 of the General Schedule under section 5332 of title 5, United States Code.

(f) (1) Except as otherwise provided in subsection (a) of this section, the Committee shall act only at meetings called by the Chairman or a majority of the members thereof and only after notice has been given of such meeting to all members of the Committee.

(2) The Committee shall choose annually from among its members a Chairman and such other officers as it deems necessary. The Committee may adopt such rules of procedure as may be necessary to govern the business of the Committee.

(3) Each agency of the government of the District of Columbia shall furnish to the Committee, upon request, such records, information, services, and such other assistance and facilities as may be necessary to enable the Committee to perform its function properly. Any information furnished to the Committee designated "confidential" by the person furnishing it to the Committee shall be treated by the Committee as privileged and confidential.

(g) (1) In the event of any such vacancy in the District of Columbia Board of Elections and Ethics, the Committee shall, within thirty days after such vacancy occurs, submit a list of three persons as nominees for appointment by the Mayor to fill the vacancy. If more than one such vacancy exists at the same time, the Committee shall submit a separate list of nominees for appointment to fill each such vacancy, and no individual's name shall appear on more than one such list. In filling such vacancy, the Mayor may appoint more than one individual from any list currently before the Mayor. In any case in which, after the expiration of the thirty-day period following the date on which a majority of the members of the Committee first meet as provided in subsection (a), a vacancy is scheduled to occur, by reason of the expiration of a term of office, the Committee's list of nominees for appointment to fill that vacancy shall be submitted to the Mayor not less than thirty days prior to the expiration of that term.

Terms.

Qualifications.

Vacancies.

Salaries.

5 USC 5332
note.
Meetings, notification.

Chairman.

Information,
interagency
cooperation.

Vacancies,
appointment.

(2) If the Mayor fails to submit for Council approval the name of one of the individuals on a list submitted to the Mayor under this section within thirty days after receiving such list, the Committee shall appoint, with the approval of the Council, an individual named on the list to fill the vacancy for which such list of nominees was prepared.

(3) Any individual whose name is submitted by the Committee as a nominee for appointment to the District of Columbia Board of Elections and Ethics may request that the nomination of such individual be withdrawn. If any such individual requests that his or her nomination be withdrawn, dies, or becomes disqualified to serve as a member of the Board, the Committee shall promptly nominate an individual to replace the individual originally nominated on the list submitted to the Mayor.

(h) Members of the Committee shall be appointed as soon as practicable, but in no event later than June 30, 1975.

DISTRICT OF COLUMBIA BOARD OF ELECTIONS AND ETHICS

Board of Elections of the District of Columbia, name change. D.C. Code 1-1156.

SEC. 306. (a) On and after the date of the enactment of this Act, the Board of Elections of the District of Columbia established under the District of Columbia Election Act (D.C. Code, sec. 1-1101 et seq.), shall be known as the "District of Columbia Board of Elections and Ethics" and shall have the powers, duties, and functions as provided in such Act, in any other law in effect on the date immediately preceding the date of the enactment of this Act, and in this Act. Any reference in any law or regulation to the Board of Elections for the District of Columbia or the District of Columbia Board of Elections shall, on and after the date of the enactment of this Act, be held and considered to refer to the District of Columbia Board of Elections and Ethics.

Violations.

(b)(1) Any person who violates any provision of this Act or of the District of Columbia Election Act may be assessed a civil penalty by the District of Columbia Board of Elections and Ethics under paragraph (2) of this subsection of not more than \$50 for each such violation. Each occurrence of a violation of this Act and each day of noncompliance with a disclosure requirement of this Act or an order of the Board shall constitute a separate offense.

Penalty.

Hearing.

(2) A civil penalty shall be assessed by the Board by order only after the person charged with a violation has been given an opportunity for a hearing, and the Board has determined, by decision incorporating its findings of facts therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with chapter 5 of title 5, United States Code.

5 USC 500.

Enforcement, petition.

(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Board shall file a petition for enforcement of its order assessing the penalty in the Superior Court of the District of Columbia. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall be forthwith sent by registered or certified mail to the respondent and his attorney of record, and if the respondent is a political committee, to the Chairman thereof, and thereupon the Board shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and the decision of the Board or it may remand the proceedings to the Board for such further action as it may direct. The court may determine de novo all issues of law but the Board's findings of fact, if supported by substantial evidence, shall be conclusive.

Judicial review.

(c) Upon application made by any individual holding public office, any candidate, or any political committee, the Board, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this Act or of any provision of the District of Columbia Election Act over which the Board has primary jurisdiction.

Advisory
opinion.

TITLE IV—FINANCE LIMITATIONS

GENERAL LIMITATIONS

SEC. 401. (a) No individual shall make any contribution which, and no person shall receive any contribution from any individual which when aggregated with all other contributions received from that individual, relating to a campaign for nomination as a candidate for election to public office, including both the primary and general or special elections, exceeds—

D.C. Code 1-
1161.

(1) in the case of a contribution in support of a candidate for Mayor, \$1,000;

(2) in the case of a contribution in support of a candidate for Chairman of the Council, \$750;

(3) in the case of a contribution in support of a candidate for member of the Council elected at large, \$500;

(4) in the case of a contribution in support of a candidate for member of the Board of Education elected at large or for member of the Council elected from a ward, \$200, and in the case of a runoff election, an additional \$200;

(5) in the case of a contribution in support of a candidate for member of the Board of Education elected from a ward or for official of a political party, \$100, and in case of a runoff election, an additional \$100; and

(6) in the case of a contribution in support of a candidate for a member of an Advisory Neighborhood Council, \$25.

(b) No person (other than an individual with respect to whom subsection (a) applies) shall make any contribution which, and no person shall receive any contribution from any person (other than such an individual) which when aggregated with all other contributions received from that person, relating to a campaign for nomination as a candidate or election to public office, including both the primary and general or special elections, exceeds—

(1) in the case of a contribution in support of a candidate for Mayor, \$2,000;

(2) in the case of a contribution in support of a candidate for Chairman of the Council, \$1,500;

(3) in the case of a contribution in support of a candidate for member of the Council elected at large, \$1,000;

(4) in the case of a contribution in support of a candidate for member of the Board of Education elected at large or for member of the Council elected from a ward \$400, and in the case of a runoff election, an additional \$400;

(5) in the case of a contribution in support of a candidate for member of the Board of Education elected from a ward or for official of a political party, \$200, and in the case of a runoff election, an additional \$200; and

(6) in the case of a contribution in support of a candidate for a member of an Advisory Neighborhood Council, \$25.

“Person.”

For the purposes of this subsection, the term “person” shall include a candidate making contributions relating to his candidacy for nomination for election, or election, to office. Notwithstanding the preceding provisions of this subsection, a candidate for member of the Council elected from a ward may contribute \$1,000 to his own campaign. The provisions of this subsection to the extent that such provisions are applicable to corporations and unions shall, to that extent, expire as of July 1, 1975, unless the Council of the District of Columbia on or before such date enacts legislation repealing or modifying such provisions or extending such provisions as to corporations and unions on and after that date. In the event that the Council fails to so repeal, modify, or extend such provisions as to corporations and labor unions, the Council shall report its reasons therefor to the Committees on the District of Columbia of the Senate and the House of Representatives prior to August 1, 1975.

Report to congressional committees.

Contribution, limitation.

(c) No individual shall make any contribution in any one election which when aggregated with all other contributions made by that individual in that election exceeds \$2,000.

(d) (1) Any expenditure made by any person advocating the election or defeat of any candidate for office which is not made at the request or suggestion of the candidate, any agent of the candidate, or any political committee authorized by the candidate to make expenditures or to receive contributions for the candidate is not considered a contribution to or an expenditure by or on behalf of the candidate for the purposes of the limitations specified in this Act.

Unauthorized expenditure, prohibition.

(2) No person may make any unauthorized expenditure advocating the election or defeat of a clearly identified candidate during a calendar year which, when added to all other unauthorized expenditures made by that person during the year advocating the election or defeat of that candidate, exceeds \$1,000.

Definitions.

(3) For purposes of paragraph (2)—

(A) “clearly identified” means—

- (i) the candidate's name appears,
- (ii) a photograph or drawing of the candidate appears, or
- (iii) the identity of the candidate is apparent by unambiguous reference.

(B) “person” does not include the central committee of a political party, and

(C) “expenditure” does not include any payment made or incurred by a corporation or labor organization which, under the provisions of section 610 of title 18 of the United States Code would not constitute an expenditure by that corporation or labor organization.

Statement, filing.

(4) Every candidate shall file a statement with the Board, in such manner and form and at such times as the Board may prescribe, authorizing any person or any political committee organized primarily to support the candidacy of such candidate to either directly or indirectly, receive contributions, or make expenditures in behalf of, such candidate. No person and no committee organized primarily to support a single candidate may, either directly or indirectly, receive contributions or make expenditures in behalf of, such candidate without the written authorization of such candidate as required by this paragraph.

Cash contribution, limitation.

(e) In no case shall any person receive or make any contribution in legal tender in an amount of \$50 or more.

(f) No person shall make a contribution in the name of another person, and no person shall knowingly accept a contribution made by one person in the name of another person.

(g) For purposes of the limitations contained in this section all contributions made by any person directly or indirectly to or for the benefit of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

(h) (1) No candidate or member of the immediate family of a candidate may make a loan or advance from his personal funds for use in connection with a campaign of that candidate for nomination for election, or for election, to public office unless that loan or advance is evidenced by a written instrument fully disclosing the terms, conditions, and parts to the loan or advance. The amount of any such loan or advance shall be included in computing and applying the limitations contained in this section only to extent of the balance of the loan or advance which is unpaid at the time of determination.

(2) For purposes of this subsection, the term "immediate family" means the candidate's spouse and any parent, brother, or sister, or child of the candidate, and the spouse of any such parent, brother, sister, or child.

"Immediate family."

LIMITATION OF EXPENDITURES

Sec. 402. (a) (1) No principal campaign committee shall expend any funds which when aggregated with funds expended by it, all other committees required to report to it, and by a candidate supported by such committee shall exceed (1) in the case of a candidate for Mayor, \$200,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of \$120,000 for one of such elections and \$80,000 for the other of such elections; (2) in the case of a candidate for Chairman of the Council, \$150,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of \$90,000 for one of such elections and \$60,000 for the other of such elections; (3) in the case of a candidate for member of the Council elected at large, \$100,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of \$60,000 for one of such elections and \$40,000 for the other of such elections; (4) in the case of a candidate for member of the Board of Education elected at large or member of the Council elected from a ward, \$20,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of \$12,000 for one of such elections and \$8,000 for the other of such elections; (5) in the case of a candidate for member of the Board of Education elected from a ward, or in support of any candidate for office of a political party, \$10,000 in the aggregate for any primary and general election in connection therewith, but in no event in excess of \$6,000 for one of such elections and \$4,000 for the other of such elections; and (6) in the case of a candidate for member of an Advisory Neighborhood Council, \$500.

D.C. Code 1-1162.

(2) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Board and the Board shall publish in the District of Columbia Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for 1974. Each amount determined under paragraph (1) shall be changed by such per centum difference. Each amount so changed shall be the amount in effect for such calendar year.

Publication in District of Columbia Register.

(b) No political committee or candidate shall knowingly expend any funds at a time when the principal campaign committee to which it shall report, or which has been designated by him, is precluded by sub-

section (a) from expending funds or which would cause such principal committee to be precluded from further expenditures. Any principal campaign committee of a candidate having reasonable knowledge to believe that further expenditures by a political committee registered in support of such candidate, or by the candidate it supports, will exceed the expenditure limitations specified in subsection (a) shall immediately notify, in writing, such political committee or candidate of that fact.

(c) Any expenditure made in connection with a campaign in a calendar year other than the calendar year in which the election is held to which that campaign relates is, for the purposes of this section, considered to be made during the calendar year in which that election is held.

TITLE V—LOBBYING

DEFINITIONS

D.C. Code 1-
1171.

SEC. 501. When used in this title—

(a) The term “contribution” includes a gift, subscription, loan, advance, or deposit of money or anything of value and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

(b) The term “expenditure” includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(c) The term “legislation” means bills, resolutions, amendments, nominations, rules, and other matters pending or proposed in the Council of the District of Columbia, and includes any other matter which may be the subject of action by the Council of the District of Columbia.

DETAILED ACCOUNTS OF CONTRIBUTIONS; RETENTION OF RECEIPTED BILLS OF EXPENDITURES

D.C. Code 1-
1172.

SEC. 502. (a) It shall be the duty of every person who shall in any manner solicit or receive a contribution to any organization or fund for the purposes hereinafter designated to keep a detailed and exact account of—

- (1) all contributions of any amount or of any value whatsoever;
- (2) the name and address of every person making any such contribution of \$200 or more and the date thereof;
- (3) all expenditures made by or on behalf of such organization or fund; and
- (4) the name and address of every person to whom any such expenditure is made and the date thereof.

(b) It shall be the duty of such person to obtain and keep a receipted bill, stating the particulars, for every expenditure of such funds exceeding \$10 in amount, and to preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

RECEIPTS FOR CONTRIBUTORS

D.C. Code 1-
1173.

SEC. 503. Every individual who receives a contribution of \$200 or more for any of the purposes hereinafter designated shall within five days after receipt thereof render to the person or organization for which such contribution was received a detailed account thereof,

including the name and address of the person making such contribution and the date on which received.

STATEMENTS OF ACCOUNTS FILED WITH DIRECTOR

SEC. 504. (a) Every person receiving any contributions or expending any money for the purposes designated in subparagraph (a) or (b) of section 506 of this title shall file with the Director between the first and tenth day of each calendar quarter, a statement containing complete as of the day next preceding the date of filing—

D.C. Code 1-1174.

(1) the name and address of each person who has made a contribution of \$200 or more not mentioned in the preceding report; except that the first report filed pursuant to this title shall contain the name and address of each person who has made any contribution of \$200 or more to such person since January 2, 1975;

(2) the total sum of the contributions made to or for such person during the calendar year and not stated under paragraph (1) of this subsection;

(3) the total sum of all contributions made to or for such person during the calendar year;

(4) the name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of \$10 or more has been made by or on behalf of such person, and the amount, date, and purpose of such expenditure;

(5) the total sum of all expenditures made by or on behalf of such person during the calendar year and not stated under paragraph (4) of this subsection;

(6) the total sum of expenditures made by or on behalf of such person during the calendar year.

(b) The statements required to be filed by subsection (a) of this section shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

Cumulative statements.

PRESERVATION OF STATEMENTS

SEC. 505. A statement required by this title to be filed with the Director—

D.C. Code 1-1175.

(a) shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Director, Washington, District of Columbia, but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Director of its nonreceipt;

Filing.

(b) shall be preserved by the Director for a period of two years from the date of filing, shall constitute part of the public records of his office, and shall be open to public inspection.

Public inspection.

PERSONS TO WHOM TITLE IS APPLICABLE

SEC. 506. The provisions of this title shall apply to any person (except a political committee) who, by himself, or through any agent or employee or other persons in any manner whatsoever, directly or indirectly, solicits, collects, or receives money or any other thing of value to be used principally to aid, or the principal purpose of which person is to aid, in the accomplishment of any of the following purposes:

D.C. Code 1-1176.

(a) The passage or defeat of any legislation by the Council of the District of Columbia.

(b) To influence, directly or indirectly, the passage or defeat of any legislation by the Council of the District of Columbia.

REGISTRATION OF LOBBYISTS WITH DIRECTOR; COMPILATION OF
INFORMATION

D.C. Code 1-
1177.

Financial
report.

SEC. 507. (a) Any person who shall engage himself for pay or for any consideration for the purpose of attempting to influence the passage or defeat of any legislation by the Council of the District of Columbia shall, before doing anything in furtherance of such object, register with the Director and shall give to him in writing and under oath, his name and business address, the name and address of the person by whom he is employed, and in whose interest he appears or works, the duration of such employment, how much he is paid and is to receive, by whom he is paid or is to be paid, how much he is to be paid for expenses, and what expenses are to be included. Each such person so registering shall, between the first and tenth day of each calendar quarter, so long as his activity continues, file with the Director a detailed report under oath of all money received and expended by him during the preceding calendar quarter in carrying on his work; to whom paid; for what purposes; and the names of any papers, periodicals, magazines, or other publications in which he has caused to be published any articles or editorials; and the proposed legislation he is employed to support or oppose. The provisions of this section shall not apply to any person who merely appears before the Council of the District of Columbia, or a committee thereof, in support of or opposition to legislation; nor to any public official acting in his official capacity; nor in the case of any newspaper or other regularly published periodical (including any individual who owns, publishes, or is employed by any such newspaper or periodical) which in the ordinary course of business publishes news items, editorials, or other comments, or paid advertisements, which directly or indirectly urge the passage or defeat of legislation, if such newspaper, periodical, or individual, engages in no further or other activities in connection with the passage or defeat of such legislation, other than to appear before a committee of the Council of the District of Columbia in support of or in opposition to such legislation.

(b) All information required to be filed under the provisions of this section with the Director shall be compiled by the Director as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the District of Columbia Register.

Publication in
District of Colum-
bia Register.

REPORTS AND STATEMENTS UNDER OATH

D.C. Code 1-
1178.

SEC. 508. All reports and statements required under this title shall be made under oath, before an officer authorized by law to administer oaths.

PENALTIES AND PROHIBITIONS

D.C. Code 1-
1179.

SEC. 509. (a) Any person who violates any of the provisions of this title, shall be guilty of a misdemeanor, and shall be punished by a fine of not more than \$5,000 or imprisonment for not more than twelve months, or both.

(b) In addition to the penalties provided for in subsection (a) of this section, any person convicted of the misdemeanor specified

therein is prohibited, for a period of three years from the date of such conviction, from attempting to influence, directly or indirectly, the passage or defeat of any proposed legislation or from appearing before a committee of the Council of the District of Columbia in support of or opposition to proposed legislation; and any person who violates any provision of this subsection shall be guilty of a felony, and shall be punished by a fine of not more than \$10,000, or imprisonment for not more than five years, or both.

EXEMPTION

SEC. 510. The provisions of this title shall not apply to—

D.C. Code 1-1181.

(1) any Member of the United States House of Representatives or any Senator;

(2) any member of a staff of any person specified in paragraph (1) while operating within the scope of his employment;

(3) any member of an Advisory Neighborhood Council;

(4) any person who receives less than \$500 during the calendar year as compensation for performing services relating to the influencing of legislation; or

(5) any entity specified in section 1(d) of title II of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47-1554(d)), no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation.

TITLE VI—CONFLICT OF INTEREST AND DISCLOSURE

CONFLICT OF INTEREST

SEC. 601. (a) The Congress declares that elective and public office is a public trust, and any effort to realize personal gain through official conduct is a violation of that trust.

D.C. Code 1-1181.

(b) No public official shall use his official position or office to obtain financial gain for himself, any member of his household, or any business with which he or a member of his household is associated, other than that compensation provided by law for said public official.

(c) No person shall offer or give to a public official or a member of a public official's household, and no public official shall solicit or receive anything of value, including a gift, favor, service, loan gratuity, discount, hospitality, political contribution, or promise of future employment, based on any understanding that such public official's official actions or judgment or vote would be influenced thereby, or where it could reasonably be inferred that the thing of value would influence the public official in the discharge of his duties, or as a reward, or which would cause the total value of such things received from the same person not a member of such public official's household to exceed \$100 during any single calendar year.

(d) No person shall offer or pay to a public official, and no public official shall solicit or receive any money, in addition to that lawfully received by the public official in his official capacity, for advice or assistance given in the course of the public official's employment or relating to his employment.

(e) No public official shall use or disclose confidential information given in the course of or by reason of his official position or activities in any way that could result in financial gain for himself or for any other person.

Confidential information, use or disclosure, prohibition.

(f) No member or employee of the Council of the District of Columbia or Board of Education of the District of Columbia shall accept assignment to serve on a committee the jurisdiction of which consists of matters (other than of a de minimis nature) in which he or a member of his family or a business with which he is associated, has financial interest.

Conflict of interest, written statement.

(g) Any public official who, in the discharge of his official duties, would be required to take an action or make a decision that would affect directly or indirectly his financial interests or those of a member of his household, or a business with which he is associated, or must take an official action on a matter as to which he has a conflict situation created by a personal, family, or client interest, shall—

(1) prepare a written statement describing the matter requiring action or decision, and the nature of his potential conflict of interest with respect to such action or decision;

(2) cause copies of such statement to be delivered to the District of Columbia Board of Elections and Ethics (referred to in this title as the "Board"), and to his immediate superior, if any;

(3) if he is a member of the Council of the District of Columbia or member of the Board of Education of the District of Columbia, or employee of either, deliver a copy of such statement to the Chairman thereof, who shall cause such statement to be printed in the record of proceedings, and, upon request of said member or employee, shall excuse the member from votes, deliberations, and other action on the matter on which a potential conflict exists;

(4) if he is not a member of the Council of the District of Columbia, his superior, if any, shall assign the matter to another employee who does not have a potential conflict of interest, or, if he has no immediate superior, he shall take such steps as the Board prescribes through rules and regulations to remove himself from influence over actions and decisions on the matter on which potential conflict exists; and

(5) during a period when a charge of conflict of interest is under investigation by the Board, if he is not a member of the Council of the District of Columbia or a member of the Board of Education, his superior, if any, shall have the arbitrary power to assign the matter to another employee who does not have a potential conflict of interest, or if he has no immediate superior, he shall take such steps as the Board shall prescribe through rules and regulations to remove himself from influence over actions and decisions on the matter on which there is a conflict of interest.

(h) Neither the Mayor nor any member of the Council of the District of Columbia may represent another person before any regulatory agency or court of the District of Columbia while serving in such office. The preceding sentence does not apply to an appearance by such an official before any such agency or court in his official capacity.

Definitions.

(i) As used in this section, the term—

(1) "public official" means the office of the Mayor of the District of Columbia, Chairman of the Council of the District of Columbia, or member of the Council of the District of Columbia, or Chairman or member of the Board of Education of the District of Columbia, or each officer or employee of the District of Columbia government who performs duties of the type generally performed by an individual occupying grade GS-15 of the General Schedule or any higher grade or position (as determined by the Board regardless of the rate of compensation of such individual);

(2) "business" means any corporation, partnership, sole pro-

prietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock, trust, and any legal entity through which business is conducted for profit;

(3) "business with which he is associated" means any business of which the person or member of his household is a director, officer, owner, employee, or holder of stock worth \$1,000 or more at fair market value, and any business which is a client of that person;

(4) "household" means the public official and his immediate family; and

(5) "immediate family" means the public official's spouse and any parent, brother, or sister, or child of the public official, and the spouse of any such parent, brother, sister, or child.

DISCLOSURE OF FINANCIAL INTEREST

SEC. 602. (a) Any candidate for nomination for election, or election, to public office who at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and the Mayor, and the Chairman and each member of the Council of the District of Columbia holding office under the District of Columbia Self-Government and Governmental Reorganization Act, and the Chairman and each member of the Board of Education, shall file annually, with the Board a report containing a full and complete statement of—

Annual report.
D.C. Code 1-
1182.

D.C. Code 1-
121 note.

Contents.

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received by him or by him and his spouse jointly during the preceding calendar year) which exceeds \$100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of \$1,000, and the identity and amount of each liability owned by him, or by him and his spouse jointly, which is in excess of \$1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds \$5,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf, or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds \$5,000;

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds \$5,000; and

(6) the amount of each tax paid by the individual, or by the individual and the individual's spouse filing jointly, for the preceding calendar year, except in the case of candidates filing reports during calendar year 1974, who shall file reports for the preceding three calendar years.

Personal financial interests,
annual report,
filing.

D.C. Code 1-
121 note.

5 USC 5332
note.

Contents.

(b) Any candidate for nomination for, or election to, office who at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and the Mayor, and the Chairman and each member of the Council of the District of Columbia holding office under the District of Columbia Self-Government and Governmental Reorganization Act, and the Chairman and each member of the Board of Education, and each officer and employee of the District of Columbia government who performs duties of the type generally performed by an individual occupying grade GS-15 of the General Schedule under section 5332 of title 5, United States Code, or any higher grade or position (as determined by the Board regardless of the rate of compensation of such individual), shall file with the Board in a sealed envelope marked "Confidential Personal Financial Disclosure of (name)", before the fifteenth day of May in each year, the following reports of his personal financial interests:

26 USC 1 et
seq.

(1) a copy of the returns of taxes, declarations, statements, or other documents which he, or he and his spouse jointly, made for the preceding year in compliance with the income tax provisions of the Internal Revenue Code of 1954;

(2) the name and address of each business or professional corporation, firm, or enterprise in which he was an officer, director, partner, proprietor, or employee who received compensation during the preceding year and the amount of such compensation;

(3) the identity of each trust or other fiduciary relation in which he held a beneficial interest having a value of \$10,000 or more, and the identity, if known, of each interest of the other fiduciary relation in real or personal property in which the candidate, officer, or employee held a beneficial interest having a value of \$10,000 or more, at any time during the preceding year. If he cannot obtain the identity of the fiduciary interests, the candidate, officer, or employee shall request the fiduciary to report that information to the Board in the same manner that reports are filed under this rule.

Reports, audit.

(c) Except as otherwise provided by this section, all papers filed under this section shall be kept by the Board in the custody of the Director for not less than seven years, and while so kept shall remain sealed. Upon receipt of a request by any member of the Board adopted by a recorded majority vote of the full Board requesting the examination and audit of any of the reports filed by any individual under section (b) of this title, the Director shall transmit to the Board the envelopes containing such reports. Within a reasonable time after such recorded vote has been taken, the individual concerned shall be informed of the vote to examine and audit, and shall be advised of the nature and scope of such examination. When any sealed envelope containing any such report is received by the Director, such envelope may be opened and the contents thereof may be examined only by members of the Board in executive session. If, upon such examination, the Board determines that further consideration by the Board is warranted and within the jurisdiction of the Board, it may make the contents of any such envelope available for any use by any member of the Board, or the Director or General Counsel of the Board which is required for the discharge of his official duties. The Board may receive the papers as evidence, after giving to the individual concerned due notice and

Hearing opportunity.

opportunity for hearing in a closed session. The Board shall publicly disclose not later than the first day of June each year the names of the candidates, officers, and employees who have filed a report. Any paper which has been filed with the Board for longer than seven years, in accordance with the provisions of this section, shall be returned to the individual concerned or his legal representative. In the event of the death or termination of the service of the Mayor or Chairman or member of the Council of the District of Columbia or Chairman or member of the Board of Education, or officer or employee of the District of Columbia, such papers shall be returned unopened to such individual, or to the surviving spouse or legal representative of such individual within one year of such date or termination of service.

(d) Reports required by this section (other than reports so required by candidates) shall be filed not later than sixty days following the enactment of this Act, and not later than May 15 of each succeeding year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Board may prescribe.

Filing deadline.

(e) Reports required by this section shall be in such form and detail as the Board may prescribe. The Board may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities or purchases, and sales of rental property of any individual.

Form.

(f) All public reports filed under this section shall be maintained by the Board as public records which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

Public reports,
availability for
inspection.

(g) For the purposes of any report required by this section, any individual shall be considered to have been Mayor, Chairman, or member of the Council of the District of Columbia, or Chairman or member of the Board of Education, or officer or employee of the District of Columbia during any calendar year if such individual served in any such position for more than six months during such calendar year.

(h) For purposes of this section, the term—

Definitions.

(1) "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954;

26 USC 61.

(2) "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

(3) "commodity" means commodity as defined in section 2 of the Commodities Exchange Act, as amended (7 U.S.C. 2);

(4) "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity;

(5) "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouse of such person; and

(6) "tax" means the taxes imposed under chapter 1 of the Internal Revenue Code of 1954, under the District of Columbia Revenue Act of 1947, and under the District of Columbia Public Works Act of 1954 and any other provision of law relating to the taxation of property within the District of Columbia.

26 USC 1.

D.C. Code 47-
1551 note.
D.C. Code 43-
1601 note.

**TITLE VII—PENALTIES AND ENFORCEMENT TAX
CREDITS, USE OF SURPLUS CAMPAIGN FUNDS, VOT-
ERS' INFORMATION PAMPHLETS, STUDY OF 1974
ELECTION AND REPORT BY COUNCIL, EFFECTIVE
DATES, AMENDMENTS TO DISTRICT OF COLUMBIA
ELECTION ACT, AND AUTHORIZATION**

PENALTIES AND ENFORCEMENT

D.C. Code 1-
1191.

SEC. 701. (a) Except as provided in subsection (b), any person or political committee who violates any of the provisions of this Act shall be fined not more than \$5,000, or shall be imprisoned for not longer than six months, or both.

False state-
ments.

(b) Any person who knowingly files any false or misleading statement, report, voucher, or other paper, or makes any false or misleading statement to the Board, shall be fined not more than \$10,000, or shall be imprisoned for not longer than five years, or both.

(c) The penalties provided in this section shall not apply to any person or political committee who, before the date of enactment of this Act during calendar year 1974, makes political contributions or receives political contributions or makes any political campaign expenditures, in excess of any limitation placed on such contributions or expenditures by this Act, except such person or political committee shall not make any further such contributions or expenditures during the remainder of calendar year 1974.

Prosecution.

(d) Prosecutions of violations of this Act shall be brought by the United States Attorney for the District of Columbia in the name of the United States.

TAX CREDIT FOR CAMPAIGN CONTRIBUTIONS

SEC. 702. (a) Title VI of article I of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, secs. 47-1567—47-1567e) is amended by adding at the end of that title the following:

D.C. Code 47-
1567f.

“SEC. 7. (a) Credit for Campaign Contributions.—For the purpose of encouraging residents of the District to participate in the election process in the District, there shall be allowed to an individual a credit against the tax (if any) imposed by this article in an amount equal to 50 per centum of any campaign contribution made to any candidate for election to any office referred to in the first section of the District of Columbia Election Act, but in no event shall such credit exceed the amount of \$12.50, or \$25 in the case of married persons filing a joint return.

D.C. Code 1-
1101.

“(b) (1) A husband and wife filing separate returns for a taxable year for which a joint return could have been made by them may claim between them only the total credit (or refund) to which they would have been entitled under this section had a joint return been filed.

“(2) No individual for whom a personal exemption was allowed on another individual's return shall be entitled to a credit (or refund) under this section.”

(b) The table of contents of such article is amended by adding at the end of the part of such table relating to title VI the following:

“Sec. 7. Credit for campaign contributions.”

USE OF SURPLUS CAMPAIGN FUNDS

D.C. Code 1-
1192.

SEC. 703. Within the limitations specified in this Act, any surplus, residual, or unexpended campaign funds received by or on behalf of an individual who seeks nomination for election, or election to office shall be contributed to a political party for political purposes, used to

retire the proper debts of his political committee which received such funds, or returned to the donors as follows:

- (1) in the case of an individual defeated in an election, within six months following such election;
- (2) in the case of an individual elected to office, within six months following such election; and
- (3) in the case of an individual ceasing to be a candidate, within six months thereafter.

A STUDY OF 1974 ELECTION AND REPORT BY COUNCIL

SEC. 704. (a) The Council of the District of Columbia shall, during calendar year 1975, conduct public hearings and other appropriate investigations on (1) the operation and effect of the District of Columbia Campaign Finance Reform Act and the District of Columbia Election Act on the elections held in the District of Columbia during 1974; and (2) the necessity and desirability of modifying either or both of those Acts so as to improve electoral machinery and to insure open fair, and effective election campaigns in the District of Columbia.

(b) Upon the conclusion of its hearings and investigations the Council shall issue a public report on its findings and recommendations. Nothing in this section shall be construed as limiting the legislative authority over elections in the District of Columbia vested in the Council by the District of Columbia Self-Government and Governmental Reorganization Act.

D.C. Code 1-1121 note.

Ante, p. 446.

D.C. Code 1-1101 note.

D.C. Code 1-121 note.

EFFECTIVE DATES

SEC. 705. (a) Titles II and IV of this Act shall take effect on the date of enactment of this Act, except the first report or statement required to be filed by any individual or political committee under the provisions of such titles shall include that information required under section 13(e) of the District of Columbia Election Act (D.C. Code, sec. 1-1113(e)) with respect to contributions and expenditures made before the date of enactment of this Act, but after January 1, 1974.

(b) Titles I, III, VI and VII of this Act shall take effect on the date of enactment of this Act.

(c) Title V of this Act shall take effect January 2, 1975.

D.C. Code 1-1121 note.

Infra.

AMENDMENTS TO DISTRICT OF COLUMBIA ELECTION ACT

SEC. 706. (a) Section 13 of the District of Columbia Election Act (D.C. Code, sec. 1-1113) is amended to read as follows:

"AUTHORIZATION

"SEC. 13. There are hereby authorized to be appropriated, out of any money in the Treasury to the credit of the District of Columbia not otherwise appropriated, such sums as are necessary to carry out the purposes of this Act."

(b) The first sentence of subsection (b) of section 4 of such Act (D.C. Code, sec. 1-1104) is amended to read as follows:

"(b) Each member of the Board shall be paid compensation at the rate of \$100 for each eight hour period with a limit of \$12,500 per annum, while performing duties under this Act, except during 1974 such compensation shall be paid without regard to such annual limitation."

(c) The amendment made by subsection (a) shall not affect the liability of any person arising out of any violation of section 13 of the

Compensation.

D.C. Code 1-1113 note.

Supra.

District of Columbia Election Act committed before the date of enactment of this title, and any action commenced with respect to such a violation shall not abate.

AUTHORITY OF COUNCIL

D.C. Code 1-1193.

SEC. 707. Notwithstanding any other provision of law, or any rule of law, nothing in this Act shall be construed as limiting the authority of the District of Columbia Council to enact any act or resolution, after January 2, 1975, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act with respect to any matter covered by this Act.

D.C. Code 1-121 note.

AUTHORIZATION OF APPROPRIATION

D.C. Code 1-1121 note.

D.C. Code 1-1113 note, 47-2501 note.

SEC. 708. Amounts authorized under section 722 of the District of Columbia Self-Government and Governmental Reorganization Act may be used to carry out the purposes of this Act.

Approved August 14, 1974.

Public Law 93-377

AN ACT

August 17, 1974
[S. 3669]

To amend the Atomic Energy Act of 1954, as amended, and the Atomic Weapons Rewards Act of 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Atomic Weapons Rewards Act of 1955 is amended as follows:

(a) The initial section of the Act is amended by striking out the words "Atomic Weapons Rewards Act of 1955" and by substituting in lieu thereof "Atomic Weapons and Special Nuclear Materials Rewards Act."

(b) Sections 2, 3, and 5 of the Act are amended to read as follows:
"Sec. 2. Any person who furnishes original information to the United States—

"(a) leading to the finding or other acquisition by the United States of special nuclear material or an atomic weapon which has been introduced into the United States or manufactured or acquired therein contrary to the laws of the United States, or

"(b) with respect to the introduction or attempted introduction into the United States or the manufacture or acquisition or attempted manufacture or acquisition of, or a conspiracy to introduce into the United States or to manufacture or acquire, special nuclear material or an atomic weapon contrary to the laws of the United States, or

"(c) with respect to the export or attempted export, or a conspiracy to export, special nuclear material or an atomic weapon

Atomic Energy Act of 1954, Atomic Weapons Rewards Act of 1955, amendments.

50 USC 47a note.

50 USC 47a, 47b, 47d.

from the United States contrary to the laws of the United States, shall be rewarded by the payment of an amount not to exceed \$500,000.

"SEC. 3. The Attorney General shall determine whether a person furnishing information to the United States is entitled to a reward and the amount to be paid pursuant to section 2. Before making a reward under this section the Attorney General shall advise and consult with the Atomic Energy Commission. A reward of \$50,000 or more may not be made without the approval of the President."

Reward.

Presidential approval.

"SEC. 5. (a) The Attorney General is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

Hearings, rules and regulations.

"(b) A determination made by the Attorney General under section 3 of this Act shall be final and conclusive and no court shall have power or jurisdiction to review it."

(c) Section 6 of the Act is amended by deleting the words "Awards Board" and by substituting in lieu thereof the words "Attorney General".

50 USC 47e.

SEC. 2. Section 54 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

42 USC 2074.

"SEC. 54. FOREIGN DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—a. The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 123. Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value \$10,000 in the case of one nation or \$50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amounts of special nuclear materials and for such period of time as are authorized by Congress: *Provided, however,* That, (i) notwithstanding this provision, the Commission is hereby authorized, subject to the provisions of section 123, to distribute to the Agency five thousand kilograms of contained uranium-235, five hundred grams of uranium-233, and three kilograms of plutonium, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to June 1, 1960; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: *Provided,*

42 USC 2153.

42 USC 2153.

Nuclear materials, proposed amounts and periods, submitted to Congress.

Report to Congress.

Special materials, repurchase.

42 USC 2134.

42 USC 2076.

Infra.

Infra.

however, That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress and referred to the Joint Committee and a period of sixty days shall elapse while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days): *And provided further*, That any such proposed amounts and periods shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed action: *And provided further*, That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed amounts and periods and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed amounts or periods. The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this subsection which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this subsection. Under any such agreement the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 104, established by the Commission pursuant to section 56, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission.

"b. Notwithstanding the provisions of sections 123, 124, and 125, the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238, and (2) other special nuclear material when it has, in accordance with subsection 57 d., exempted certain classes or quantities of such other special nuclear material or kinds of uses or users thereof from the requirements for a license set forth in this chapter. Unless hereafter otherwise authorized by law, the Commission shall be compensated for special nuclear material so distributed at not less than the Commission's published charges applicable to the domestic distribution of such material. The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection if, in its opinion, such distribution would be inimical to the common defense and security. The Commission may require such reports regarding the use of

material distributed pursuant to the provisions of this subsection as it deems necessary.

“c. The Commission is authorized to license or otherwise permit others to distribute special nuclear material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.”

SEC. 3. Section 57 of the Atomic Energy Act of 1954, as amended, is amended by adding at the end thereof the following new subsection:

“d. The Commission is authorized to establish classes of special nuclear material and to exempt certain classes or quantities of special nuclear material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of special nuclear material or such kinds of uses or users would not be inimical to the common defense and security and would not constitute an unreasonable risk to the health and safety of the public.”

SEC. 4. Section 81 of the Atomic Energy Act of 1954, as amended, is amended by deleting the word “licensees” and inserting in lieu thereof the words “qualified applicants” in the third sentence of such section and by deleting the fifth sentence of such section.

SEC. 5. Sections 123, 124, and 125 of the Atomic Energy Act of 1954, as amended, are amended by substituting the term “54 a.” for the term “54.”

SEC. 6. Subsection 153 h. of the Atomic Energy Act of 1954, as amended, is amended by striking the figure “1974” and substituting therefor the figure “1979”.

SEC. 7. Subsection 161 i. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

“i. prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 53 or produced by any person in connection with any activity authorized pursuant to this Act, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, associations, and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;”

Approved August 17, 1974.

Nuclear materials, classes, license exemptions.

42 USC 2077.

42 USC 2141.

42 USC 2153 and note, 2154.

42 USC 2183.

Regulations.
42 USC 2201.

42 USC 2073.

Public Law 93-378

August 17, 1974
[S. 2296]

AN ACT

To provide for the Forest Service, Department of Agriculture, to protect, develop, and enhance the productivity and other values of certain of the Nation's lands and resources, and for other purposes.

Forest and
Rangeland Re-
newable Re-
sources Planning
Act of 1974.
16 USC 1601
note.
16 USC 1601.

Contents.

Survey and
analysis.

Cooperation
with State and
U.S. territorial
officials.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Forest and Rangeland Renewable Resources Planning Act of 1974".

SEC. 2. RENEWABLE RESOURCE ASSESSMENT.—(a) In recognition of the vital importance of America's renewable resources of the forest, range, and other associated lands to the Nation's social and economic well-being, and of the necessity for a long term perspective in planning and undertaking related national renewable resource programs administered by the Forest Service, the Secretary of Agriculture shall prepare a Renewable Resource Assessment (hereinafter called the "Assessment"). The Assessment shall be prepared not later than December 31, 1975, and shall be updated during 1979 and each tenth year thereafter, and shall include but not be limited to—

(1) an analysis of present and anticipated uses, demand for, and supply of the renewable resources, with consideration of the international resource situation, and an emphasis of pertinent supply and demand and price relationship trends;

(2) an inventory, based on information developed by the Forest Service and other Federal agencies, of present and potential renewable resources, and an evaluation of opportunities for improving their yield of tangible and intangible goods and services, together with estimates of investment costs and direct and indirect returns to the Federal Government;

(3) a description of Forest Service programs and responsibilities in research, cooperative programs and management of the National Forest System, their interrelationships, and the relationship of these programs and responsibilities to public and private activities; and

(4) a discussion of important policy considerations, laws, regulations, and other factors expected to influence and affect significantly the use, ownership, and management of forest, range, and other associated lands.

(b) To assure the availability of adequate data and scientific information needed for development of the Assessment, section 9 of the McSweeney-McNary Act of May 22, 1928 (45 Stat. 702, as amended, 16 U.S.C. 581h), is hereby amended to read as follows:

"The Secretary of Agriculture is hereby authorized and directed to make and keep current a comprehensive survey and analysis of the present and prospective conditions of and requirements for the renewable resources of the forest and range lands of the United States, its territories and possessions, and of the supplies of such renewable resources, including a determination of the present and potential productivity of the land, and of such other facts as may be necessary and useful in the determination of ways and means needed to balance the demand for and supply of these renewable resources, benefits and uses in meeting the needs of the people of the United States. The Secretary shall carry out the survey and analysis under such plans as he may determine to be fair and equitable, and cooperate with appropriate officials of each State, territory, or possession of the United States, and

either through them or directly with private or other agencies. There is authorized to be appropriated not to exceed \$20,000,000 in any fiscal year to carry out the purposes of this section."

SEC. 3. RENEWABLE RESOURCE PROGRAM.—In order to provide for periodic review of programs for management and administration of the National Forest System, for research, for cooperative State and private Forest Service programs, and for conduct of other Forest Service activities in relation to the findings of the Assessment, the Secretary of Agriculture, utilizing information available to the Forest Service and other agencies within the Department of Agriculture, including data prepared pursuant to section 302 of the Rural Development Act of 1972, shall prepare and transmit to the President a recommended Renewable Resource Program (hereinafter called the "Program"). The Program transmitted to the President may include alternatives, and shall provide in appropriate detail for protection, management, and development of the National Forest System, including forest development roads and trails; for cooperative Forest Service programs; and for research. The Program shall be developed in accordance with principles set forth in the Multiple-Use Sustained-Yield Act of June 12, 1960 (74 Stat. 215; 16 U.S.C. 528-531), and the National Environmental Policy Act of 1969 (83 Stat. 852; 42 U.S.C. 4321-4347). The Program shall be prepared not later than December 31, 1975, to cover the four-year period beginning October 1, 1976, and at least each of the four fiscal decades next following such period, and shall be updated no later than during the first half of the fiscal year ending September 30, 1980, and the first half of each fifth fiscal year thereafter to cover at least each of the four fiscal decades beginning next after such updating. The Program shall include, but not be limited to—

(1) an inventory of specific needs and opportunities for both public and private program investments. The inventory shall differentiate between activities which are of a capital nature and those which are of an operational nature;

(2) specific identification of Program outputs, results anticipated, and benefits associated with investments in such a manner that the anticipated costs can be directly compared with the total related benefits and direct and indirect returns to the Federal Government;

(3) a discussion of priorities for accomplishment of inventoried Program opportunities, with specified costs, outputs, results, and benefits; and

(4) a detailed study of personnel requirements as needed to satisfy existing and ongoing programs.

SEC. 4. NATIONAL FOREST SYSTEM RESOURCE INVENTORIES.—As a part of the Assessment, the Secretary of Agriculture shall develop and maintain on a continuing basis a comprehensive and appropriately detailed inventory of all National Forest System lands and renewable resources. This inventory shall be kept current so as to reflect changes in conditions and identify new and emerging resources and values.

SEC. 5. NATIONAL FOREST SYSTEM RESOURCE PLANNING.—(a) As a part of the Program provided for by section 3 of this Act, the Secretary of Agriculture shall develop, maintain, and, as appropriate, revise land and resource management plans for units of the National Forest System, coordinated with the land and resource management planning processes of State and local governments and other Federal agencies.

(b) In the development and maintenance of land management plans for use on units of the National Forest System, the Secretary shall use a systematic interdisciplinary approach to achieve integrated consideration of physical, biological, economic, and other sciences.

Appropriation.

16 USC 1602.

7 USC 1010a.

Contents.

16 USC 1603.

16 USC 1604.

16 USC 1605.

Assessment,
Program, and
Statement of
Policy, trans-
mitted to Speaker of
the House and
President of the
Senate.

16 USC 1606.

Congressional
session, continu-
ity.

Ante, p. 297.

Annual report
to Congress.

SEC. 6. COOPERATION IN RESOURCE PLANNING.—The Secretary of Agriculture may utilize the Assessment, resource surveys, and Program prepared pursuant to this Act to assist States and other organizations in proposing the planning for the protection, use, and management of renewable resources on non-Federal land.

SEC. 7. NATIONAL PARTICIPATION.—(a) On the date Congress first convenes in 1976 and thereafter following each updating of the Assessment and the Program, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate, when Congress convenes, the Assessment as set forth in section 2 of this Act and the Program as set forth in section 3 of this Act, together with a detailed Statement of Policy intended to be used in framing budget requests by that Administration for Forest Service activities for the five- or ten-year program period beginning during the term of such Congress for such further action deemed appropriate by the Congress. Following the transmission of such Assessment, Program, and Statement of Policy, the President shall, subject to other actions of the Congress, carry out programs already established by law in accordance with such Statement of Policy or any subsequent amendment or modification thereof approved by the Congress, unless, before the end of the first period of sixty calendar days of continuous session of Congress after the date on which the President of the Senate and the Speaker of the House are recipients of the transmission of such Assessment, Program, and Statement of Policy, either House adopts a resolution reported by the appropriate committee of jurisdiction disapproving the Statement of Policy. For the purpose of this subsection, the continuity of a session shall be deemed to be broken only by an adjournment sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period. Notwithstanding any other provision of this Act, Congress may revise or modify the Statement of Policy transmitted by the President, and the revised or modified Statement of Policy shall be used in framing budget requests.

(b) Commencing with the fiscal budget for the year ending September 30, 1977, requests presented by the President to the Congress governing Forest Service activities shall express in qualitative and quantitative terms the extent to which the programs and policies projected under the budget meet the policies approved by the Congress in accordance with subsection (a) of this section. In any case in which such budget so presented recommends a course which fails to meet the policies so established, the President shall specifically set forth the reason or reasons for requesting the Congress to approve the lesser programs or policies presented. Amounts appropriated to carry out the policies approved in accordance with subsection (a) of this section shall be expended in accordance with the Congressional Budget and Impoundment Control Act of 1974, Public Law 93-344.

(c) For the purpose of providing information that will aid Congress in its oversight responsibilities and improve the accountability of agency expenditures and activities, the Secretary of Agriculture shall prepare an annual report which evaluates the component elements of the Program required to be prepared by section 3 of this Act which shall be furnished to the Congress at the time of submission of the annual fiscal budget commencing with the third fiscal year after the enactment of this Act.

(d) These annual evaluation reports shall set forth progress in implementing the Program required to be prepared by section 3 of this Act, together with accomplishments of the Program as they relate to the objectives of the Assessment. Objectives should be set forth in qualitative and quantitative terms and accomplishments should be reported accordingly. The report shall contain appropriate measurements of pertinent costs and benefits. The evaluation shall assess the balance between economic factors and environmental quality factors. Program benefits shall include, but not be limited to, environmental quality factors such as esthetics, public access, wildlife habitat, recreational and wilderness use, and economic factors such as the excess of cost savings over the value of foregone benefits and the rate of return on renewable resources.

(e) The reports shall indicate plans for implementing corrective action and recommendations for new legislation where warranted.

(f) The reports shall be structured for Congress in concise summary form with necessary detailed data in appendices.

SEC. 8. NATIONAL FOREST SYSTEM PROGRAM ELEMENTS.—The Secretary of Agriculture shall take such action as will assure that the development and administration of the renewable resources of the National Forest System are in full accord with the concepts for multiple use and sustained yield of products and services as set forth in the Multiple-Use Sustained-Yield Act of 1960. To further these concepts, the Congress hereby sets the year 2000 as the target year when the renewable resources of the National Forest System shall be in an operating posture whereby all backlogs of needed treatment for their restoration shall be reduced to a current basis and the major portion of planned intensive multiple-use sustained-yield management procedures shall be installed and operating on an environmentally-sound basis. The annual budget shall contain requests for funds for an orderly program to eliminate such backlogs: *Provided*, That when the Secretary finds that (1) the backlog of areas that will benefit by such treatment has been eliminated, (2) the cost of treating the remainder of such area exceeds the economic and environmental benefits to be secured from their treatment, or (3) the total supplies of the renewable resources of the United States are adequate to meet the future needs of the American people, the budget request for these elements of restoration may be adjusted accordingly.

Development
and administra-
tion.
16 USC 1607.

16 USC 528
note.

SEC. 9. TRANSPORTATION SYSTEM.—The Congress declares that the installation of a proper system of transportation to service the National Forest System, as is provided for in Public Law 88-657, the Act of October 13, 1964 (16 U.S.C. 532-538), shall be carried forward in time to meet anticipated needs on an economical and environmentally sound basis, and the method chosen for financing the construction and maintenance of the transportation system should be such as to enhance local, regional, and national benefits, except that the financing of forest development roads as authorized by clause (2) of section 4 of the Act of October 13, 1964, shall be deemed "budget authority" and "budget outlays" as those terms are defined in section 3(a) of the Congressional Budget and Impoundment Control Act of 1974 and shall be effective for any fiscal year only in the manner required for new spending authority as specified by section 401(a) of that Act.

16 USC 1608.

Ante, p. 299.

Ante, p. 317.

16 USC 1609.

SEC. 10. (a) NATIONAL FOREST SYSTEM DEFINED.—Congress declares that the National Forest System consists of units of federally owned forest, range, and related lands throughout the United States and its territories, united into a nationally significant system dedicated to the long-term benefit for present and future generations, and that it is the purpose of this section to include all such areas into one integral system. The “National Forest System” shall include all national forest lands reserved or withdrawn from the public domain of the United States, all national forest lands acquired through purchase, exchange, donation, or other means, the national grasslands and land utilization projects administered under title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525, 7 U.S.C. 1010–1012), and other lands, waters, or interests therein which are administered by the Forest Service or are designated for administration through the Forest Service as a part of the system.

Forest Service
field offices.

(b) The on-the-ground field offices, field supervisory offices, and regional offices of the Forest Service shall be so situated as to provide the optimum level of convenient, useful services to the public, giving priority to the maintenance and location of facilities in rural areas and towns near the national forest and Forest Service program locations in accordance with the standards in section 901(b) of the Act of November 30, 1970 (84 Stat. 1383), as amended.

42 USC 3122.

Information and
data, utilization.
16 USC 1610.

SEC. 11. RENEWABLE RESOURCES.—In carrying out this Act, the Secretary of Agriculture shall utilize information and data available from other Federal, State, and private organizations and shall avoid duplication and overlap of resource assessment and program planning efforts of other Federal agencies. The term “renewable resources” shall be construed to involve those matters within the scope of responsibilities and authorities of the Forest Service on the date of this Act.

Approved August 17, 1974.

Public Law 93-379

August 21, 1974
[H.R. 12832]

AN ACT

To create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as “the District of Columbia Law Revision Commission Act”.

SEC. 2. (a) There is established in the District of Columbia a District of Columbia Law Revision Commission (hereafter in this Act referred to as the “Commission”) which shall consist of fifteen members appointed as follows:

(1) Two members shall be appointed by the President of the United States.

(2) One member shall be appointed by the Speaker of the House of Representatives.

(3) One member shall be appointed by the President pro tempore of the Senate.

(4) One member shall be appointed by the minority leader of the House of Representatives.

The District of
Columbia Law
Revision Com-
mission Act.
D.C. Code 49-
401 note.
District of
Columbia Law
Revision Com-
mission.
Establishment.
D.C. Code 49-
401.
Membership.

(5) One member shall be appointed by the minority leader of the Senate.

(6) Three members shall be appointed by the Commissioner of the District of Columbia, one of whom shall be a nonlawyer, and one of whom shall be a member of the law faculty of a law school in the District of Columbia.

(7) One member shall be appointed by the Chairman of the District of Columbia Council.

(8) Two members shall be appointed by the Joint Committee on Judicial Administration in the District of Columbia.

(9) One member shall be appointed by the District of Columbia Corporation Counsel.

(10) Two members shall be appointed by the Board of Governors of the District of Columbia unified bar.

(b) No person may be appointed as a member of the Commission unless he is a citizen of the United States. At least eight persons appointed to the Commission shall be bona fide residents of the District of Columbia who have maintained an actual place of abode in the District of Columbia for at least the ninety days immediately prior to their appointments as such members. The remaining persons appointed as members of the Commission shall be residents of the National Capital Region, as defined in the Act of June 6, 1924 (D.C. Code, sec. 1-1001 et seq.) (establishing the National Capital Planning Commission), who have maintained an actual place of abode in the National Capital Region for at least ninety days immediately prior to their appointments as such members.

Citizenship requirement.

40 USC 71.

(c) Members of the Commission shall serve for four-year terms and may be reappointed.

Term.

(d) The Chairman of the Commission shall be selected by the members of the Commission from among their number.

(e) Each appointment of members of the Commission shall be made, without regard to political party affiliation, on the basis of the ability of that person to perform his duties with the Commission.

Non-partisan appointment.

(f) Appointments made to fill vacancies on the Commission shall be made in the same manner, and on the same basis, as original appointments to the Commission are made. A member appointed to fill a vacancy shall serve until the expiration of the term of the member whose vacancy he was appointed to fill.

(g) Members and the Chairman of the Commission shall be entitled to receive \$100 for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission, except no member or Chairman shall receive more than \$5,000 for the performance of such duties during any twelve-month period.

Compensation.

(h) While away from their homes or regular places of business in the performance of the duties of the Commission, members, including the Chairman, of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

Travel expenses.

Personnel.

(i) The Commission may appoint and fix the compensation of such personnel as it deems advisable. Such personnel shall be appointed subject to the provisions of title 5 of the United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter II of chapter 53 of such title relating to classification and General Schedule pay rates. Persons appointed to the staff of the Commission shall be so appointed solely on the basis of their ability to perform the duties of the Commission without regard to political party affiliation. Employees of the Commission shall be regarded as employees of the District of Columbia government.

Information,
availability.

(j) The Commission, acting through its Chairman, may request from any department, agency, or instrumentality of the executive branch of the Federal and District governments, including independent agencies, any information for carrying out the purposes of this Act; and each department, agency, instrumentality, and independent agency is authorized and directed, to the extent permitted by law, to furnish to the Commission the requested information.

Contract
authority.

(k) The Commission may enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(l) The Commission may establish such advisory groups, committees, and subcommittees, consisting of members or nonmembers, as it deems necessary and appropriate to carry out the purposes of this Act.

Duties.
D.C. Code 49-
402.

SEC. 3. (a) It shall be the duty of the Commission to—

(1) examine the common law and statutes relating to the District of Columbia, the ordinances, regulations, resolutions, and acts of the District of Columbia Council, and all relevant judicial decisions for the purpose of discovering defects and anachronisms in the law relating to the District of Columbia and recommending needed reforms;

(2) receive and consider proposed changes in the law recommended by the American Law Institute, the Conference of Commissioners on Uniform State Laws, any bar association or other learned bodies;

(3) receive and consider suggestions from judges, justices, public officials, lawyers, and the public generally as to defects and anachronisms in the law relating to the District of Columbia; and

(4) recommend, from time to time, to the Congress, and where appropriate to the Commissioner of the District of Columbia and to the District of Columbia Council, such changes in the law relating to the District of Columbia as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law relating to the District of Columbia, both civil and criminal, into harmony with modern conditions.

In carrying out its duties under this Act, the Commission shall give special consideration to the examination of the common law and statutes relating to the criminal law in the District of Columbia, and all

relevant judicial decisions, for the purpose of discovering defects and anachronisms in the law relating to the criminal law in the District of Columbia and recommending needed reforms.

(b) In addition to those duties of the Commission specified in subsection (a), the Commission shall prepare and recommend proposed uniform rules of practice, including rules relating to the conduct of hearings, for administrative agencies of the District of Columbia, including both independent and subordinate agencies, which conduct on-the-record hearings. The Commission shall also make a study of the District of Columbia Administrative Procedure Act for the purpose of preparing a manual, including relevant legislative history and legal precedents, for the guidance of the respective administrative agencies.

D.C. Code 1-1501 note.

SEC. 4. (a) The Commission shall make an annual report of its proceedings to the President, to the Congress, to the Commissioner of the District of Columbia, and to the District of Columbia Council by March 31 of each year. All reports of the Commission to the Congress, including reports made under section 3(a)(4), shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and where appropriate, include drafts of proposed bills to carry out any of its recommendations.

Report to President, Congress, Commissioner of the District of Columbia, and District of Columbia Council.
D.C. Code 49-403.

(b) Upon the filing of the Commission's annual report at the end of the fourth full calendar year after the date that funds are first appropriated to the Commission, the Commission shall cease to exist, unless extended by Congress.

Termination date.

SEC. 5. (a) Section 7 of the District of Columbia Administrative Procedure Act (D.C. Code, sec. 1-1507) is amended by adding at the end thereof the following:

Municipal Code of the District of Columbia.

"(d) Every regulation in the nature of a law or municipal ordinance adopted by the Council under authority specified in Reorganization Plan Numbered 3 of 1967, or under authority of any Act of Congress, upon enactment, shall be codified and published in a Municipal Code of the District of Columbia which shall conform as closely as possible and shall be cross-indexed with the District of Columbia Code compiled by the Committee on the Judiciary of the House of Representatives. The Council shall from time to time issue such supplements or otherwise update and keep current the Municipal Code of the District of Columbia established under this subsection. The first such codification and publication of the Municipal Code of the District of Columbia shall be completed within one year after the date of enactment of this subsection."

5 USC app.

(b) The District of Columbia Council shall provide for public distribution (at cost) of the Municipal Code of the District of Columbia established by the amendment made by subsection (a).

D.C. Code 49-404.

SEC. 6. For the purpose of carrying out this Act, including the amendment made by this Act, there are authorized to be appropriated, out of moneys in the Treasury credited to the District of Columbia and not otherwise appropriated, such amounts as may be necessary to carry out the purpose of this Act.

Appropriation.
D.C. Code 49-405.

Approved August 21, 1974.

Public Law 93-380

August 21, 1974
[H. R. 69]

AN ACT

To extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes.

Education
Amendments of
1974.
20 USC 821
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Amendments of 1974".

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 - (b) (1) Priorities and preferences under the Special Projects Act.
 - (2) Apportionment of reserved funds.
 - (3) Uses of reserved funds.
 - (4) Limitation on duplicate appropriations.
 - (c) (1) Effective date.
 - (2) Amendments repealing section 306 of the Elementary and Secondary Education Act of 1965.
 - (3) Amendments repealing section 809 of the Elementary and Secondary Education Act of 1965.
- Sec. 403. Education for the use of the metric system of measurement.
- Sec. 404. Gifted and talented children.
- Sec. 405. Community schools.
- Sec. 406. Career education.
- Sec. 407. Consumers' education.
- Sec. 408. Women's educational equity.
- Sec. 409. Elementary and secondary school education in the arts.
- Sec. 410. Effective date.

TITLE V—EDUCATION ADMINISTRATION

- Sec. 501. National center for education statistics.
- Sec. 502. General provisions relating to officers in the education division.
- Sec. 503. Amendments with respect to the Office of Education; regional offices.
- Sec. 504. Amendments with respect to the education division.
- Sec. 505. Amendment with respect to applicability, authorization of appropriations, and other general matters.
- Sec. 506. Revision of appropriations and evaluations provisions.
- Sec. 507. Applicability of part C.
- Sec. 508. Publication of indexed compilation of innovative projects; review of applications.
- Sec. 509. Amendments to section 431 of the General Education Provisions Act relating to rules, regulations, and other requirements of general applicability.
- Sec. 510. Audits and recordkeeping.
- Sec. 511. Simplified State application.
- Sec. 512. Furnishing information.
- Sec. 513. Protection of the rights and privacy of parents and students.
- Sec. 514. Protection of pupil rights.
- Sec. 515. Limitation on withholding of Federal funds.
- Sec. 516. Appointment of members of and functioning of advisory councils.
- Sec. 517. Other amendments relating to advisory councils.
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TITLE VI—EXTENSION AND REVISION OF RELATED ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

PART A—ADULT EDUCATION

- Sec. 601. Definition of "community school program".
- Sec. 602. Special projects reservation eliminated.
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- Sec. 607. Amendments relating to bilingual education.
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PART B—EDUCATION OF THE HANDICAPPED

- Sec. 611. Short title.
- Sec. 612. Bureau for the education and training of the handicapped.
- Sec. 613. Advisory Committee.
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- Sec. 617. Centers and services.
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PART C—INDIAN EDUCATION

- Sec. 631. Extension of programs for the education of Indian children.
- Sec. 632. Revision of programs relating to Indian education.

PART D—EMERGENCY SCHOOL AID

- Sec. 641. Extension of the Emergency School Aid Act.
- Sec. 642. Repeal of reservation for certain metropolitan projects.
- Sec. 643. Amendment with respect to eligibility.
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- Sec. 646. Effective date.

PART E—NATIONAL DEFENSE EDUCATION

Sec. 651. Extension of title III.

TITLE VII—NATIONAL READING IMPROVEMENT PROGRAM

Sec. 701. Statement of purpose.

PART A—READING IMPROVEMENT PROJECTS

Sec. 705. Projects authorized.

PART B—STATE READING IMPROVEMENT PROGRAMS

Sec. 711. Statement of purpose.

Sec. 712. Applicability and effective date.

Sec. 713. Allotments to States.

Sec. 714. Agreements with State educational agencies.

PART C—OTHER READING IMPROVEMENT PROGRAMS

Sec. 721. Special emphasis projects.

Sec. 722. Reading training on public television.

Sec. 723. Reading academies.

PART D—GENERAL PROVISIONS

Sec. 731. Evaluation.

Sec. 732. Authorization of appropriations.

TITLE VIII—MISCELLANEOUS PROVISIONS

PART A—POLICY STATEMENTS AND WHITE HOUSE CONFERENCE ON EDUCATION

Sec. 801. National policy with respect to equal educational opportunity.

Sec. 802. Policy with respect to advance funding of education programs.

Sec. 803. Policy of the United States with respect to museums as educational institutions.

Sec. 804. White House Conference on Education.

PART B—EDUCATIONAL STUDIES AND SURVEYS

Sec. 821. Study of purposes and effectiveness of compensatory education programs.

Sec. 822. Survey and study for updating number of children counted.

Sec. 823. Study of the measure of poverty used under title I of the Elementary and Secondary Education Act of 1965.

Sec. 824. Study of late funding of elementary and secondary education programs.

Sec. 825. Safe school study.

Sec. 826. Study of athletic injuries.

PART C—AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1965

Sec. 831. Community service and continuing education amendments.

Sec. 832. Developing institutions amendment.

Sec. 833. Bilingual education amendments.

Sec. 834. Veterans cost of instruction payments amendments.

Sec. 835. Teacher corps amendments.

Sec. 836. Amendment to title IX respecting training in the legal profession.

Sec. 837. Community college and occupational education amendment.

PART D—OTHER MISCELLANEOUS PROVISIONS

Sec. 841. Amendments to the Library Services and Construction Act and the Vocational Education Act of 1963 relating to bilingual education and vocational training.

Sec. 842. Assistance to States for State equalization plans.

Sec. 843. Treatment of Puerto Rico as a State.

Sec. 844. Provision relating to sex discrimination.

Sec. 845. Extension of advisory councils.

Sec. 846. Separability.

GENERAL PROVISIONS

Definitions.

SEC. 2. (a) As used in this Act—

(1) the term “Secretary” means the Secretary of Health, Education, and Welfare;

(2) the term “Assistant Secretary” means the Assistant Secretary of Health, Education, and Welfare for Education; and

(3) the term “Commissioner” means the Commissioner of Education;

unless the context of such use requires another meaning.

(b) Unless otherwise specified, the redesignation of a title, part, section, subsection, or other designation by any amendment in this Act shall include the redesignation of all references to such title, part, section, subsection, or other designation in any Act or regulation, however styled.

Effective dates.
20 USC 241b
note.

(c) (1) Unless otherwise specified, each provision of this Act and each amendment made by this Act shall be effective on and after the sixtieth day after the enactment of this Act.

(2) In any case where the effective date for an amendment made by this Act is expressly stated to be effective after June 30, 1973, or on July 1, 1973, such amendment shall be deemed to have been enacted on June 30, 1973.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

AMENDMENTS TO TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965—SPECIAL EDUCATIONAL PROGRAMS AND PROJECTS FOR EDUCATIONALLY DEPRIVED CHILDREN

20 USC 241b.

SEC. 101. (a) (1) Section 102 of title I of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

“DURATION OF ASSISTANCE

“SEC. 102. During the period beginning July 1, 1973, and ending June 30, 1978, the Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants made on the basis of entitlements created under this title.”

20 USC 241c.

(2) (A) (i) (I) Such title I is amended by inserting immediately after the heading of part A the following new heading:

“Subpart 1—Grants to Local Educational Agencies”.

Appropriation.
20 USC 241c.

(II) Section 103(a) of such title I is amended to read as follows:

“SEC. 103. (a) (1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 per centum of the amount appropriated for such year for payments to States under section 143(a) (other than payments under such section to jurisdictions excluded from the term ‘State’ by this subsection, and payments pursuant to section 124), and there shall be authorized to be appropriated such additional sums as will assure at least the same level of funding under this title as in fiscal year 1973 for Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and to the Secretary of the Interior for payments pursuant to paragraphs (1) and (2) of subsection (d). The amount appropriated pursuant to this paragraph shall be allotted by the Commissioner (A) among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the

Post, p. 500.

Post, p. 494.

amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

“(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State shall be eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)) be determined by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (A) if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or (B) if the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, such amount shall be 120 per centum of the average per pupil expenditure in the United States. In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under the two preceding sentences for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner.

Grant formula.

“(3) (A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

Special education.

“(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this title.

“(C) The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 40 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

Puerto Rico, grant formula.

“State.”

“(4) For purposes of this subsection, the term ‘State’ does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.”

20 USC 241c.

(ii) Section 103(b) of such title I is amended by striking out “aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a)” and inserting in lieu thereof “counted under subsection (c)”.

(B) Section 103(c) of such title I is amended to read as follows:

“(c) (1) The number of children to be counted for purposes of this section is the aggregate of (A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2) (A), (B) two-thirds of the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2) (B), and (C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to section 123 for the purposes of a grant to a State agency, or being supported in foster homes with public funds.”

Post, p. 494.

(C) (i) Subsection (d) of section 103 is redesignated as paragraph (2) of subsection (c).

Supra.

(ii) The first sentence of such paragraph (2), as redesignated by this section, is amended to read as follows:

“(A) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Commissioner shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.”

Repeal.

(iii) The second sentence of paragraph (2) of such subsection (c) (as redesignated by this section) is repealed.

Supra.

(iv) The third sentence of such paragraph (2) is amended to read as follows:

“(B) For purposes of this section, the Secretary of Health, Education, and Welfare shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the second calendar year preceding such month of January) or, to the extent that such data are not available to him before April 1 of the calendar year

42 USC 601.

in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination."

(v) The fourth sentence of such paragraph (2) (as redesignated by this section) is amended by striking out the word "When" and inserting in lieu thereof the following:

Ante, p. 490.

"(C) When";

and by striking out "having an annual income less than the low-income factor (established pursuant to subsection (c))" and inserting in lieu thereof "below the poverty level (as determined under paragraph (A) of this subsection)".

(vi) Section 103(e) of such title I is repealed.

(D) Section 103 of such title I is amended by adding at the end thereof the following:

"(d) (1) From the amount allotted for payments to the Secretary of the Interior under clause (B) (i) in the second sentence of subsection (a) (1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Commissioner determines will best carry out the purposes of this title, with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 per centum of (A) the average per pupil expenditure in the State in which the agency is located or (B) 120 per centum of such expenditure in the United States, whichever is the greater.

Repeal.
20 USC 241c.
Out-of-State
Indian children,
payments.

"(2) The amount allotted for payments to the Secretary of the Interior under clause (B) (ii) in the second sentence of subsection (a) (1) for any fiscal year shall be, as determined pursuant to criteria established by the Commissioner, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this title. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 141(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (B) provision for carrying out the applicable provisions of sections 141(a) and 142(a) (3)."

Post, p. 496.

(E) Such title I is amended by inserting at the end of part A the following:

"Subpart 2—State Operated Programs

"PROGRAMS FOR HANDICAPPED CHILDREN

"SEC. 121. (a) A State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education), shall be eligible to receive a grant under this section for any fiscal year.

20 USC 241e,
241f.
20 USC 241a
note.

"(b) Except as provided in sections 124 and 125, the grant which an agency (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80

Grants.
20 USC 241c-1.

Post, pp. 494,
495.

per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States), multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for handicapped children operated or supported by the State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

Grants, use
limitation.

“(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

“(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c).

“PROGRAMS FOR MIGRATORY CHILDREN

Grants.
20 USC 241c-2.

“SEC. 122. (a) (1) A State educational agency or a combination of such agencies, upon application, shall be entitled to receive a grant for any fiscal year under this section to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen. The Commissioner may approve such an application only upon his determination—

Application,
approval.

“(A) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate these programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

“(B) that in planning and carrying out programs and projects there has been and will be appropriate coordination with pro-

grams administered under part B of title III of the Economic Opportunity Act of 1964;

42 USC 2861.

“(C) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of clauses (1)(B) and (3) through (12) of section 141(a); and

Post, p. 496.

“(D) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool educational needs of migratory children of migratory agricultural workers or of migratory fishermen, whenever such agency determines that compliance with this clause will not detract from the operation of programs and projects described in clause (A) of this paragraph after considering the funds available for this purpose.

The Commissioner shall not finally disapprove an application of a State educational agency under this paragraph except after reasonable notice and opportunity for a hearing to the State educational agency.

“(2) If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose he may use all or part of the total of grants available for any such State under this section.

“(3) For purposes of this section, with the concurrence of his parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection. Such children who are presently migrant, as determined pursuant to regulations of the Commissioner, shall be given priority in this consideration of programs and activities contained in applications submitted under this subsection.

“(b) Except as provided in sections 124 and 125, the total grants which shall be made available for use in any State (other than Puerto Rico) for this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by (1) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and (2) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part time, as determined by the Commissioner in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under subsection (a), the Commissioner shall allocate such excess, to the extent necessary, to other States whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. The total grant which shall be made available for use in Puerto Rico shall be arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per

Grants, availability.
Post, pp. 494, 495.

pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States. In determining the number of migrant children for the purposes of this section the Commissioner shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students.

“PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN

Grants.
20 USC 241c-3.

“SEC. 123. (a) A State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this section for any fiscal year (but only if grants received under this section are used only for children in such institutions).

Infra.
Post, p. 495.

“(b) Except as provided in sections 124 and 125, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

Grants, use
limitation.

“(c) A State agency shall use payments under this section only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

“RESERVATION OF FUNDS FOR TERRITORIES

Appropriation.
20 USC 241c-4.
Ante, pp. 491,
492.
Supra.

“SEC. 124. There is authorized to be appropriated for each fiscal year for purposes of each of sections 121, 122, and 123, an amount equal to not more than 1 per centum of the amount appropriated for such year for such sections for payments to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands under each such section. The amounts appropriated for each such section shall be allotted among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Commissioner determines will best carry out the purposes of this title.

“MINIMUM PAYMENTS FOR STATE OPERATED PROGRAMS

“SEC. 125. Except as provided in section 843 of the Education Amendments of 1974, no State agency shall receive in any fiscal year prior to July 1, 1978, pursuant to sections 121, 122, or 123 an amount which is less than 100 per centum of the amount which that State agency received in the prior fiscal year pursuant to such sections 121, 122, or 123, respectively.”

20 USC 241c-5.
Post, p. 611.
Ante, pp. 491,
492, 494.

(3) Section 121 of such title I and all references thereto are redesignated as section 126.

20 USC 241d.

(4) (A) Part C of such title I is amended to read as follows:

20 USC 241d-11.

“PART C—SPECIAL GRANTS

“ELIGIBILITY AND MAXIMUM AMOUNT OF SPECIAL GRANTS

“SEC. 131. (a) Each local educational agency in a State which is eligible for a grant under this title for any fiscal year shall be entitled to an additional grant for that fiscal year if it meets the requirements of subsection (b). The amount of such grant shall be determined in accordance with subsection (c).

“(b) (1) A local educational agency shall be entitled to a grant under this part for any fiscal year if the school district of such agency is located in a county in which—

“(A) the number of children described in paragraph (2) for such year amounts to at least 200 per centum of the average number of such children in all counties in the State in which such agency is located for that fiscal year; or

“(B) the number of children so described in such county for such year is 10,000 and amounts to 5 per centum of the total number of children in such county.

“(2) For the purposes of paragraph (1), the children counted with respect to a local educational agency shall be those children in the such county who are—

“(A) in families having an annual income of \$3,000 or less; or

“(B) in families receiving an annual income in excess of \$3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; or

42 USC 601.

“(C) living in institutions for neglected or delinquent children or being supported in foster homes with public funds.

“(3) (A) Determinations with respect to numbers of children in any county under paragraph (2) shall be made by the Commissioner on the basis of the most recent satisfactory data available to him.

“(B) (i) The number of children determined with respect to one or more counties shall be allocated by the Commissioner, for the purposes of paragraph (2), among the local educational agencies with school districts located in such county or counties.

“(ii) In any case where—

“(I) two or more local educational agencies serve, in whole or in part, the same geographical area; or

“(II) a local educational agency provides free public education for a substantial number of children who reside in the school district of another local educational agency,

the Commissioner may allocate the number of children determined under this subsection among such agencies in such a manner as will best achieve the purposes of this section.

“(C) (i) For the purposes of paragraph (2), the Commissioner shall determine the number of children from families having an annual income of \$3,000 or less on the basis of the most recent satisfactory

data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this subsection.

42 USC 601. “(ii) For the purposes of this subsection, the Secretary of Health, Education, and Welfare shall determine the number of children from families receiving an annual income in excess of \$3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act and the number of children living in institutions for neglected or delinquent children or being supported in foster homes with public funds, on the basis of caseload data for the month of January of the preceding fiscal year, or to the extent that such data are not available to him before April 1 of the calendar year in which the determination is made, then on the basis of the most recent data available to him at the time of such determination. For the purposes of this subsection, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

Grant formula. “(c) The amount of the grant to which a local educational agency shall be entitled for any fiscal year shall be—

“(A) the number of children determined with respect to such agency under subsection (b); multiplied by—

“(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State in which such agency is located.

Payments,
limitation.

“(d) Notwithstanding any other provision of this section, no payments for any fiscal year under this part to the local educational agencies in a single State shall exceed 12 per centum of the aggregate payments to all local educational agencies in that year under this part.

“(e)(1) The aggregate of the amount for which all local educational agencies are eligible under this part shall not exceed \$75,000,000 for any fiscal year. If, for any fiscal year, such aggregate, as computed without regard to the preceding sentence, exceeds \$75,000,000, the amount for which each local educational agency is eligible shall be reduced ratably until such aggregate does not exceed such limitation.

Appropriation.

“(2) For the purpose of making payments under this part there are authorized to be appropriated not in excess of \$75,000,000 for the fiscal year ending June 30, 1975.

“State.”

“(f) For the purposes of this section, the term—

“(1) ‘State’ means the fifty States and the District of Columbia; and

“Children.”

“(2) ‘children’ includes all children aged five through seventeen, inclusive.”

Repeal; effective date.

(B) Effective July 1, 1975, part C of such title I is repealed.

Ante, p. 495.
Excess costs.
20 USC 241e.

(5) (A) Section 141(a)(1) of such title I is amended by striking out so much thereof as precedes clause (B) and inserting in lieu thereof the following:

“(1) that payments under this title will be used for the excess costs of programs and projects (including the acquisition of equipment, payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools eligible for assistance under this title, the training of teachers, and, where necessary, the construction of school facilities and plans made or to be made for such programs, projects, and facilities) (A) which are designed to meet the special educational needs of educationally deprived children in school attendance areas having high concentrations of children from low-income families and”.

(B) Section 141(a)(1)(A) of such title I is amended by adding

before the "and" at the end thereof the following: "(and at the discretion of the local educational agency, in any school of such agency not located in such a school attendance area, at which the proportion of children in actual average daily attendance from low-income families is substantially the same as the proportion of such children in such an area of that agency)".

(C) Section 141(a)(2) of such title I is amended to read as follows:

20 USC 241e.

"(2) that the local educational agency has provided satisfactory assurance that section 141A will be complied with;"

Infra.

(D) Section 141(a) of such title I is amended by striking out "and" after paragraph (12), and by striking out paragraph (13), and inserting in lieu thereof the following:

"(13) that, where a school attendance area does not meet the requirement of paragraph (1)(A) of this subsection for a fiscal year, or in the case of a local educational agency electing to allocate funds under section 140, where such an area does not meet the requirement of that section, but did meet the appropriate requirement in either of the two preceding fiscal years, that school attendance area shall be considered to meet the applicable criterion for that fiscal year; and

"(14) that the local educational agency shall establish an advisory council for the entire school district and shall establish an advisory council for each school of such agency served by a program or project assisted under section 143(a)(2), each of which advisory councils—

Advisory coun-
cils.
Establishment.

20 USC 241g.

"(A) has as a majority of its members parents of the children to be served,

"(B) is composed of members selected by the parents in each school attendance area,

"(C) has been given responsibility by such agency for advising it in the planning for, and the implementation and evaluation of, such programs and projects, and

"(D) is provided by such agency, in accordance with regulations of the Commissioner, with access to appropriate information concerning such programs and projects."

(E) Section 141 of such title I is amended by striking out subsection (c), by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) It is the intent of the Congress to encourage, where feasible, the development for each educationally deprived child participating in a program under this title of an individualized written educational plan (maintained and periodically evaluated), agreed upon jointly by the local educational agency, a parent or guardian of the child, and when appropriate, the child."

(6) Such title I is amended by inserting immediately after section 141 the following new section:

"PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

"SEC. 141A. (a) To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and meeting the requirements of clauses (A) and (B) of paragraph (1) of subsection (a) of section 141, paragraph (2) of subsection (a) of such section, and clauses (A) and (B) of paragraph (3) of subsection (a) of such section 141.

20 USC 241e-1.

"(b)(1) If a local educational agency is prohibited by law from

providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Commissioner shall waive such requirement and the provisions of section 141(a)(2), and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

Waiver.

Ante, p. 497.

“(2) If the Commissioner determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), he shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a), upon which determination the provisions of paragraph (a) and section 141(a)(2) shall be waived.

Costs, payment.

“(3) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services from the appropriate allocation or allocations under this title.

Notice and hearing.

“(4) (A) the Commissioner shall not take any final action under this section until he has afforded the State educational agency and local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

Judicial review.

“(B) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

“(C) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

Jurisdiction.

“(D) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.”

Appropriation adjustments.
20 USC 241h.

(7) Section 144 of such title I is amended by striking out the first sentence and inserting in lieu thereof the following: “If the sums appropriated for any fiscal year for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are entitled to receive under this title for such year, the amount available for each grant to a State agency eligible for a grant under section 121, 122, or 123 shall be equal to the total amount of the grant as computed under each such section. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are entitled to receive under part A of this title for such year, the allocations to such agencies and allocations under part B shall, subject to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appro-

Ante, pp. 491,
492, 494.

20 USC 241c.

20 USC 241d.

priated, except that entitlements under such part B shall be taken into consideration only to the extent that appropriations for such title I (excluding part C thereof) exceed \$1,396,975,000 for any fiscal year and such entitlements shall not exceed \$50,000,000 in any fiscal year. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 per centum of its allocation under part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 per centum of its allocation for such year. If the aggregate of the amounts to which all States are entitled under such part B exceeds \$50,000,000 the entitlement of each State shall be reduced ratably until such aggregate does not exceed \$50,000,000 in such fiscal year."

Ante, p. 495.

20 USC 241c.

(8) Section 150 of such title I is redesignated as section 152, and such title I is further amended by adding immediately after section 149 the following new sections:

20 USC 241a
note.

**"ALLOCATION OF FUNDS WITHIN THE SCHOOL DISTRICT OF A LOCAL
EDUCATIONAL AGENCY**

"SEC. 150. (a) For any fiscal year not more than 20 local educational agencies selected for the purpose of section 821(a)(5) of the Education Amendments of 1974 may elect, with the approval of the district-wide parent advisory council which is required to be established under section 141(a)(14) of this title, to allocate funds received from payments under this title on the basis of a method or combination of methods other than the method provided under section 141(a)(1)(A). Any method selected pursuant to this section shall be so designed and administered as to be free from racial or cultural discrimination.

20 USC 241n.

Post, p. 599.*Ante*, p. 497.*Ante*, p. 496.

"(b) Any local educational agency to which this section applies shall submit such reports to the Director of the National Institute of Education at such time and in such manner as the Director may reasonably require to carry out his responsibilities under section 821(a)(5) of the Education Amendments of 1974.

Reports to
Director of the
National Institute
of Education.

"PROGRAM EVALUATION

"SEC. 151. (a) The Commissioner shall provide for independent evaluations which describe and measure the impact of programs and projects assisted under this title. Such evaluations may be provided by contract or other arrangements, and all such evaluations shall be made by competent and independent persons, and shall include, whenever possible, opinions obtained from program or project participants about the strengths and weaknesses of such programs or projects.

20 USC 241o.

"(b) The Commissioner shall develop and publish standards for evaluation of program or project effectiveness in achieving the objectives of this title.

Standards.

"(c) The Commissioner shall, where appropriate, consult with State agencies in order to provide for jointly sponsored objective evaluation studies of programs and projects assisted under this title within a State.

Studies.

"(d) The Commissioner shall provide to State educational agencies, models for evaluations of all programs conducted under this title, for their use in carrying out their functions under section 143(a), which shall include uniform procedures and criteria to be utilized by local

Models.

20 USC 241g.

educational agencies, as well as by the State agency in the evaluation of such programs.

Technical
assistance.

“(e) The Commissioner shall provide such technical and other assistance as may be necessary to State educational agencies to enable them to assist local educational agencies in the development and application of a systematic evaluation of programs in accordance with the models developed by the Commissioner.

“(f) The models developed by the Commissioner shall specify objective criteria which shall be utilized in the evaluation of all programs and shall outline techniques (such as longitudinal studies of children involved in such programs) and methodology (such as the use of tests which yield comparable results) for producing data which are comparable on a statewide and nationwide basis.

Report to con-
gressional com-
mittees.

“(g) The Commissioner shall make a report to the respective committees of the Congress having legislative jurisdiction over programs authorized by this title and the respective Committees on Appropriations concerning his progress in carrying out this section not later than January 31, 1975, and thereafter he shall report to such committees no later than January 31 of each calendar year the results of the evaluations of programs and projects required under this section, which shall be comprehensive and detailed, as up-to-date as possible, and based to the maximum extent possible on objective measurements, together with any other related findings and evaluations, and his recommendations with respect to legislation.

Annual reports.

Information
gathering and
dissemination
systems.

“(h) The Commissioner shall also develop a system for the gathering and dissemination of results of evaluations and for the identification of exemplary programs and projects, or of particularly effective elements of programs and projects, and for the dissemination of information concerning such programs and projects or such elements thereof to State and local educational agencies responsible for the design and conduct of programs and projects under this title, and to the education profession and the general public.

Appropriations,
limitation.

“(i) The Commissioner is authorized, out of funds appropriated to carry out this title in any fiscal year, to expend such sums as may be necessary to carry out the provisions of this section, but not to exceed one-half of 1 per centum of the amount appropriated for such program, of which \$5,000,000 for each fiscal year ending prior to July 1, 1977, shall be available only for the surveys and studies authorized by section 821 of the Education Amendments of 1974.”

Post, p. 599.

20 USC 241e.

(9) (A) Section 141(a) (4) of such title is amended by striking out “section 145” and inserting in lieu thereof “section 433 of the General Education Provisions Act”.

20 USC 1221
note.

20 USC 241e.

(B) Section 141(a) (1) (B) of such title is amended by striking out “maximum”.

20 USC 241g.

(C) Section 143(a) (2) of such title is amended by striking out “maximum”.

20 USC 241f.

(D) Section 142 of such title is amended by striking out “described in section 141(c)” and inserting in lieu thereof “provided for in section 122”.

Ante, p. 492.

(E) Section 142(a) (1) of such title is amended by striking out “section 103(a) (5)” and inserting in lieu thereof “section 121”.

(F) Section 143(a) (2) of such title is amended by striking out “or section 131”.

(G) Section 143(b) (1) of such title is amended to read as follows:

“(1) 1 per centum of the amount allocated to the State and its local educational agencies as determined for that year under this title; or”.

20 USC 241h.

(H) The third and fourth sentences of section 144 of such title are each amended by striking out “section 103(a) (6)” and inserting in lieu thereof “section 122”.

(I) Section 146 of such title is amended by striking out "section 141 (c)" and inserting in lieu thereof "section 122".

20 USC 241j.

Ante, p. 492.

(J) Section 147 of such title is amended by striking out "section 141 (c)" and inserting in lieu thereof "section 122".

20 USC 241k.

(K) Section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new paragraphs:

20 USC 244.

"(16) For purposes of title II, the 'average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies as defined in section 403(6)(B) in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

"Average per
pupil expendi-
ture."

"(17) For the purposes of title II, 'excess costs' means those costs directly attributable to programs and projects which exceed the average per pupil expenditure of a local educational agency in the most recent year for which satisfactory data are available for pupils in the grade or grades included in such programs or projects (but not including expenditures for any comparable State or local special programs for educationally deprived children or expenditures for bilingual programs or special education for handicapped children or children with specific learning disabilities, if such expenditures for bilingual education and special education are used to provide, to children of limited English-speaking ability and handicapped children, and children with specific learning disabilities who reside in title I project areas, services which are comparable to those provided to similarly disadvantaged children residing in nonproject areas)."

"Excess
costs."

(10) There is authorized to be appropriated for each fiscal year a sum not to exceed \$15,700,000 to be allocated at the discretion of the Commissioner to assist those local education agencies whose total allocation under part A of title I of the Elementary and Secondary Education Act of 1965 is 90 per centum or less than such allocation under such part A during the preceding fiscal year.

Appropriation.
20 USC 241b-1.

20 USC 241c.

(b) Except as otherwise specifically provided, the amendments made by subsection (a) and the provisions of paragraph (10) of such subsection shall be effective on and after July 1, 1974.

Effective date.
20 USC 241b
note.

SCHOOL LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIONAL MATERIALS

SEC. 102. (a) Section 201(b) of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end thereof the following: "and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part B of title IV".

20 USC 821.

20 USC 822.

(b) The third sentence of section 202(a) (1) of the Act is amended by striking out "for the fiscal year ending June 30, 1968, and each of the succeeding fiscal years ending prior to July 1, 1973,".

Effective date.
20 USC 821
note.

(c) The amendments made by this section shall be effective on and after July 1, 1973.

SUPPLEMENTARY EDUCATIONAL CENTERS AND SERVICES; GUIDANCE,
COUNSELING, AND TESTING

20 USC 841.

SEC. 103. (a) (1) The first sentence of section 301(b) of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end thereof the following: ", and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV".

(2) The second sentence of such Act is amended by inserting before the period at the end thereof the following: ", and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV".

20 USC 842.

(b) The third sentence of section 302(a) (1) of such Act is amended by striking out "for each fiscal year ending prior to July 1, 1973,".

20 USC 844a.

(c) The first sentence of section 305(c) of the Act is amended by striking out "1973" and inserting in lieu thereof "1978".

20 USC 845.

(d) Section 307 of such Act is amended by adding at the end thereof the following new subsection:

Notice and
hearing.

"(g) (1) The Commissioner shall not take any final action under subsection (f) until he has afforded the State educational agency and the local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

Judicial review.

"(2) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under paragraph (1) of this paragraph, it may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(3) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

Jurisdiction.

"(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code."

Effective date.
20 USC 841
note.

(e) The amendments made by subsections (a), (b), and (c) of this section shall be effective on and after July 1, 1973, and the amendment

made by subsection (d) shall be effective on the date of enactment of this Act.

STRENGTHENING STATE AND LOCAL EDUCATIONAL AGENCIES

SEC. 104. (a) Section 501(b) of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end thereof the following: "and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV".

20 USC 861.

(b) Section 521(b) of such Act is amended by inserting before the period at the end thereof the following: ", and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV".

20 USC 866.

(c) Section 531(b) of such Act is amended by inserting before the period at the end thereof the following: ", and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV".

20 USC 867.

(d) The amendments made by this section shall be effective on and after July 1, 1973.

Effective date.
20 USC 861
note.

BILINGUAL EDUCATIONAL PROGRAMS

SEC. 105. (a)(1) Title VII of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

20 USC 880b.

"TITLE VII—BILINGUAL EDUCATION

"SHORT TITLE

Bilingual Edu-
cation Act.
20 USC 880b
note.

"SEC. 701. This title may be cited as the 'Bilingual Education Act'.

"POLICY; APPROPRIATIONS

"SEC. 702. (a) Recognizing—

20 USC 880b.

"(1) that there are large numbers of children of limited English-speaking ability;

"(2) that many of such children have a cultural heritage which differs from that of English-speaking persons;

"(3) that a primary means by which a child learns is through the use of such child's language and cultural heritage;

"(4) that, therefore, large numbers of children of limited English-speaking ability have educational needs which can be met by the use of bilingual educational methods and techniques; and

"(5) that, in addition, children of limited English-speaking ability benefit through the fullest utilization of multiple language and cultural resources,

the Congress declares it to be the policy of the United States, in order to establish equal educational opportunity for all children (A) to encourage the establishment and operation, where appropriate, of educational programs using bilingual educational practices, techniques, and methods, and (B) for that purpose, to provide financial assistance to local educational agencies, and to State educational agencies for certain purposes, in order to enable such local educational agencies

to develop and carry out such programs in elementary and secondary schools, including activities at the preschool level, which are designed to meet the educational needs of such children; and to demonstrate effective ways of providing, for children of limited English-speaking ability, instruction designed to enable them, while using their native language, to achieve competence in the English language.

Appropriation.

“(b) (1) Except as is otherwise provided in this title, for the purpose of carrying out the provisions of this title, there are authorized to be appropriated \$135,000,000 for the fiscal year ending June 30, 1974; \$135,000,000 for the fiscal year ending June 30, 1975; \$140,000,000 for the fiscal year ending June 30, 1976; \$150,000,000 for the fiscal year ending June 30, 1977; and \$160,000,000 for the fiscal year ending June 30, 1978.

Post, p. 506.

“(2) There are further authorized to be appropriated to carry out the provisions of section 721(b) (3) \$6,750,000 for the fiscal year ending June 30, 1974; \$7,250,000 for the fiscal year ending June 30, 1975; \$7,750,000 for the fiscal year ending June 30, 1976; \$8,750,000 for the fiscal year ending June 30, 1977; and \$9,750,000 for the fiscal year ending June 30, 1978.

“(3) From the sums appropriated under paragraph (1) for any fiscal year—

“(A) the Commissioner shall reserve \$16,000,000 of that part thereof which does not exceed \$70,000,000 for training activities carried out under clause (3) of subsection (a) of section 721, and shall reserve for such activities 33 $\frac{1}{3}$ per centum of that part thereof which is in excess of \$70,000,000; and

“(B) the Commissioner shall reserve from the amount not reserved pursuant to clause (A) of this paragraph such amounts as may be necessary, but not in excess of 1 per centum thereof, for the purposes of section 732.

Post, p. 510.

“DEFINITIONS; REGULATIONS

20 USC 880b-1.

“SEC. 703. (a) The following definitions shall apply to the terms used in this title:

“(1) The term ‘limited English-speaking ability’, when used with reference to an individual, means—

“(A) individuals who were not born in the United States or whose native language is a language other than English, and

“(B) individuals who come from environments where a language other than English is dominant, as further defined by the Commissioner by regulations;

and, by reason thereof, have difficulty speaking and understanding instruction in the English language.

“(2) The term ‘native language’, when used with reference to an individual of limited English-speaking ability, means the language normally used by such individuals, or in the case of a child, the language normally used by the parents of the child.

“(3) The term ‘low-income’ when used with respect to a family means an annual income for such a family which does not exceed the low annual income determined pursuant to section 103 of title I of the Elementary and Secondary Education Act of 1965.

Ante, p. 488.

“(4) (A) The term ‘program of bilingual education’ means a program of instruction, designed for children of limited English-speaking ability in elementary or secondary schools, in which, with respect to the years of study to which such program is applicable—

“(i) there is instruction given in, and study of, English and, to the extent necessary to allow a child to progress effectively through

the educational system, the native language of the children of limited English-speaking ability, and such instruction is given with appreciation for the cultural heritage of such children, and, with respect to elementary school instruction, such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to progress effectively through the educational system; and

“(ii) the requirements in subparagraphs (B) through (E) of this paragraph and established pursuant to subsection (b) of this section are met.

“(B) A program of bilingual education may make provision for the voluntary enrollment to a limited degree therein, on a regular basis, of children whose language is English, in order that they may acquire an understanding of the cultural heritage of the children of limited English-speaking ability for whom the particular program of bilingual education is designed. In determining eligibility to participate in such programs, priority shall be given to the children whose language is other than English. In no event shall the program be designed for the purpose of teaching a foreign language to English-speaking children.

English-speaking children, enrollment.

“(C) In such courses or subjects of study as art, music, and physical education, a program of bilingual education shall make provision for the participation of children of limited English-speaking ability in regular classes.

“(D) Children enrolled in a program of bilingual education shall, if graded classes are used, be placed, to the extent practicable, in classes with children of approximately the same age and level of educational attainment. If children of significantly varying ages or levels of educational attainment are placed in the same class, the program of bilingual education shall seek to insure that each child is provided with instruction which is appropriate for his or her level of educational attainment.

“(E) An application for a program of bilingual education shall be developed in consultation with parents of children of limited English-speaking ability, teachers, and, where applicable, secondary school students, in the areas to be served, and assurances shall be given in the application that, after the application has been approved under this title, the applicant will provide for participation by a committee composed of, and selected by, such parents, and, in the case of secondary schools, representatives of secondary school students to be served.

Application.

“(5) The term ‘Office’ means the Office of Bilingual Education.

Definitions.

“(6) The term ‘Director’ means the Director of the Office of Bilingual Education.

“(7) The term ‘Council’ means the National Advisory Council on Bilingual Education.

“(b) The Commissioner, after receiving recommendations from State and local educational agencies and groups and organizations involved in bilingual education, shall establish, publish, and distribute, with respect to programs of bilingual education, suggested models with respect to pupil-teacher ratios, teacher qualifications, and other factors affecting the quality of instruction offered in such programs.

Models.

“(c) In prescribing regulations under this section, the Commissioner shall consult with State and local educational agencies, appropriate organizations representing parents and children of limited English-speaking ability, and appropriate groups and organizations representing teachers and educators involved in bilingual education.

Consultation.

“PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION
PROGRAMS

“BILINGUAL EDUCATION PROGRAMS

Grants.
20 USC 880b-7.

“SEC. 721. (a) Funds available for grants under this part shall be used for—

“(1) the establishment, operation, and improvement of programs of bilingual education;

“(2) auxiliary and supplementary community and educational activities designed to facilitate and expand the implementation of programs described in clause (1), including such activities as (A) adult education programs related to the purposes of this title, particularly for parents of children participating in programs of bilingual education, and carried out, where appropriate, in coordination with programs assisted under the Adult Education Act, and (B) preschool programs preparatory and supplementary to bilingual education programs;

“(3) (A) the establishment, operation, and improvement of training programs for personnel preparing to participate in, or personnel participating in, the conduct of programs of bilingual education and (B) auxiliary and supplementary training programs, which shall be included in each program of bilingual education, for personnel preparing to participate in, or personnel participating in, the conduct of such programs; and

“(4) planning, and providing technical assistance for, and taking other steps leading to the development of, such programs.

Application.

“(b) (1) A grant may be made under this section only upon application therefor by one or more local educational agencies or by an institution of higher education, including a junior or community college, applying jointly with one or more local educational agencies (or, in the case of a training activity described in clause (3)(A) of subsection (a) of this section, by eligible applicants as defined in section 723). Each such application shall be made to the Commissioner at such time, in such manner, and containing such information as the Commissioner deems necessary, and

Post, p. 508.

“(A) include a description of the activities set forth in one or more of the clauses of subsection (a) which the applicant desires to carry out; and

“(B) provide evidence that the activities so described will make substantial progress toward making programs of bilingual education available to the children having need thereof in the area served by the applicant.

Approval.

“(2) An application for a grant under this part may be approved only if—

“(A) the provision of assistance proposed in the application is consistent with criteria established by the Commissioner, after consultation with the State educational agency, for the purpose of achieving an equitable distribution of assistance under this part within the State in which the applicant is located, which criteria shall be developed by his taking into consideration (i) the geographic distribution of children of limited English-speaking ability, (ii) the relative need of persons in different geographic areas within the State for the kinds of services and activities described in subsection (a), (iii) with respect to grants

to carry out programs described in clauses (1) and (2) of subsection (a) of section 721, the relative ability of particular local educational agencies within the State to provide such services and activities, and (iv) with respect to such grants, the relative numbers of persons from low-income families sought to be benefitted by such programs;

“(B) in the case of applications from local educational agencies to carry out programs of bilingual education under clause (1) of subsection (a) of section 721, the Commissioner determines that not less than 15 per centum of the amounts paid to the applicant for the purposes of such programs shall be expended for auxiliary and supplementary training programs in accordance with the provisions of clause (3) (B) of such subsection and section 723:

Post, p. 508.

“(C) the Commissioner determines (i) that the program will use the most qualified available personnel and the best resources and will substantially increase the educational opportunities for children of limited English-speaking ability in the area to be served by the applicant, and (ii) that, to the extent consistent with the number of children enrolled in nonprofit, nonpublic schools in the area to be served whose educational needs are of the type which the program is intended to meet, provision has been made for participation of such children; and

“(D) the State educational agency has been notified of the application and has been given the opportunity to offer recommendations thereon to the applicant and to the Commissioner.

“(3) (A) Upon an application from a State educational agency, the Commissioner shall make provision for the submission and approval of a State program for the coordination by such State agency of technical assistance to programs of bilingual education in such State assisted under this title. Such State program shall contain such provisions, agreements, and assurances as the Commissioner shall, by regulation, determine necessary and proper to achieve the purposes of this title, including assurances that funds made available under this section for any fiscal year will be so used as to supplement, and to the extent practical, increase the level of funds that would, in the absence of such funds be made available by the State for the purposes described in this section, and in no case to supplant such funds.

“(B) Except as is provided in the second sentence of this subparagraph, the Commissioner shall pay from the amounts authorized for these purposes pursuant to section 702 for each fiscal year to each State educational agency which has a State program submitted and approved under subparagraph (A) such sums as may be necessary for the proper and efficient conduct of such State program. The amount paid by the Commissioner to any State educational agency under the preceding sentence for any fiscal year shall not exceed 5 per centum of the aggregate of the amounts paid under this part to local educational agencies in the State of such State educational agency in the fiscal year preceding the fiscal year in which this limitation applies.

Ante, p. 503.

“(c) In determining the distribution of funds under this title, the Commissioner shall give priority to areas having the greatest need for programs assisted under this title.

“INDIAN CHILDREN IN SCHOOLS

“SEC. 722. (a) For the purpose of carrying out programs under this part for individuals served by elementary and secondary schools operated predominantly for Indian children, a nonprofit institution or organization of the Indian tribe concerned which operates any

20 USC 880b-8.

such school and which is approved by the Commissioner for the purposes of this section may be considered to be a local educational agency as such term is used in this title.

Payments.
Ante, p. 503.

“(b) From the sums appropriated pursuant to section 702(b), the Commissioner is authorized to make payments to the Secretary of the Interior to carry out programs of bilingual education for children on reservations served by elementary and secondary schools for Indian children operated or funded by the Department of the Interior. The terms upon which payments for such purpose may be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the policy of section 702(a).

Annual report
to Congress and
President.

“(c) The Secretary of the Interior shall prepare and, not later than November 1 of each year, shall submit to the Congress and the President an annual report detailing a review and evaluation of the use, during the preceding fiscal year, of all funds paid to him by the Commissioner under subsection (b) of this section, including complete fiscal reports, a description of the personnel and information paid for in whole or in part with such funds, the allocation of such funds, and the status of all programs funded from such payments. Nothing in this subsection shall be construed to relieve the Director of any authority or obligation under this part.

Assessment of
needs of Indian
children, submit-
tal to Congress
and President.

“(d) The Secretary of the Interior shall, together with the information required in the preceding subsection, submit to the Congress and the President, an assessment of the needs of Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those State educational agencies and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq.) and an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

“TRAINING

20 USC 880b-9.
Ante, p. 506.

“SEC. 723. (a) (1) In carrying out the provisions of clauses (1) and (3) of subsection (a) of section 721, with respect to training, the Commissioner shall, through grants to, and contracts with, eligible applicants, as defined in subsection (b), provide for—

“(A) (i) training, carried out in coordination with any other programs training auxiliary educational personnel, designed (I) to prepare personnel to participate in, or for personnel participating in, the conduct of programs of bilingual education, including programs emphasizing opportunities for career development, advancement, and lateral mobility, (II) to train teachers, administrators, paraprofessionals, teacher aides, and parents, and (III) to train persons to teach and counsel such persons, and (ii) special training programs designed (I) to meet individual needs, and (II) to encourage reform, innovation, and improvement in applicable education curricula in graduate education, in the structure of the academic profession, and in recruitment and retention of higher education and graduate school facilities, as related to bilingual education; and

“(B) the operation of short-term training institutes designed to improve the skills of participants in programs of bilingual education in order to facilitate their effectiveness in carrying out responsibilities in connection with such programs.

Fellowships.

“(2) In addition the Commissioner is authorized to award fellowships for study in the field of training teachers for bilingual edu-

cation. For the fiscal year ending June 30, 1975, not less than 100 fellowships leading to a graduate degree shall be awarded under the preceding sentence for preparing individuals to train teachers for programs of bilingual education. Such fellowships shall be awarded in proportion to the need for teachers of various groups of individuals with limited English-speaking ability. For each fiscal year after June 30, 1975, and prior to July 1, 1978, the Commissioner shall report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate on the number of fellowships in the field of training teachers for bilingual education which he recommends will be necessary for that fiscal year.

Report to congressional committees.

“(3) The Commissioner shall include in the terms of any arrangement described in paragraphs (1) and (2) of subsection (a) of this section provisions for the payment, to persons participating in training programs so described, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

Stipends.

“(4) In making grants or contracts under this section, the Commissioner shall give priority to eligible applicants with demonstrated competence and experience in the field of bilingual education. Funds provided under grants or contracts for training activities described in this section to or with a State educational agency, separately or jointly, shall in no event exceed in the aggregate in any fiscal year 15 per centum of the total amount of funds obligated for training activities pursuant to clauses (1) and (3) of subsection (a) of section 721 in such year.

Ante, p. 506.

“(5) An application for a grant or contract for preservice or inservice training activities described in clause (A)(i)(I) and clause (A)(ii)(I) and in subsection (a)(1)(B) of this section shall be considered an application for a program of bilingual education for the purposes of subsection (a)(4)(E) of section 703.

Ante, p. 504.

“(b) For the purposes of this section, the term ‘eligible applicants’ means—

“Eligible applicants.”

“(1) institutions of higher education (including junior colleges and community colleges) which apply, after consultation with, or jointly with, one or more local educational agencies;

“(2) local educational agencies; and

“(3) State educational agencies.

“PART B—ADMINISTRATION

“OFFICE OF BILINGUAL EDUCATION

“SEC. 731. (a) There shall be, in the Office of Education, an Office of Bilingual Education (hereafter in this section referred to as the ‘Office’) through which the Commissioner shall carry out his functions relating to bilingual education.

Establishment.
20 USC 880b-10.

“(b)(1) The Office shall be headed by a Director of Bilingual Education, appointed by the Commissioner, to whom the Commissioner shall delegate all of his delegable functions relating to bilingual education.

“(2) The Office shall be organized as the Director determines to be appropriate in order to enable him to carry out his functions and responsibilities effectively.

“(c) The Commissioner, in consultation with the Council, shall prepare and, not later than November 1 of 1975, and of 1977, shall submit to the Congress and the President a report on the condition of bilingual education in the Nation and the administration and operation of this

Report to Congress and President.

Contents.

title and of other programs for persons of limited English-speaking ability. Such report shall include—

“(1) a national assessment of the educational needs of children and other persons with limited English-speaking ability and of the extent to which such needs are being met from Federal, State, and local efforts, including (A) not later than July 1, 1977, the results of a survey of the number of such children and persons in the States, and (B) a plan, including cost estimates, to be carried out during the five-year period beginning on such date, for extending programs of bilingual education and bilingual vocational and adult education programs to all such preschool and elementary school children and other persons of limited English-speaking ability, including a phased plan for the training of the necessary teachers and other educational personnel necessary for such purpose;

“(2) a report on and an evaluation of the activities carried out under this title during the preceding fiscal year and the extent to which each of such activities achieves the policy set forth in section 702(a);

“(3) a statement of the activities intended to be carried out during the succeeding period, including an estimate of the cost of such activities;

“(4) an assessment of the number of teachers and other educational personnel needed to carry out programs of bilingual education under this title and those carried out under other programs for persons of limited English-speaking ability and a statement describing the activities carried out thereunder designed to prepare teachers and other educational personnel for such programs, and the number of other educational personnel needed to carry out programs of bilingual education in the States and a statement describing the activities carried out under this title designed to prepare teachers and other educational personnel for such programs; and

“(5) a description of the personnel, the functions of such personnel, and information available at the regional offices of the Department of Health, Education, and Welfare dealing with bilingual programs within that region.

“NATIONAL ADVISORY COUNCIL ON BILINGUAL EDUCATION

Establishment.
20 USC 880b-11.
Post, p. 575.
Membership.

“SEC. 732. (a) Subject to part D of the General Education Provisions Act, there shall be a National Advisory Council on Bilingual Education composed of fifteen members appointed by the Secretary, one of whom he shall designate as Chairman. At least eight of the members of the Council shall be persons experienced in dealing with the educational problems of children and other persons who are of limited English-speaking ability, at least one of whom shall be representative of persons serving on boards of education operating programs of bilingual education. At least three members shall be experienced in the training of teachers in programs of bilingual education. At least two members shall be persons with general experience in the field of elementary and secondary education. At least two members shall be classroom teachers of demonstrated teaching abilities using bilingual methods and techniques. The members of the Council shall be appointed in such a way as to be generally representative of the significant segments of the population of persons of limited English-speaking ability and the geographic areas in which they reside.

“(b) The Council shall meet at the call of the Chairman, but, notwithstanding the provisions of section 446(a) of the General Education Provisions Act, not less often than four times in each year.

20 USC 1233e.
Duties.

“(c) The Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration and operation of this title, including the development of criteria for approval of applications, and plans under this title, and the administration and operation of other programs for persons of limited English-speaking ability. The Council shall prepare and, not later than November 1 of each year, submit a report to the Congress and the President on the condition of bilingual education in the Nation and on the administration and operation of this title, including those items specified in section 731(c), and the administration and operation of other programs for persons of limited English-speaking ability.

Report to
Congress and
President.
Ante, p. 509.

“(d) The Commissioner shall procure temporary and intermittent services of such personnel as are necessary for the conduct of the functions of the Council, in accordance with section 445, of the General Education Provisions Act, and shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities effectively.

Personnel
procurement.

20 USC 1233d.

“PART C—SUPPORTIVE SERVICES AND ACTIVITIES

“ADMINISTRATION

“SEC. 741. (a) The provisions of this part shall be administered by the Assistant Secretary, in consultation with—

20 USC 880b-12.

“(1) the Commissioner, through the Office of Bilingual Education; and

“(2) the Director of the National Institute of Education, notwithstanding the second sentence of section 405(b)(1) of the General Education Provisions Act;

20 USC 1225.

in accordance with regulations.

“(b) The Assistant Secretary shall, in accordance with clauses (1) and (2) of subsection (a), develop and promulgate regulations for this part and then delegate his functions under this part, as may be appropriate under the terms of section 742.

Regulations.

Infra.

“RESEARCH AND DEMONSTRATION PROJECTS

“SEC. 742. (a) The National Institute of Education shall, in accordance with the provisions of section 405 of the General Education Provisions Act, carry out a program of research in the field of bilingual education in order to enhance the effectiveness of bilingual education programs carried out under this title and other programs for persons of limited English-speaking ability.

Bilingual edu-
cation research.
20 USC 880b-13.
20 USC 1221e.

“(b) In order to test the effectiveness of research findings by the National Institute of Education and to demonstrate new or innovative practices, techniques, and methods for use in such bilingual education programs, the Director and the Commissioner are authorized to make competitive contracts with public and private educational agencies, institutions, and organizations for such purpose.

Competitive
contracts.

“(c) In carrying out their responsibilities under this section, the Commissioner and the Director shall, through competitive contracts with appropriate public and private agencies, institutions, and organizations—

“(1) undertake studies to determine the basic educational needs and language acquisition characteristics of, and the most effective

conditions for, educating children of limited English-speaking ability;

“(2) develop and disseminate instructional materials and equipment suitable for use in bilingual education programs; and

“(3) establish and operate a national clearinghouse of information for bilingual education, which shall collect, analyze, and disseminate information about bilingual education and such bilingual education and related programs.

“(d) In carrying out their responsibilities under this section, the Commissioner and the Director shall provide for periodic consultation with representatives of State and local educational agencies and appropriate groups and organizations involved in bilingual education.

Appropriations.

“(e) There is authorized to be appropriated for each fiscal year prior to July 1, 1978, \$5,000,000 to carry out the provisions of this section.”.

Effective date.
20 USC 880b
note.

(2) (A) The amendment made by this subsection shall be effective upon the date of enactment of this Act, except that the provisions of part A of title VII of the Elementary and Secondary Education Act of 1965 (as amended by subsection (a) of this section) shall become effective on July 1, 1975, and the provisions of title VII of the Elementary and Secondary Education Act of 1965 in effect immediately prior to the date of enactment of this Act shall remain in effect through June 30, 1975, to the extent not inconsistent with the amendment made by this section.

Ante, p. 504.

20 USC 880b.

20 USC 880b-11
note.

Ante, p. 510.
“Other programs for persons of limited English-speaking ability.”
Ante, p. 504.

(B) The National Advisory Council on Bilingual Education, for which provision is made in section 732 of such Act, shall be appointed within ninety days after the enactment of this Act.

(b) Section 703(a) of title VII of such Act is amended by adding at the end thereof the following:

“(8) The term ‘other programs for persons of limited English-speaking ability’ when used in sections 731 and 732 means the program authorized by section 708(c) of the Emergency School Aid Act and the programs carried out in coordination with the provisions of this title pursuant to section 122(a)(4)(C) and part J of the Vocational Education Act of 1963, and section 306(a)(11) of the Adult Education Act, and programs and projects serving areas with high concentrations of persons of limited English-speaking ability pursuant to section 6(b)(4) of the Library Services and Construction Act.”.

20 USC 1607.

Post, p. 578.

Post, p. 607.

Post, p. 609.

STATUTE OF LIMITATIONS

20 USC 881. SEC. 106. Title VIII of the Elementary and Secondary Education Act of 1965 is amended by inserting after section 803 the following new section:

“STATUTE OF LIMITATIONS ON REFUND OF PAYMENTS

20 USC 884.

“SEC. 804. No State or local educational agency shall be liable to refund any payment made to such agency under this Act (including title I of this Act) which was subsequently determined to be unauthorized by law, if such payment was made more than five years before such agency received final written notice that such payment was unauthorized.”.

Ante, p. 488.

DROPOUT PREVENTION PROJECTS

20 USC 887.

SEC. 107. (a) Section 807(c) of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end thereof the following: “, and each of the five succeeding fiscal

years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV".

(b) The amendments made by this section shall be effective on and after July 1, 1973.

Effective date.
20 USC 887
note.

SCHOOL NUTRITION AND HEALTH SERVICES

SEC. 108. (a) Section 808(d) of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end thereof the following: ", and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV".

20 USC 887a.

(b) The amendments made by this section shall be effective on and after July 1, 1973.

Effective date.
20 USC 887a
note.

CORRECTION EDUCATION SERVICES

SEC. 109. (a) Section 809 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new subsection:

20 USC 887b.

"(c) For the purpose of carrying out this section, there is authorized to be appropriated \$500,000 for the fiscal year ending June 30, 1974, and for the succeeding fiscal year."

(b) The amendments made by this section shall be effective on and after July 1, 1974.

Effective date.
20 USC 887b
note.

OPEN MEETINGS OF EDUCATIONAL AGENCIES

SEC. 110. Title VIII of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new section:

"OPEN MEETINGS OF EDUCATIONAL AGENCIES

"SEC. 812. No application for assistance under this Act may be considered unless the local educational agency making such application certifies to the Commissioner that members of the public have been afforded the opportunity upon reasonable notice to testify or otherwise comment regarding the subject matter of the application. The Commissioner is authorized and directed to establish such regulations as necessary to implement this section."

20 USC 887e.

ETHNIC HERITAGE STUDIES CENTERS

SEC. 111. (a)(1) Section 907 of the Elementary and Secondary Education Act of 1965 is amended by striking out "the fiscal year ending June 30, 1973" and inserting in lieu thereof "each of the fiscal years ending prior to July 1, 1978".

20 USC 900a-5.

(2) The amendments made by this subsection shall be effective on and after July 1, 1973.

Effective date.
20 USC 900a-5
note.
20 USC 900a-1.

(b) Section 903 of such Act is amended by—

(1) striking out "elementary and secondary schools and institutions of higher education" in clause (1) of such section, and inserting in lieu thereof "elementary or secondary schools or institutions of higher education";

(2) striking out "elementary and secondary schools and institutions of higher education" in clause (2) of such section and inserting in lieu thereof "elementary or secondary schools or institutions of higher education";

20 USC 900a-1.

- (3) inserting the word “or” after clause (1) of such section; and
 (4) inserting the word “or” at the end of clause (2) of such section.

Equal Educational Opportunities Act of 1974.

TITLE II—EQUAL EDUCATIONAL OPPORTUNITIES AND THE TRANSPORTATION OF STUDENTS

SHORT TITLE

20 USC 1701 note.

SEC. 201. This title may be cited as the “Equal Educational Opportunities Act of 1974”.

PART A—EQUAL EDUCATIONAL OPPORTUNITIES

Subpart 1—Policy and Purpose

DECLARATION OF POLICY

20 USC 1701.

SEC. 202. (a) The Congress declares it to be the policy of the United States that—

- (1) all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin; and
 (2) the neighborhood is the appropriate basis for determining public school assignments.

(b) In order to carry out this policy, it is the purpose of this part to specify appropriate remedies for the orderly removal of the vestiges of the dual school system.

FINDINGS

20 USC 1702.

SEC. 203. (a) The Congress finds that—

(1) the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, sex, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(2) for the purpose of abolishing dual school systems and eliminating the vestiges thereof, many local educational agencies have been required to reorganize their school systems, to reassign students, and to engage in the extensive transportation of students;

(3) the implementation of desegregation plans that require extensive student transportation has, in many cases, required local educational agencies to expend large amount of funds, thereby depleting their financial resources available for the maintenance or improvement of the quality of educational facilities and instruction provided;

(4) transportation of students which creates serious risks to their health and safety, disrupts the educational process carried out with respect to such students, and impinges significantly on their educational opportunity, is excessive;

(5) the risks and harms created by excessive transportation are particularly great for children enrolled in the first six grades; and

(6) the guidelines provided by the courts for fashioning remedies to dismantle dual school systems have been, as the Supreme Court of the United States has said, “incomplete and imperfect,” and have not established, a clear, rational, and uniform standard for determining the extent to which a local educational agency is required to reassign and transport its students in order to eliminate the vestiges of a dual school system.

(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitution of the United States, specify appropriate remedies for the elimination of the vestiges of dual school systems, except that the provisions of this title are not intended to modify or diminish the authority of the courts of the United States to enforce fully the fifth and fourteenth amendments to the Constitution of the United States.

USC prec.
title 1.

Subpart 2—Unlawful Practices

DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY PROHIBITED

SEC. 204. No State shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin, by—

20 USC 1703.

(a) the deliberate segregation by an educational agency of students on the basis of race, color, or national origin among or within schools;

(b) the failure of an educational agency which has formerly practiced such deliberate segregation to take affirmative steps, consistent with subpart 4 of this title, to remove the vestiges of a dual school system;

(c) the assignment by an educational agency of a student to a school, other than the one closest to his or her place of residence within the school district in which he or she resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, sex, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his or her place of residence within the school district of such agency providing the appropriate grade level and type of education for such student;

(d) discrimination by an educational agency on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of its faculty or staff, except to fulfill the purposes of subsection (f) below;

(e) the transfer by an educational agency, whether voluntary or otherwise, of a student from one school to another if the purpose and effect of such transfer is to increase segregation of students on the basis of race, color, or national origin among the schools of such agency; or

(f) the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs.

BALANCE NOT REQUIRED

SEC. 205. The failure of an educational agency to attain a balance, on the basis of race, color, sex, or national origin, of students among its schools shall not constitute a denial of equal educational opportunity, or equal protection of the laws.

20 USC 1704.

ASSIGNMENT ON NEIGHBORHOOD BASIS NOT A DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 206. Subject to the other provisions of this part, the assignment by an educational agency of a student to the school nearest his place of residence which provides the appropriate grade level and type of education for such student is not a denial of equal educational opportunity or of equal protection of the laws unless such assignment is for

20 USC 1705.

the purpose of segregating students on the basis of race, color, sex, or national origin, or the school to which such student is assigned was located on its site for the purpose of segregating students on such basis.

Subpart 3—Enforcement

CIVIL ACTIONS

20 USC 1706.

SEC. 207. An individual denied an equal educational opportunity, as defined by this part may institute a civil action in an appropriate district court of the United States against such parties, and for such relief, as may be appropriate. The Attorney General of the United States (hereinafter in this title referred to as the "Attorney General"), for or in the name of the United States, may also institute such a civil action on behalf of such an individual.

EFFECT OF CERTAIN POPULATION CHANGES ON CERTAIN ACTIONS

20 USC 1707.

SEC. 208. When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, such school population changes so occurring shall not, per se, constitute a cause for civil action for a new plan of desegregation or for modification of the court approved plan.

JURISDICTION OF DISTRICT COURTS

20 USC 1708.

SEC. 209. The appropriate district court of the United States shall have and exercise jurisdiction of proceedings instituted under section 207.

INTERVENTION BY ATTORNEY GENERAL

20 USC 1709.

SEC. 210. Whenever a civil action is instituted under section 207 by an individual, the Attorney General may intervene in such action upon timely application.

SUITS BY THE ATTORNEY GENERAL

20 USC 1710.

SEC. 211. The Attorney General shall not institute a civil action under section 207 before he—

(a) gives to the appropriate educational agency notice of the condition or conditions which, in his judgment, constitute a violation of subpart 2 of this part; and

(b) certifies to the appropriate district court of the United States that he is satisfied that such educational agency has not, within a reasonable time after such notice, undertaken appropriate remedial action.

Subpart 4—Remedies

FORMULATING REMEDIES; APPLICABILITY

20 USC 1712.

SEC. 213. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws.

PRIORITY OF REMEDIES

SEC. 214. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, which may involve directly or indirectly the transportation of students, a court, department, or agency of the United States shall consider and make specific findings on the efficacy in correcting such denial of the following remedies and shall require implementation of the first of the remedies set out below, or of the first combination thereof which would remedy such denial:

20 USC 1713.

(a) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account school capacities and natural physical barriers;

(b) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account only school capacities;

(c) permitting students to transfer from a school in which a majority of the students are of their race, color, or national origin to a school in which a minority of the students are of their race, color, or national origin;

(d) the creation or revision of attendance zones or grade structures without requiring transportation beyond that described in section 215;

(e) the construction of new schools or the closing of inferior schools;

(f) the construction or establishment of magnet schools; or

(g) the development and implementation of any other plan which is educationally sound and administratively feasible, subject to the provisions of sections 215 and 216 of this part.

TRANSPORTATION OF STUDENTS

SEC. 215. (a) No court, department, or agency of the United States shall, pursuant to section 214, order the implementation of a plan that would require the transportation of any student to a school other than the school closest or next closest to his place of residence which provides the appropriate grade level and type of education for such student.

20 USC 1714.

(b) No court, department, or agency of the United States shall require directly or indirectly the transportation of any student if such transportation poses a risk to the health of such student or constitutes a significant impingement on the educational process with respect to such student.

(c) When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, no educational agency because of such shifts shall be required by any court, department, or agency of the United States to formulate, or implement any new desegregation plan, or modify or implement any modification of the court approved desegregation plan, which would require transportation of students to compensate wholly or in part for such shifts in school population so occurring.

DISTRICT LINES

20 USC 1715.

SEC. 216. In the formulation of remedies under section 213 or 214 of this part the lines drawn by a State, subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn for the purpose, and had the effect, of segregating children among public schools on the basis of race, color, sex, or national origin.

VOLUNTARY ADOPTION OF REMEDIES

20 USC 1716.

SEC. 217. Nothing in this part prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this part nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this part, if such plan is voluntarily proposed by the appropriate educational agency.

REOPENING PROCEEDINGS

20 USC 1717.

SEC. 218. A parent or guardian of a child, or parents or guardians of children similarly situated, transported to a public school in accordance with a court order, or an educational agency subject to a court order or a desegregation plan under title VI of the Civil Rights Act of 1964 in effect on the date of the enactment of this part and intended to end segregation of students on the basis of race, color, or national origin, may seek to reopen or intervene in the further implementation of such court order, currently in effect, if the time or distance of travel is so great as to risk the health of the student or significantly impinge on his or her educational process.

42 USC 2000d.

LIMITATION ON ORDERS

20 USC 1718.

SEC. 219. Any court order requiring, directly or indirectly, the transportation of students for the purpose of remedying a denial of the equal protection of the laws may, to the extent of such transportation, be terminated if the court finds the defendant educational agency has satisfied the requirements of the fifth or fourteenth amendments to the Constitution, whichever is applicable, and will continue to be in compliance with the requirements thereof. The court of initial jurisdiction shall state in its order the basis for any decision to terminate an order pursuant to this section, and the termination of any order pursuant to this section shall be stayed pending a final appeal or, in the event no appeal is taken, until the time for any such appeal has expired. No additional order requiring such educational agency to transport students for such purpose shall be entered unless such agency is found not to have satisfied the requirements of the fifth or fourteenth amendments to the Constitution, whichever is applicable.

Subpart 5—Definitions

20 USC 1720.

SEC. 221. For the purposes of this part—

20 USC 881.

(a) The term “educational agency” means a local educational agency or a “State educational agency” as defined by section 801(k) of the Elementary and Secondary Education Act of 1965.

(b) The term “local educational agency” means a local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965.

(c) The term “segregation” means the operation of a school system in which students are wholly or substantially separated among the schools of an educational agency on the basis of race, color, sex, or national origin or within a school on the basis of race, color, or national origin.

(d) The term “desegregation” means desegregation as defined by section 401(b) of the Civil Rights Acts of 1964.

42 USC 2000c.

(e) An educational agency shall be deemed to transport a student if any part of the cost of such student’s transportation is paid by such agency.

Subpart 6—Miscellaneous Provisions

REPEALER

SEC. 222. Section 709(a) (3) of the Emergency School Aid Act is hereby repealed.

Repeal.
20 USC 1608.

SEPARABILITY OF PROVISIONS

SEC. 223. If any provision of this part or of any amendment made by this part, or the application of any such provision to any person or circumstance, is held invalid, the remainder of the provisions of this part and of the amendments made by this part and the application of such provision to other persons or circumstances shall not be affected thereby.

20 USC 1721.

PART B—OTHER PROVISIONS RELATING TO THE ASSIGNMENT AND TRANSPORTATION OF STUDENTS

PROHIBITION AGAINST ASSIGNMENT OR TRANSPORTATION OF STUDENTS TO OVERCOME RACIAL IMBALANCE

SEC. 251. No provision of this Act shall be construed to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

20 USC 1751.

PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

SEC. 252. Part B of the General Education Provisions Act, as amended by title V of this Act, is amended by adding at the end thereof the following new section:

Post, p. 556.

“PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

“SEC. 420. No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except for funds appropriated pursuant to title I of the Act of September 30, 1950 (P.L. 874, 81st Congress), but not including any portion of such funds as are attributable to children counted under subparagraph (C) of section 3(d) (2) or section 403(1) (C) of that Act.”

20 USC 1228.

20 USC 236.

Post, p. 523.
20 USC 244.

PROVISION RELATING TO COURT APPEALS

SEC. 253. Notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court which requires the transfer or transportation of any student or students from

20 USC 1752.

any school attendance area prescribed by competent State or local authority for the purposes of achieving a balance among students with respect to race, sex, religion, or socioeconomic status, the effectiveness of such order shall be postponed until all appeals in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired. This section shall expire at midnight on June 30, 1978.

PROVISION REQUIRING THAT RULES OF EVIDENCE BE UNIFORM

20 USC 1753.

SEC. 254. The rules of evidence required to prove that State or local authorities are practicing racial discrimination in assigning students to public schools shall be uniform throughout the United States.

APPLICATION OF PROVISIO OF SECTION 407 (a) OF THE CIVIL RIGHTS ACT OF 1964 TO THE ENTIRE UNITED STATES

20 USC 1754.

42 USC 2000c-6.

SEC. 255. The proviso of section 407(a) of the Civil Rights Act of 1964 providing in substance that no court or official of the United States shall be empowered to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards shall apply to all public school pupils and to every public school system, public school and public school board, as defined by title IV, under all circumstances and conditions and at all times in every State, district, territory, Commonwealth, or possession of the United States, regardless of whether the residence of such public school pupils or the principal offices of such public school system, public school or public school board is situated in the northern, eastern, western, or southern part of the United States.

ADDITIONAL PRIORITY OF REMEDIES

20 USC 1755.

SEC. 256. Notwithstanding any other provision of law, after June 30, 1974 no court of the United States shall order the implementation of any plan to remedy a finding of de jure segregation which involves the transportation of students, unless the court first finds that all alternative remedies are inadequate.

REMEDIES WITH RESPECT TO SCHOOL DISTRICT LINES

20 USC 1756.

SEC. 257. In the formulation of remedies under this title the lines drawn by a State subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn, or maintained or crossed for the purpose, and had the effect of segregating children among public schools on the basis of race, color, sex, or national origin, or where it is established that, as a result of discriminatory actions within the school districts, the lines have had the effect of segregating children among public schools on the basis of race, color, sex, or national origin.

PROHIBITION OF FORCED BUSING DURING SCHOOL YEAR

20 USC 1757.

SEC. 258. (a) The Congress finds that—

(1) the forced transportation of elementary and secondary school students in implementation of the constitutional requirement for the desegregation of such schools is controversial and difficult under the best planning and administration; and

(2) the forced transportation of elementary and secondary school students after the commencement of an academic school year is educationally unsound and administratively inefficient.

(b) Notwithstanding any other provisions of law, no order of a court, department, or agency of the United States, requiring the transportation of any student incident to the transfer of that student from one elementary or secondary school to another such school in a local educational agency pursuant to a plan requiring such transportation for the racial desegregation of any school in that agency, shall be effective until the beginning of an academic school year.

(c) For the purpose of this section, the term "academic school year" means, pursuant to regulations promulgated by the Commissioner, the customary beginning of classes for the school year at an elementary or secondary school of a local educational agency for a school year that occurs not more often than once in any twelve-month period.

(d) The provisions of this section apply to any order which was not implemented at the beginning of the 1974-1975 academic year.

"Academic school year."

REASONABLE TIME FOR DEVELOPING VOLUNTARY PLAN FOR DESEGREGATING SCHOOLS

SEC. 259. Notwithstanding any other law or provision of law, no court or officer of the United States shall enter, as a remedy for a denial of equal educational opportunity or a denial of equal protection of the laws, any order for enforcement of a plan of desegregation or modification of a court-approved plan, until such time as the local educational agency to be affected by such order has been provided notice of the details of the violation and given a reasonable opportunity to develop a voluntary remedial plan. Such time shall permit the local educational agency sufficient opportunity for community participation in the development of a remedial plan.

20 USC 1758.

TITLE III—FEDERAL IMPACT AID PROGRAMS

DURATION OF PAYMENTS UNDER PUBLIC LAW 815, EIGHTY-FIRST CONGRESS

SEC. 301. (a) (1) The first sentence of section 3 of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1978".

20 USC 633.

(2) Section 15(15) of such Act is amended by striking out "1968-1969" and inserting in lieu thereof "1973-1974".

20 USC 645.

(b) Section 16(a) of such Act is amended in clause (1) (A) thereof, by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1978".

20 USC 646.

(c) The amendments made by this section shall be effective on and after July 1, 1973.

Effective date.
20 USC 633
note.

AMENDMENTS TO PUBLIC LAW 815, EIGHTY-FIRST CONGRESS

SEC. 302. (a) (1) Section 5(a) (1) of such Act of September 23, 1950 (Public Law 815, Eighty-first Congress) is amended by striking out "(A) who so resided with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district), or (B) who had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949),".

20 USC 635.

37 USC 101.

20 USC 635.

(2) Section 5(a)(2) of such Act is amended by striking out “residing on Federal property, or (B)” and by redesignating clause (C) as clause (B).

20 USC 646.

(b) Section 16(a) of such Act is amended by inserting before the last sentence thereof the following new sentence: “For the purpose of the preceding sentence, the phrase ‘cost of construction incident to the restoration or replacement of the school facilities’ includes such additional amounts as the Commissioner may approve in order to assure that the facilities, as restored or replaced, will afford appropriate protection against personal injuries resulting from a disaster.”.

DURATION OF PAYMENTS UNDER TITLE I OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS EXCEPT SECTION 3 THEREOF

20 USC 237.

SEC. 303. (a)(1) Section 2(a) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out “July 1, 1973” and inserting in lieu thereof “July 1, 1978”.

20 USC 239.

(2) Section 4(a) of such Act is amended, in that part thereof which precedes clause (1), by striking out “July 1, 1973” and inserting in lieu thereof “July 1, 1978”.

20 USC 241-1.

(3) Section 7(a) of such Act is amended—

(A) in clause (1)(A), by striking out “July 1, 1973,” and inserting in lieu thereof “July 1, 1978,”; and

(B) in clause (1)(B), by inserting after “seriously damaged” the following: “prior to July 1, 1978”.

Effective date.
20 USC 237
note.

(b) The amendments made by this section shall be effective on and after July 1, 1973.

AMENDMENTS TO PUBLIC LAW 874, EIGHTY-FIRST CONGRESS FOR FISCAL YEAR 1975

20 USC 238.

SEC. 304. (a)(1) Section 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) is amended by striking out “July 1, 1973” and inserting in lieu thereof “July 1, 1975”.

Effective date.
20 USC 238
note.

(2) The amendments made by this subsection shall be effective on and after July 1, 1973.

(b)(1) Section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new subsection:

20 USC 236.

“(f) Notwithstanding any other provision of title I of this Act (including the provisions of section 5(c)), a local educational agency with respect to which the number of children determined for any fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, shall receive an amount equal to 100 per centum of the amounts to which such agency would be otherwise entitled under subsection (a) of this section.”.

Effective date.
20 USC 238
note.
20 USC 240.

(2) The amendment made by this subsection shall be effective on and after July 1, 1974.

(c)(1) Section 5(d)(2) of such Act is amended by striking out “No” and inserting in lieu thereof “Except as provided in paragraph (3), no”.

(2) Section 5(d) of such Act is further amended by adding at the end thereof the following new paragraph:

“(3)(A) Notwithstanding paragraph (2) of this subsection, if a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State,

payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

“(i) financial resources available to local educational agencies in that State; and

“(ii) financial need of such agencies for the provision of free public education for children served by such agency, provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

Whenever a State educational agency or local educational agency will be adversely affected by any decision of the Commissioner pursuant to this subsection, such agency shall be afforded notice and an opportunity for a hearing prior to the implementation of such decision.

Notice and hearing.

“(B) The terms ‘State aid’ and ‘equalize expenditures’ as used in this subsection shall be defined by the Commissioner by regulation after consultation with State and local educational agencies affected provided that, the term ‘equalize expenditures’ shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.”

Definitions.

(3) The amendments made by this subsection shall be effective for fiscal year 1975 only.

Effective date.
20 USC 240
note.
20 USC 244.

(d)(1) Section 403(1) of such Act is amended by adding at the end thereof the following: “Real property which qualifies as Federal property under clause (A) of this paragraph shall not lose such qualification because it is used for a low-rent housing project.”

(2) Clause (A) of section 5(c)(1) of such Act is amended by inserting after “Economic Opportunity Act of 1964” the following: “(other than any such property which is Federal property described in section 403(1)(A)).”

20 USC 240.

AMENDMENTS TO SECTIONS 3, 5, AND 7 OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

SEC. 305. (a) (1) Section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended to read as follows:

20 USC 238.

“CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

“Children of Persons Who Reside and Work on Federal Property

“SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and—

“(1) did so with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency; or

20 USC 244.

“(2) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code). In making a determination under clause (2) of the preceding sentence with respect to a local educational agency for any fiscal year, the Commissioner shall include the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who, while in attendance at such schools, resided on Indian lands, as described in clause (A) of section 403(1).

“Children of Persons Who Reside or Work on Federal Property

“(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1978, the Commissioner shall, in addition to any determination made with respect to such agency under subsection (a), determine the number of children (other than children with respect to whom a determination is made for such fiscal year under subsection (a)) who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either—

“(1) resided on Federal property, or

“(2) resided with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency, or

“(3) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code). For such purpose, with respect to a local educational agency, in the case of any fiscal year ending prior to July 1, 1978, the Commissioner shall also determine the number of children (other than children to whom subsection (a) or the preceding sentence applies) who were in average daily attendance at the schools of such agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the beginning of the fiscal year for which the determination is made, a refugee who meets the requirements of clauses (A) and (B) of section 2(b)(3) of the Migration and Refugee Assistance Act of 1962, except that the Commissioner shall not include in his determination under this sentence for any fiscal year any child with respect to whose education a payment was made under section 2(b)(4) of such Act.

22 USC 2601.

“Eligibility for Payments

“(c) (1) Except as is provided in paragraph (2), no local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under subsection (a) and subsection (b), unless the number of children so determined with respect to such agency amounts to—

“(A) at least four hundred such children; or

“(B) a number of such children which equals at least 3 per centum of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education;

whichever is the lesser.

“(2) (A) (i) Clause (B) of paragraph (1) shall not operate to make any local educational agency eligible for a payment under this section for any fiscal year unless the number of children with respect to whom determination was made under subsections (a) and (b) respecting such agency for that fiscal year is at least ten.

“(ii) If a local educational agency is eligible for a payment for any fiscal year by the operation of clause (B) of paragraph (1), it shall continue to be so eligible for the two succeeding fiscal years even if such agency fails to meet the requirement of such clause (B) during such succeeding fiscal years, except that the number of children determined for the second such succeeding fiscal year with respect to such agency for the purpose of any clause in paragraph (1) of subsection (d) shall not exceed 50 per centum of the number of children determined with respect to such agency for the purpose of that clause for the last fiscal year during which such agency was so eligible.

“(iii) If the Commissioner determines with respect to any local educational agency for any fiscal year that—

Waiver.

“(I) such agency does not meet the requirement of clause (B) of paragraph (1); and

“(II) the application of such requirement, because of exceptional circumstances, would defeat the purposes of this title; the Commissioner is authorized to waive such requirement with respect to such agency.

“(B) No local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children so determined constitutes at least 20 per centum of the total number of children who were in average daily attendance at the schools of such agency and for whom such agency, during such fiscal year, provided free public education.

“Amount of Payments

“(d) (1) Except as is provided in paragraph (2), the amount to which a local educational agency shall be entitled under this section for any fiscal year shall be—

“(A) in the case of any local educational agency with respect to which the number of children determined for such fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, an amount equal to 100 per centum of the local contribution rate multiplied by the number of children determined under such subsection plus the sum of the products obtained with respect to such agency under clauses (B) (iii), (B) (iv), and (B) (v); and

“(B) in any other case, an amount equal to the sum of—

“(i) the product obtained by multiplying 100 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2) of subsection (a),

“(ii) the product obtained by multiplying 90 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (1) of subsection (a),

“(iii) the product obtained by multiplying 50 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (3) of subsection (b).

“(iv) the product obtained by multiplying 45 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clauses (1) and (2) (A) of subsection (b), and

“(v) the product obtained by multiplying 40 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2) (B) of subsection (b).

“(2) (A) Not later than December 1 during each fiscal year beginning after June 30, 1977, the Commissioner shall, except as is provided in clause (iii) in the third sentence of this subparagraph, determine the total number of children with respect to whom determinations are made under subsection (b) for all local educational agencies making application for payments under this section which meet the eligibility requirements set forth in subsection (c). The Commissioner shall determine the percentage which such number constitutes of the total number of children who were in average daily attendance at the schools of such agencies during such fiscal year and for whom such agencies provided free public education. In calculating the products under clauses (B) (iii), (B) (iv), and (B) (v) of paragraph (1), with respect to any local educational agency for any fiscal year, the Commissioner shall reduce the number of children with respect to whom a determination is made under subsection (b) by a number equal to one-half of the number which the percentage determined under the preceding sentence constitutes of the total number of children with respect to whom such a determination is made and who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, except that—

“(i) such percentage shall not exceed 4 per centum;

“(ii) the number reduced shall not exceed three hundred; and

“(iii) this subparagraph shall not apply to any local educational agency (I) with respect to which the number of children determined under subsection (b) for any fiscal year amounts to at least 10 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, or (II) during any fiscal year in which such agency receives more than 25 per centum of the funds for its current expenditures from payments under this section.

In determining the total number of children who were in average daily attendance at the schools of an agency during any fiscal year under clause (iii) (I) in the preceding sentence, the number of children in such schools with respect to whom a determination is made under subsection (a) for such year shall not be considered.

“(B) If the Commissioner determines that—

“(i) the amount computed under paragraph (1), as is otherwise provided in this subsection with respect to any local educational agency for any fiscal year, together with the funds available to such agency from State and local sources and from other sections of this title, is less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which are generally comparable to the school district of such agency;

“(ii) such agency is making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

“(iii) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education were, during such fiscal year, determined under either subsection (a) or clause (1) of subsection (b), or both; and

“(iv) the eligibility of such agency under State law for State aid with respect to free public education of children residing on Federal property, and the amount of such aid, are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Commissioner is authorized, to increase the amount computed under paragraph (1) with respect to such agency for such fiscal year to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts. The Commissioner shall not, under the preceding sentence, increase the amount computed under paragraph (1) with respect to any local educational agency for any fiscal year to an amount which exceeds the product of—

“(I) the amount the Commissioner determines to be the cost per pupil of providing a level of education maintained in such comparable school districts during such fiscal year, multiplied by—

“(II) the number of children determined with respect to such agency for such year under either subsection (a) or clause (1) of subsection (b), or both, minus the amount of State aid which the Commissioner determines to be available with respect to such children for the fiscal year for which the computation is being made.

“(C)(i) The amount of the entitlement of any local educational agency under this section for any fiscal year with respect to handicapped children and children with specific learning disabilities for whom a determination is made under subsection (a)(2) or (b)(3) and for whom such local educational agency is providing a program designed to meet the special educational and related needs of such children shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 150 per centum.

Special education programs, entitlement.

“(ii) For the purposes of division (i), programs designed to meet the special educational and related needs of such children shall be consistent with criteria established under division (iii).

“(iii) The Commissioner shall by regulation establish criteria for assuring that programs (including preschool programs) provided by local educational agencies for children with respect to whom this subparagraph applies are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and in the implementation of such regulations the Commissioner shall consult with persons in charge of special education programs for handicapped children in the educational agency of the State in which such local educational agency is located.

Criteria.

“(iv) For the purpose of this subparagraph the term ‘handicapped children’ has the same meaning as specified in section 602(1) of the Education of the Handicapped Act and the term ‘children with specific learning disabilities’ has the same meaning as specified in section 602(15) of such Act.

Definitions.

20 USC 1401.

Local contribution rate.

Formula.

"(3) (A) Except as is provided in subparagraph (B), in order to compute the local contribution rate for a local educational agency for any fiscal year, the Commissioner, after consulting with the State educational agency of the State in which the local educational agency is located and with the local educational agency, shall determine which school districts within such State are generally comparable to the school district of the local educational agency for which the computation is being made. The local contribution rate for such agency shall be the quotient of—

"(i) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, which the local educational agencies of such comparable school districts derived from local sources, divided by—

"(ii) the aggregate number of children in average daily attendance for whom such agency provided free public education during such second preceding fiscal year.

"(B) (i) The local contribution rate for a local educational agency in any State shall not be less than—

"(I) 50 per centum of the average per pupil expenditure in such State, or

"(II) 50 per centum of such expenditures in all the States, whichever is greater, except that clause (II) shall not operate in such a manner as to make the local contribution rate for any local educational agency in any State exceed an amount equal to the average per pupil expenditure in such State.

"(ii) If the current expenditures in those school districts which the Commissioner has determined to be generally comparable to the school district of the local educational agency for which a computation is made under subparagraph (A) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of such agency, a level of education equivalent to that maintained in such other school districts, the Commissioner is authorized to increase the local contribution rate for such agency by such an amount which he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors.

"(iii) The local contribution rate for any local educational agency in—

"(I) Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or

"(II) any State in which a substantial proportion of the land is in unorganized territory, or

"(III) any State in which there is only one local education agency.

shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will best achieve the purposes of this section and which are consistent with the policies and principles provided in this paragraph for determining local contribution rates in States where it is possible to determine generally comparable school districts.

Definitions.

"(C) For the purposes of this paragraph—

"(i) the term 'State' does not include Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands; and

"(ii) the 'average per pupil expenditure' in a State shall be (I) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made of all local educational agencies in the State, divided by (II) the

aggregate number of children in average daily attendance for whom such agencies provide free public education during such second preceding fiscal year.

“Adjustments for Decreases in Federal Activities

“(e) Whenever the Commissioner determines that—

“(1) for any fiscal year, the number of children determined with respect to any local educational agency under subsections (a) and (b) is less than 90 per centum of the number so determined with respect to such agency during the preceding fiscal year;

“(2) there has been a decrease or cessation of Federal activities within the State in which such agency is located; and

“(3) such decrease or cessation has resulted in a substantial decrease in the number of children determined under subsections (a) and (b) with respect to such agency for such fiscal year; the amount to which such agency is entitled for such fiscal year and for any of the three succeeding fiscal years shall not be less than 90 per centum of the amount to which such agency was so entitled for the preceding fiscal year. That part of any entitlement of any local educational agency which is in excess of the amount which such entitlement would be without the operation of the preceding sentence shall be deemed to be attributable to determinations of children with respect to such agency under subsection (b) (2) (A).

“Determinations on the Basis of Estimates

“(f) Determinations with respect to a number of children by the Commissioner under this section for any fiscal year shall be made, whenever actual satisfactory data are not available, on the basis of estimates. No such determination shall operate, because of an underestimate, to deprive any local educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.”

(2) Section 5 of such Act is amended to read as follows:

20 USC 240.

“PAYMENTS

“Applications

“SEC. 5. (a) (1) Any local educational agency desiring to receive the payments to which it is entitled for any fiscal year under sections 2, 3, or 4 shall submit an application therefor through the State educational agency of the State in which such agency is located to the Commissioner. Such applications shall be submitted at such time, in such form, and containing such information as the Commissioner may reasonably require to enable him to carry out his functions under this title and shall give adequate assurance that the applicant will submit such reports as the Commissioner may reasonably require to determine whether such agency is entitled to a payment under any of such sections and the amount of such payment.

20 USC 237.
Ante, p. 523.
20 USC 239.

Reports.

“(2) (A) Applications submitted under paragraph (1) for payments on the basis of children determined under section 3(a) or 3(b) who reside, or reside with a parent employed, on Indian lands shall set forth adequate assurance that Indian children will participate on an equitable basis in the school program of the local educational agency.

"Indian lands."

20 USC 244.

"(B) For the purposes of this paragraph, the term 'Indian lands' means that property included within the definition of Federal property under clause (A) of section 403(1).

"Payments by the Commissioner

20 USC 237.
Ante, p. 523.
20 USC 239.

"(b) The Commissioner shall pay to each local educational agency, making application pursuant to subsection (a), the amount to which it is entitled under sections 2, 3, or 4. Sums appropriated, for any fiscal year, to enable the Commissioner to make payments pursuant to this title shall, notwithstanding any other provision of law unless enacted in express limitation of this subsection, remain available for obligation and payments with respect to amounts due local educational agencies under this title for such fiscal year, until the end of the fiscal year succeeding the fiscal year for which such sums are appropriated.

"Adjustments Where Necessitated by Appropriations

"(c) If the sums appropriated for any fiscal year for making payments on the basis of entitlements established under sections 2, 3, and 4 for that year are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies are entitled to receive under such sections for such year, the Commissioner shall allocate such sums among local educational agencies and make payments to such agencies as follows:

"(1) He shall first allocate to each local educational agency which is entitled to a payment under section 2 and section 3 an amount equal to 25 per centum of the amount to which it is entitled as computed under section 2 or section 3(d), as the case may be, for such fiscal year.

"(2) From that part of such sums which remains after the allocation required by paragraph (1) for any fiscal year, he shall allocate an additional amount—

"(A) to each local educational agency described in clause (A) of section 3(d)(1) which equals 75 per centum of the amount to which such agency is entitled, as computed under section 3(d) with respect to a determination of a number of children under section 3(a), for such fiscal year;

"(B) to each local educational agency with respect to which a number of children is determined under clause (2) of section 3(a) which equals 65 per centum of the amount to which such agency is entitled on the basis of determining such children as computed under section 3(d), for such fiscal year;

"(C) to each local educational agency with respect to which a number of children is determined under clause (1) of section 3(a) which equals 63 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

"(D) to each local educational agency with respect to which a number of children is determined under clause (3) of section 3(b) which equals 35 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

"(E) to each local educational agency with respect to which a number of children is determined under clause (1) and clause (2)(A) of section 3(b) which equals 32 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d) for such fiscal year;

“(F) to each local educational agency with respect to which a number of children is determined under clause (2) (B) of section 3(b) which equals 28 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year; and

“(G) to each local educational agency with respect to the amount to which such agency is entitled under section 2 which equals 35 per centum of the amount to which such agency is entitled on the basis of computations made under section 2 for such fiscal year.

“(3) Any sums remaining after allocations are made pursuant to paragraph (2) for any fiscal year shall be allocated by the Commissioner among local educational agencies which have unsatisfied entitlements established under sections 2, 3, and 4 in proportion to the degree to which such entitlements are unsatisfied for that fiscal year, after allocations are made pursuant to paragraphs (1) and (2).

20 USC 237.
Ante, p. 523.
20 USC 239.

No allocation may be made pursuant to paragraph (2) or (3) and no payment may be paid on the basis of any such allocation unless allocations are made pursuant to paragraph (1) and payments are made on the basis of such allocations. No allocation may be made pursuant to any clause of paragraph (2) and no payment may be made on the basis of any such allocation unless allocations are made pursuant to all of the clauses of such paragraph and payments are made on the basis of such allocations.

Restrictions.

“Treatment of Payments by the States in Determining Eligibility for, and the Amount of, State Aid

“(d) (1) Except as provided in paragraph (2), no payments may be made under this title for any fiscal year to any local educational agency in any State (A) if that State has taken into consideration payments under this title in determining—

“(i) the eligibility of any local educational agency in that State for State aid for free public education of children; or

“(ii) the amount of such aid with respect to any such agency; during that fiscal year or the preceding fiscal year, or (B) if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such agency would receive if such agency were not so eligible.

“(2) (A) Notwithstanding paragraph (1) of this subsection, if a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

“(i) financial resources available to local educational agencies in that State; and

“(ii) financial need of such agencies for the provision of free public education for children served by such agency, provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

Whenever a State educational agency or local educational agency will be adversely affected by the operation of this subsection, such agency

Notice and
hearing opportu-
nity.
Definitions.

shall be afforded notice and an opportunity for a hearing prior to the reduction or termination of payments pursuant to this subsection.

“(B) The terms ‘State aid’ and ‘equalize expenditures’ as used in this subsection shall be defined by the Commissioner by regulation, after consultation with State and local educational agencies affected by this subsection, provided that the term ‘equalize expenditures’ shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.

20 USC 244.

“Limitations on Payments with Respect to Children on, or Residing with a Parent Employed on, Federal Property Described in Section 403(1)(C)

Ante, p. 523.

“(e) (1) The Commissioner shall determine that part of the entitlement of each local educational agency, for each fiscal year ending prior to July 1, 1978, which is attributable to determinations under subsections (a) and (b) of section 3 of the number of children who resided on, or resided with a parent employed on, property which is described in section 403(1)(C).

“(2) No allocation or payment shall be made under paragraph (2) of subsection (c) with respect to that part of any entitlement of any local educational agency which is determined with respect to such agency for such year under paragraph (1). The limitation in this paragraph shall not operate under the last two sentences of subsection (c) to prevent allocations and payments under such paragraph (2).

“(3) The amount of the payment to any local educational agency which is determined with respect to such agency under paragraph (1) shall be used for special programs and projects designed to meet the special educational needs of educationally deprived children from low income families.

“Use of Funds Paid with Respect to Entitlements Increased Under Section 3(d)(2)(C)

20 USC 241-1.

“(f) The amount of the payment to any local educational agency for any fiscal year which is attributable to a determination of children for increased payments under subparagraph (C) of section 3(d)(2) shall be used by such agency for special educational programs designed to meet the special educational needs of children with respect to whom such determination is made.”

(3) Section 7(c) of such Act is amended by striking out the second sentence thereof and inserting in lieu thereof the following: “Pending such appropriation, the Commissioner is authorized to expend (without regard for subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds appropriated to the Office of Education and at that time available to the Commissioner, such sums as may be necessary for providing immediate assistance under this section. Expenditures pursuant to the preceding sentence shall—

Report to con-
gressional com-
mittees.

“(1) be reported by the Commissioner to the Committees on Appropriations and Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate within thirty days of the expenditure;

“(2) be reimbursed from the appropriations authorized by the first sentence of this subsection.

The report required to the Committees on Appropriations by clause (1) in the preceding sentence shall constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).”

Budget estimate.

The amendments made by paragraphs (1) and (2) of subsection (a) shall be effective on and with respect to appropriations for fiscal years beginning on and after July 1, 1975, and the amendments made by paragraph (3) of subsection (a) shall be effective upon enactment of this Act.

Effective date.
20 USC 238
note.

(2)(A)(i) Notwithstanding any other provision of law unless enacted in express limitation of this subparagraph—

20 USC 238
note.

(I) in the case of any local educational agency which is entitled to a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) for the fiscal year ending June 30, 1973, which constituted an amount equal to not less than 10 per centum of the current expenditures of such agency for such fiscal year, the amount paid to such agency pursuant to such Act of September 30, 1950, for any fiscal year beginning after June 30, 1974, and ending prior to July 1, 1978, on the basis of the entitlement of that agency under such section 3, shall not be less than 90 per centum of the amount paid to such agency on the basis of such entitlement for the preceding fiscal year; and

Ante, p. 523.

(II) in the case of any other local educational agency, the amount so paid during any fiscal year beginning after June 30, 1974, and ending prior to July 1, 1978, shall not be less than 80 per centum of the amount so paid for the preceding fiscal year.

20 USC 236.

In the case of any local educational agency which is eligible prior to July 1, 1975, for a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) by reason of the 3 per centum requirement in clause (B) of section 3(c)(2) of such Act, as in effect prior to the effective date of the amendment made by paragraph (1) of subsection (a), but which fails to meet such requirement in any fiscal year ending prior to July 1, 1977, such agency shall continue to be eligible for a payment under such section 3 as then in effect for the two succeeding fiscal years, but the payment under such section during the second of such succeeding fiscal years shall not exceed 50 per centum of the amount of the payment such agency was entitled to receive during the most recent fiscal year in which it was so eligible by reason of such clause (B).

(ii) Funds appropriated for any fiscal year for making payments to local educational agencies pursuant to the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), which are increased by reason of the provisions of division (i) shall, to the extent of any such increase, be separate from funds appropriated for such fiscal year for payments pursuant to title I of such Act which are not so increased. If, for any fiscal year, a law making appropriations for payments pursuant to such title I is enacted and such law makes no express provision for payments increased by division (i)—

(I) all funds so appropriated shall be allocated and paid in accordance with section 5 of such Act of September 30, 1950, and without regard for the provisions of division (i); and

Ante, p. 529.

(II) not later than fifteen days after the enactment of such law, the Commissioner shall submit a report to the Committees on Appropriations and on Education and Labor of the House of Representatives and the Committees on Appropriations and

Report to congressional committees.

Labor and Public Welfare of the Senate, which report shall contain a statement detailing the dollar amounts necessary to satisfy the requirements of division (i) and constitute a budget estimate within the meaning of section 201(a) (5) of the Act of June 10, 1921 (31 U.S.C. 11(a) (5)).

Decreased enrollment.

Ante, p. 523.

(B) In the case of any local educational agency which experiences a decrease in the number of children determined by the Commissioner of Education under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) of 10 per centum or more of such number—

(i) during the fiscal year ending June 30, 1974, or the fiscal year ending June 30, 1975; or

(ii) during the period beginning July 1, 1973, and ending June 30, 1975;

Effective date.

as the result of a decrease in, or cessation of, Federal activities affecting military installations in the United States announced after April 16, 1973, the amount of the payment to which such agency shall be entitled under title I of such Act, as computed under section 3 of such Act, for any fiscal year ending prior to July 1, 1978, shall not be less than 90 per centum of the amount to which the agency was so entitled during the preceding fiscal year. The provisions of this subparagraph shall be effective on and after July 1, 1974, and with respect to appropriations for the fiscal year ending June 30, 1975, and succeeding fiscal years, and such provisions shall be deemed to have been enacted before the beginning of the fiscal year ending June 30, 1975. Nothing in this subparagraph shall be construed to decrease the amount of the payment to which any local educational agency is entitled for any fiscal year on the basis of entitlements created under section 3 of such Act of September 30, 1950.

(C) During the first fiscal year in which the amendments made by subsection (a) are effective and each of the succeeding fiscal years ending prior to July 1, 1978, the Commissioner shall determine with respect to each local educational agency in any State the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent employed on Federal property in a State or in a county other than the State or county, as the case may be, in which the school district of such agency is located but which is situated within a reasonable commuting distance from the school district of such agency. If the number of children determined under the preceding sentence is equal to at least 10 per centum of the total number of children determined with respect to such agency for such fiscal year under section 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), the amount to which such agency shall be entitled with respect to a number of children determined under such section 3(b) for such fiscal year, shall not be less than 90 per centum of the amount which such agency received with respect to the number of children so determined during the preceding fiscal year, as computed under section 3 of such Act.

(D) (i) The Commissioner shall determine for each fiscal year beginning after June 30, 1975, and ending prior to July 1, 1978, the amount which each local educational agency would be paid for that fiscal year under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) if the amount appropriated had been allocated as provided in section 5(c) of such Act without regard for entitlements (or portions thereof) which are attributable to determinations under subsections (a) and (b) of such section of the number

Ante, p. 529.

of children who resided on, or resided with a parent employed on, property which is part of a low-rent housing project described in section 403(1)(C). The Commissioner shall then determine the amount which each local educational agency is to be paid for that fiscal year under such section 3 and allocated in accordance with such section 5(c). If the amount determined with respect to any local educational agency under the first sentence of this division is greater than the amount determined with respect to the second sentence of this division, the Commissioner shall pay to that agency an amount equal to the difference between the amounts so determined.

20 USC 244.

(ii) Funds appropriated for any fiscal year for making payments pursuant to the third sentence of division (i) shall be separate from funds appropriated for such fiscal year for making payments pursuant to section 5 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress). If, for any fiscal year, a law making appropriations for payments pursuant to such section 5 is enacted, and such law makes no express provision for payments pursuant to such third sentence—

Ante, p. 529.

(I) all funds so appropriated shall be allocated and paid in accordance with such section 5, without regard for such third sentence; and

(II) not later than fifteen days after the enactment of such law, the Commissioner shall submit a report to the Committees on Appropriations and on Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate, which report shall contain a statement detailing the dollar amounts necessary to make the payments required under such third sentence and shall, with respect to such dollar amounts, constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).

Report to congressional committees.

TITLE IV—CONSOLIDATION OF CERTAIN EDUCATION PROGRAMS

CONSOLIDATION OF LIBRARY AND LEARNING RESOURCES, EDUCATIONAL INNOVATION, AND SUPPORT PROGRAMS

SEC. 401. Title IV of the Elementary and Secondary Education Act of 1965, is amended to read as follows:

20 USC 331.

“TITLE IV—LIBRARIES, LEARNING RESOURCES, EDUCATIONAL INNOVATION, AND SUPPORT

“PART A—GENERAL PROVISIONS

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 401. (a) (1) Subject to the provisions of paragraph (2), there is authorized to be appropriated the sum of \$395,000,000 for obligation by the Commissioner during the fiscal year ending June 30, 1976, and such sums as may be necessary for obligation by the Commissioner during each of the two succeeding fiscal years, for the purpose of making grants under part B (Libraries and Learning Resources) of this title.

20 USC 1801.

“(2) No funds are authorized to be appropriated under this subsection for obligation by the Commissioner during any fiscal year unless—

“(A) (i) aggregate amount which would be appropriated under this subsection is at least equal to the aggregate amount appropriated for obligation by the Commissioner during the preceding fiscal year in which part B was in effect, or

“(ii) in the case of appropriations under this subsection for the first fiscal year in which part B is effective, such amount is at least equal to the aggregate amount appropriated for obligation by the Commissioner for the fiscal year ending June 30, 1974, or for the preceding fiscal year, whichever is higher, under title II and so much of title III as relates to testing, guidance, and counseling of this Act, and under title III (except for section 305) of the National Defense Education Act of 1958, and

“(B) the sums appropriated pursuant to this subsection are included in an Act making appropriations for the fiscal year prior to the fiscal year in which such sums will be obligated, and are made available for expenditure prior to the beginning of such fiscal year.

“(b) (1) Subject to the provisions of paragraph (2), there is authorized to be appropriated the sum of \$350,000,000 for obligation by the Commissioner during the fiscal year ending June 30, 1976, and such sums as may be necessary for obligation by the Commissioner during each of the two succeeding fiscal years, for the purpose of making grants under part C (Educational Innovation and Support) of this title.

“(2) No funds are authorized to be appropriated under this subsection for obligation by the Commissioner during any fiscal year unless—

“(A) (i) the aggregate amount which would be appropriated under this subsection is at least equal to the aggregate amount appropriated for obligation by the Commissioner during the preceding fiscal year in which part C was in effect, or

“(ii) in the case of appropriations under this subsection for the first fiscal year in which part C is effective, such amount is at least equal to the aggregate amount appropriated for obligation by the Commissioner for fiscal year ending June 30, 1974, or for the preceding fiscal year, whichever is higher, under title III (except for programs of testing, guidance, and counseling), title V, and sections 807 and 808 of this Act, and

“(B) the sums appropriated pursuant to this subsection are included in an Act making appropriations for the fiscal year prior to the fiscal year in which such sums will be obligated, and are made available for expenditure prior to the beginning of such fiscal year.

“(c) (1) In the first fiscal year in which appropriations are made pursuant to part B, 50 per centum of the funds so appropriated shall be available to the States to carry out part B of this title. The remainder of such funds shall be available to the States and shall be allotted to the States, or to the Commissioner, as the case may be, in such year, pursuant to title II and so much of title III as relates to testing, guidance, and counseling under this Act, and under title III (except for section 305) of the National Defense Education Act of 1958, for each such program in an amount which bears the same ratio to such remainder as the amount appropriated for each such program for the fiscal year ending June 30, 1974, or for the fiscal year preceding the fiscal year for which the determination is made, whichever is higher, bears to the aggregate of such appropriated amounts. The amounts made available under the second sentence of this paragraph shall be subject to the provisions of law governing each such program.

20 USC 821,
841,
20 USC 441.

20 USC 841,
861, 887, 887a.

“(2) In the first fiscal year in which appropriations are made pursuant to part C, 50 per centum of the funds so appropriated shall be available to carry out part C of this title. The remainder of such funds shall be available to the States and shall be allotted to the States, or to the Commissioner, as the case may be, in such year, pursuant to title III (except for programs of testing, guidance, and counseling), title V, and sections 807 and 808 of this Act, for each such program in an amount which bears the same ratio to such remainder as the amount appropriated for each such program for the fiscal year ending June 30, 1974, or for the fiscal year preceding the fiscal year for which the determination is made, whichever is higher, bears to the aggregate of such appropriated amounts. The amount made available under the second sentence of this paragraph shall be subject to the provisions of law governing each such program.

Post, p. 543.

20 USC 841,
861, 887, 887a.

“ALLOTMENT TO THE STATES

“SEC. 402. (a) (1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph amounts equal to not more than 1 per centum of each of the amounts appropriated for such year under subsections (a) or (b), or both, of section 401. The Commissioner shall allot each of the amounts appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under part B or part C, or both, of this title. In addition, for each fiscal year he shall allot from each of such amounts to (A) the Secretary of the Interior the amounts necessary for the programs authorized by each such part for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amounts necessary for the programs authorized by each such part for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payment for such purposes shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

Appropriation.
20 USC 1802.

Ante, p. 535.

Post, pp. 542,
543.

“(2) From the amounts appropriated to carry out part B or part C, or both, of this title for any fiscal year pursuant to subsections (a) and (b) of section 401, the Commissioner shall allot to each State from each such amount an amount which bears the same ratio to such amount as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States. For the purposes of this subsection, the term ‘State’ shall not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. The number of children aged five to seventeen, inclusive, in a State and in all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

“State.”

“(b) The amount of any State’s allotment under subsection (a) for any fiscal year to carry out part B or C which the Commissioner determines will not be required for such fiscal year to carry out such part shall be available for reallocation from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallocated among the States

Reallocation.

whose proportionate amounts were not so reduced. Any amounts reallocated to a State under this subsection during a year from funds appropriated pursuant to section 401 shall be deemed a part of its allotment under subsection (a) for such year.

Ante, p. 535.

"STATE PLANS

Advisory council.
Establishment.
20 USC 1803.

"SEC. 403 (a) Any State which desires to receive grants under this title shall establish an advisory council as provided by subsection (b) and shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

"(1) designates the State educational agency as the State agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for the administration of the State plan;

Ante, p. 537.

"(2) sets forth a program under which funds paid to the State from its allotments under section 402 will be expended solely for the programs and purposes authorized by parts B and C of this title, and for administration of the State plan;

Post, p. 542,
543.

"(3) provides assurances that the requirements of section 406 (relating to the participation of pupils and teachers in non-public elementary and secondary schools) will be met, or certifies that such requirements cannot legally be met in such State;

Post, p. 541.

"(4) provides assurances that (A) funds such agency receives from appropriations made under section 401(a) will be distributed among local educational agencies according to the enrollments in public and nonpublic schools within the school districts of such agencies, except that substantial funds will be provided to (i) local educational agencies whose tax effort for education is substantially greater than the State average tax effort for education, but whose per pupil expenditure (excluding payments made under title I of this Act) is no greater than the average per pupil expenditure in the State, and (ii) local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as children from low-income families, children living in sparsely populated areas, and children from families in which English is not the dominant language; and (B) funds such agency receives from appropriations made under section 401(b) will be distributed among local educational agencies on an equitable basis recognizing the competitive nature of the grantmaking except that the State educational agency shall provide assistance in formulating proposals and in operating programs to local educational agencies which are less able to compete due to small size or lack of local financial resources; and the State plan shall set forth the specific criteria the State educational agency has developed and will apply to meet the requirements of this paragraph;

20 USC 236.

"(5) provides that each local educational agency will be given complete discretion (subject to the provisions of section 406) in determining how the funds it receives from appropriations made under section 401(a) will be divided among the various programs described in section 421, except that, in the first year in which appropriations are made pursuant to part B, each local educational agency will be given complete discretion with respect to 50 per centum of the funds appropriated for that part attributable to that local educational agency;

Post, p. 542.

"(6) provides for the adoption of effective procedures (A) for an evaluation by the State advisory council, at least annually, of the effectiveness of the programs and projects assisted under the State plan, (B) for the appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects, and (C) for the adoption, where appropriate, of promising educational practices developed through innovative programs supported under part C;

Program evaluation.

Post, p. 543.

"(7) provides that local educational agencies applying for funds under any program under this title shall be required to submit only one application for such funds for any one fiscal year;

"(8) provides—

"(A) that, of the funds the State receives under section 401 for the first fiscal year for which such funds are available, such agency will use for administration of the State plan not to exceed whichever is greater (i) 5 per centum of the amount so received (\$50,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), excluding any part of such amount used for purposes of section 431(a)(3), or (ii) the amount it received for the fiscal year ending June 30, 1973, for administration of the programs referred to in sections 421(b) and 431(b), and that the remainder of such funds shall be made available to local educational agencies to be used for the purposes of parts B and C, respectively; and that, of the funds the State receives under section 401 for fiscal years thereafter, it will use for administration of the State plan not to exceed whichever is greater (i) 5 per centum of the amount so received (\$50,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), excluding any part of such amount used for purposes of section 431(a)(3), or (ii) \$225,000, and that the remainder of such funds shall be made available to local educational agencies to be used for purposes of parts B and C, respectively,

Ante, p. 535.

Post, p. 543.

Post, p. 542.

Post, p. 542,
543.

"(B) that not less than 15 per centum of the amount received pursuant to section 401(b) in any fiscal year (not including any amount used for purposes of section 431(a)(3)) shall be used for special programs or projects for the education of children with specific learning disabilities and handicapped children, and

"(C) that not more than the greater of (i) 15 per centum of the amount which such State receives pursuant to section 401(b) in any fiscal year, or (ii) the amount available by appropriation to such State in the fiscal year ending June 30, 1973, for purposes covered by section 431(a)(3), shall be used for purposes of section 431(a)(3) (relating to strengthening State and local educational agencies);

"(9) provides assurances that in the case of any project for the repair, remodeling, or construction of facilities, that the facilities shall be accessible to and usable by handicapped persons;

Facilities, accessibility to handicapped persons.

"(10) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year will not be commingled with State funds; and

"(11) gives satisfactory assurance that the aggregate amount to be expended by the State and its local educational agencies from funds derived from non-Federal sources for programs

- Post*, p. 542. described in section 421(a) for a fiscal year will not be less than the amount so expended for the preceding fiscal year.
- “(b) (1) The State advisory council, established pursuant to subsection (a), shall—
- Membership. “(A) be appointed by the State educational agency or as otherwise provided by State law and be broadly representative of the cultural and educational resources of the State (as defined in section 432) and of the public, including persons representative of—
- Post*, p. 544. “(i) public and private elementary and secondary schools,
 “(ii) institutions of higher education, and
 “(iii) fields of professional competence in dealing with children needing special education because of physical or mental handicaps, specific learning disabilities, severe educational disadvantage, and limited English-speaking ability or because they are gifted or talented, and of professional competence in guidance and counseling;
- Duties. “(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, the State plan, including the development of criteria for the distribution of funds and the approval of applications for assistance under this title;
- “ (C) evaluate all programs and projects assisted under this title; and
- Report to Commissioner. “(D) prepare at least annually and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner.
- “(2) Not less than ninety days prior to the beginning of any fiscal year for which funds will be available for carrying out this title, each State shall certify the establishment of, and membership of (including the name of the person designated as Chairman), its State advisory council to the Commissioner.
- Meetings. “(3) Each State advisory council shall meet within thirty days after certification has been accepted by the Commissioner and establish the time, place, and manner of its future meetings, except that such council shall have not less than one public meeting each year at which the public is given an opportunity to express views concerning the administration and operation of this title.
- Personnel. “(4) Each State advisory council shall be authorized to obtain the services of such professional, technical, and clerical personnel, and to contract for such other services as may be necessary to enable them to carry out their functions under this title, and the Commissioner shall assure that funds sufficient for these purposes are made available to each council from funds available for administration of the State plan.
- State plan approval. “(c) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsections (a) and (b) of this section.

“ADMINISTRATION OF STATE PLANS

Notice and hearing opportunity.
 20 USC 1804.

“SEC. 404. The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

"PAYMENTS TO STATES

"SEC. 405. From the amounts allotted to each State under section 402 for carrying out the programs authorized by parts B and C, respectively, the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan (after withholding any amount necessary pursuant to section 406(f)).

20 USC 1805.
Ante, p. 537.
Post, pp. 542,
543.

Infra.

"PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

"SEC. 406. (a) To the extent consistent with the number of children in the school district of a local educational agency (which is a recipient of funds under this title or which serves the area in which a program or project assisted under this title is located) who are enrolled in private nonprofit elementary and secondary schools, such agency, after consultation with the appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral, and nonideological services, materials, and equipment including the repair, minor remodeling, or construction of public school facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this title.

20 USC 1806.

"(b) Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors (pursuant to criteria supplied by the Commissioner) which relate to such expenditures, and when funds available to a local educational agency under this title are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance areas, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

Equal expendi-
tures.

"(c) (1) The control of funds provided under this title and title to materials, equipment, and property repaired, remodeled, or constructed therewith shall be in a public agency for the uses and purposes provided in this title, and a public agency shall administer such funds and property.

Administration.

"(2) The provision of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which in the provision of such services is independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this title shall not be commingled with State or local funds.

"(d) If a State is prohibited by law from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Commissioner may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

Waiver.

“(e) If the Commissioner determines that a State or a local educational agency has substantially failed to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, he shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

“(f) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services from the appropriate allotment of the State under this title.

Notice and
hearing opportu-
nity.

“(g) (1) The Commissioner shall not take any final action under this section until he has afforded the State educational agency and local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

Judicial review.

“(2) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

“(3) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

Jurisdiction.

“(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.”.

“PART B—LIBRARIES AND LEARNING RESOURCES

“PROGRAMS AUTHORIZED

Grants to
States.
20 USC 1821.

“SEC. 421. (a) The Commissioner shall carry out a program for making grants to the States (pursuant to State plans approved under section 403)—

“(1) for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools;

“(2) for the acquisition of instructional equipment (including laboratory and other special equipment, including audio-visual materials and equipment suitable for use in providing education in academic subjects) for use by children and teachers in elementary and secondary schools, and for minor remodeling of laboratory or other space used by such schools for such equipment; and

“(3) for (A) a program of testing students in the elementary and secondary schools, (B) programs of counseling and guidance services for students at the appropriate levels in elementary and

secondary schools designed (i) to advise students of courses of study best suited to their ability, aptitude, and skills, (ii) to advise students with respect to their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (iii) to encourage students to complete their secondary school education, take the necessary courses for admission to postsecondary institutions suitable for their occupational or academic needs, and enter such institutions, and such programs may include short-term sessions for persons engaged in guidance and counseling in elementary and secondary schools, and (C) programs, projects, and leadership activities designed to expand and strengthen counseling and guidance services in elementary and secondary schools.

“(b) It is the purpose of this part to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs authorized by title II and so much of title III as relates to testing, counseling, and guidance, of this Act, and title III (except for section 305 thereof) of the National Defense Education Act of 1958, and funds appropriated to carry out this part must be used only for the same purposes and for the funding of the same types of programs authorized under those provisions.

20 USC 821,
841.
20 USC 441.

“PART C—EDUCATIONAL INNOVATION AND SUPPORT

“PROGRAMS AUTHORIZED

“SEC. 431. (a) The Commissioner shall carry out a program for making grants to the States (pursuant to State plans approved under section 403)—

Grants to
States.
20 USC 1831.
Ante, p. 538.

“(1) for supplementary educational centers and services to stimulate and assist in the provision of vitally needed educational services (including preschool education, special education, compensatory education, vocational education, education of gifted and talented children, and dual enrollment programs) not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school programs (including the remodeling, lease, or construction of necessary facilities) to serve as models for regular school programs;

“(2) for the support of demonstration projects by local educational agencies or private educational organizations designed to improve nutrition and health services in public and private elementary and secondary schools serving areas with high concentrations of children from low-income families and such projects may include payment of the cost of (A) coordinating nutrition and health service resources in the areas to be served by a project, (B) providing supplemental health, mental health, nutritional, and food services to children from low-income families when the resources for such services available to the applicant from other sources are inadequate to meet the needs of such children, (C) nutrition and health programs designed to train professional and other school personnel to provide nutrition and health services in a manner which meets the needs of children from low-income families for such services, and (D) the evaluation of projects assisted with respect to their effectiveness in improving school nutrition and health services for such children;

“(3) for strengthening the leadership resources of State and local educational agencies, and for assisting those agencies in the establishment and improvement of programs to identify and meet educational needs of States and of local school districts; and

“(4) for making arrangements with local educational agencies for the carrying out by such agencies in schools which (A) are located in urban or rural areas, (B) have a high percentage of children from low-income families, and (C) have a high percentage of such children who do not complete their secondary school education, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their secondary school education.

“(b) It is the purpose of this part to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs authorized by title III (except for programs of testing, counseling, and guidance) and title V, and sections 807 and 808 of this Act, and funds appropriated to carry out this part must be used only for the same purposes and for the funding of the same types of programs authorized under those provisions.

20 USC 841,
861, 887, 887a.

“USE OF CULTURAL AND EDUCATIONAL RESOURCES

20 USC 1832.

“Cultural and
educational re-
sources.”

“SEC. 432. Programs or projects supported pursuant to this part (other than those described in section 431(a)(3)) shall involve in the planning and carrying out thereof the participation of persons broadly representative of the cultural and educational resources of the area to be served. The term ‘cultural and educational resources’ includes State educational agencies, local educational agencies, private nonprofit elementary and secondary schools, institutions of higher education, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources.”

CONSOLIDATION OF CERTAIN FEDERALLY OPERATED EDUCATION PROGRAMS

20 USC 331
note.
Special Proj-
ects Act.
20 USC 1851
note.

SEC. 402. (a) (1) The Act of July 26, 1954 (Public Law 531, Eighty-third Congress) is amended by striking out all after the enacting clause and inserting in lieu thereof the following: “That this Act may be cited as the ‘Special Projects Act’.

“PURPOSE

20 USC 1851.

“SEC. 2. It is the purpose of this Act to authorize the Commissioner of Education (hereinafter referred to as the ‘Commissioner’) to carry out special projects—

“(1) to experiment with new educational and administrative methods, techniques, and practices;

“(2) to meet special or unique educational needs or problems; and

“(3) to place special emphasis on national education priorities.

“CONTRACTING AUTHORITY

20 USC 1852.

“SEC. 3. (a) The Commissioner is authorized, during the period beginning July 1, 1975, and ending June 30, 1978, to make contracts with public and private agencies, organizations, associations, institutions, and with individuals in order to carry out the purposes of this Act as set forth in section 2.

“(b) In exercising his authority under this section, the Commissioner shall comply with such priorities and preferences as may be expressly provided by law, with respect to this section.

“APPROPRIATIONS

“SEC. 4. (a) (1) In order to enable the Commissioner to make contracts under section 3, there is authorized, subject to subsection (b), to be appropriated to the Office of Education \$200,000,000 for the fiscal year ending June 30, 1976, and each of the two succeeding fiscal years.

20 USC 1853.

“(2) Sums appropriated pursuant to paragraph (1) shall, notwithstanding any other provisions of law, unless enacted in express limitation of this paragraph, remain available until expended.

“(b) (1) Not later than February 1 of each year, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a plan in accordance with which the Commissioner has determined to expend funds to be appropriated for the succeeding fiscal year. Such plan shall be accompanied by a report describing each contract made during the calendar year preceding that fiscal year under the authority of this Act involving an expenditure in excess of \$100,000.

Expenditure plan and report, submittal to congressional committees.

“(2) (A) The funds appropriated pursuant to subsection (a) for any fiscal year shall be expended in accordance with the plan submitted for that year pursuant to paragraph (1), unless prior to sixty days after the submission of such plan, either the Committee on Education and Labor of the House of Representatives or the Committee on Labor and Public Welfare of the Senate adopts a resolution disapproving such plan.

“(B) If either or both such committees adopts a resolution of disapproval as provided in subparagraph (A), the Commissioner shall, not later than fifteen days after the adoption of any such resolution, submit a new plan in accordance with paragraph (1) and subparagraph (A).”

(2) The title of such Act of July 24, 1954, is amended to read as follows: “An Act to authorize special projects, surveys, and studies by the Office of Education.”

(b) (1) In carrying out his functions under section 3 of the Special Projects Act, the Commissioner shall reserve not less than 50 per centum of the sums appropriated pursuant to section 4 of such Act for the purposes given preference under paragraph (3) of this subsection and apportioned in accordance with paragraph (2) of this subsection. With respect to the funds to which this paragraph applies, the Commissioner's authority under such section 3 shall include authority to make grants as well as contracts.

20 USC 1861.

(2) Except as is otherwise provided with respect to section 409, the Commissioner shall apportion an amount for each of the purposes set forth in paragraph (3) which bears the same ratio to the sums reserved pursuant to paragraph (1) as the amount permitted to be expended for each such purpose bears to the aggregate of the amounts permitted to be expended for all such purposes.

Apportionment of funds, Post, p. 556.

(3) The sums reserved pursuant to paragraph (1) shall be expended for programs otherwise authorized by an applicable statute and described in the following subparagraphs:

Reserved funds.

Education for the Use of the Metric System of Measurement

(A) A program to encourage educational agencies and institutions to prepare students to use the metric system of measurement, as provided in section 403.

Gifted and Talented Children

(B) A program for the education of gifted and talented children through grants to the States for such purpose, as provided in section 404 (except subsection (f) thereof).

Post, p. 547.

Community Schools

(C) A program of grants to local educational agencies to assist them in planning, establishing, expanding, and operating community education programs, as provided in section 405.

Post, p. 549.

Career Education

(D) A program to assess, and to encourage establishment and operation of, career education programs, as provided in section 406.

Post, p. 551.

Consumers' Education

(E) A program of grants and contracts designed to provide consumer education to the public, as provided in section 811 of the Elementary and Secondary Education Act of 1965.

Post, p. 553.

Women's Equity in Education

(F) A program of grants and contracts designed to provide educational equity for women in the United States, as provided in section 408.

Post, p. 554.

Arts in Education Programs

(G) A program of grants and contracts designed to assist and encourage the use of the arts in elementary and secondary school programs as provided in section 409.

(4) No appropriation may be made for any fiscal year for the purposes of section 811 of the Elementary and Secondary Education Act of 1965 or sections 403, 404, 405, 406, 408, and 409 of this Act during which funds are available for the purposes of such sections under the provisions of this subsection.

(c) (1) The amendments made by subsection (a) and the provisions of subsection (b) shall be effective on and after July 1, 1975.

(2) Effective July 1, 1975, title III of the Elementary and Secondary Education Act of 1965 is amended—

(i) by striking out section 305(d);

(ii) by striking out section 306; and

(iii) by striking out section 307(c).

(3) Effective July 1, 1975, section 809 of the Elementary and Secondary Education Act of 1965, is repealed.

20 USC 1851
note.

20 USC 844a
note.

20 USC 841.

20 USC 844a.

20 USC 844b.

20 USC 845.

Repeal.

20 USC 887b
and note.

EDUCATION FOR THE USE OF THE METRIC SYSTEM OF MEASUREMENT

20 USC 1862.

SEC. 403. (a) (1) The Congress finds that—

(A) the metric system of measurement is in general use in industrially developed nations and its use is increasing;

(B) increased use of such metric system in the United States is inevitable, and such a metric system will become the dominant system of weights and measures in the United States; and

(C) there is no existing Federal program designed to teach children to use such metric system and such a program is necessary if the American people are to adapt to the use of the metric system of weights and measures.

(2) It is the policy of the United States to encourage educational agencies and institutions to prepare students to use the metric system of measurement with ease and facility as a part of the regular education program.

(3) For the purposes of this section, the term "metric system of measurement" means the International System of Units as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce.

"Metric system of measurement."

(b) (1) The Commissioner shall carry out a program of grants and contracts in order to encourage educational agencies and institutions to prepare students to use the metric system of measurement.

Grants and contracts.

(2) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private nonprofit agencies, organizations, and institutions to develop and carry out the policy set forth in subsection (a).

(c) (1) Financial assistance under this section may be made available only upon application to the Commissioner. Any such application shall be submitted at such time, in such form, and containing such information as the Commissioner shall prescribe by regulation and shall be approved only if it—

Financial assistance, application.

(A) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(B) describes a program which holds promise of making a substantial contribution toward attaining the purposes of this section;

(C) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application; and

(D) contains such other provisions as the Commissioner determines necessary in order to accomplish the purposes of this title.

(2) An application from a local educational agency under this section may be approved only if the State educational agency of the State in which such local agency is located has been notified of the application and has been given a reasonable opportunity to offer recommendations with respect to the approval thereof.

Approval.

(d) For the purpose of carrying out this section, the Commissioner is authorized to expend \$10,000,000 for each of the fiscal years ending prior to July 1, 1978.

Appropriation.

GIFTED AND TALENTED CHILDREN

SEC. 404. (a) The Commissioner shall designate an administrative unit within the Office of Education to administer the programs and projects authorized by this section and to coordinate all programs for gifted and talented children and youth administered by the Office.

20 USC 1863.

(b) The Commissioner shall establish or designate a clearinghouse to obtain and disseminate to the public information pertaining to the education of gifted and talented children and youth. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

Information clearinghouse.

(c) (1) The Commissioner shall make grants to State educational agencies and local educational agencies, in accordance with the provisions of this subsection, in order to assist them in the planning, development, operation, and improvement of programs and projects designed to meet the special educational needs of gifted and talented children at the preschool and elementary and secondary school levels.

Grants.

Applications.

(2) (A) Any State educational agency or local educational agency desiring to receive a grant under this subsection shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner determines to be necessary to carry out his functions under this section. Such application shall—

(i) provide satisfactory assurance that funds paid to the applicant will be expended solely to plan, establish, and operate programs and projects which—

(I) are designed to identify and to meet the special educational and related needs of gifted and talented children, and

(II) are of sufficient size, scope, and quality as to hold reasonable promise of making substantial progress toward meeting those needs;

(ii) set forth such policies and procedures as are necessary for acquiring and disseminating information derived from educational research, demonstration and pilot projects, new educational practices and techniques, and the evaluation of the effectiveness of the program or project in achieving its purpose; and

(iii) provide satisfactory assurance that, to the extent consistent with the number of gifted and talented children in the area to be served by the applicant who are enrolled in nonpublic elementary and secondary schools, provision will be made for the participation of such children.

(B) The Commissioner shall not approve an application under this subsection from a local educational agency unless such application has been submitted to the State educational agency of the State in which the applicant is located and such State agency has had an opportunity to make recommendations with respect to approval thereof.

(3) Funds available under an application under this subsection may be used for the acquisition of instructional equipment to the extent such equipment is necessary to enhance the quality or the effectiveness of the program or project for which application is made.

(4) A State educational agency receiving assistance may carry out its functions under an approved application under this subsection directly or through local educational agencies.

(d) The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, a program for training personnel engaged or preparing to engage in educating gifted and talented children or as supervisors of such personnel.

(e) The Commissioner is authorized to make grants to institutions of higher education and other appropriate nonprofit institutions or agencies to provide training to leadership personnel for the education of gifted and talented children and youth. Such leadership personnel may include, but are not limited to, teacher trainers, school administrators, supervisors, researchers, and State consultants. Grants under this subsection may be used for internships, with local, State, or Federal agencies or other public or private agencies or institutions.

(f) Notwithstanding the second sentence of section 405(b)(1) of the General Education Provisions Act, the National Institute of Education shall, in accordance with the terms and conditions of section 405 of such Act, carry out a program of research and related activities relating to the education of gifted and talented children. The Commissioner is authorized to transfer to the National Institute of Education such sums as may be necessary for the program required by this subsection. As used in the preceding sentence the term "research and related

Personnel
training grants.

Research pro-
gram,
20 USC 1221e.

Transfer of
funds.

Definition.

activities" means research, research training, surveys, or demonstrations in the field of education of gifted and talented children and youth, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental and model schools.

(g) In addition to the other authority of the Commissioner under this section, the Commissioner is authorized to make contracts with public and private agencies and organizations for the establishment and operation of model projects for the identification and education of gifted and talented children, including such activities as career education, bilingual education, and programs of education for handicapped children and for educationally disadvantaged children. The total of the amounts expended for projects authorized under this subsection shall not exceed 15 per centum of the total of the amounts expended under this section for any fiscal year.

Model projects,
contracts.

(h) For the purpose of carrying out the provisions of this section, the Commissioner is authorized to expend not to exceed \$12,250,000 for each fiscal year ending prior to July 1, 1978.

Appropriation.

COMMUNITY SCHOOLS

SEC. 405. (a) This section may be cited as the "Community Schools Act".

Community
Schools Act.
20 USC 1864.

(b) In recognition of the fact that the school, as the prime educational institution of the community, is most effective when the school involves the people of that community in a program designed to fulfill their education needs, and that community education promotes a more efficient use of public education facilities through an extension of school buildings and equipment, it is the purpose of this section to provide educational, recreational, cultural, and other related community services, in accordance with the needs, interests, and concerns of the community, through the establishment of the community education program as a center for such activities in cooperation with other community groups.

(c) For purposes of this section and subparagraph (C) of section 402(b)(3), a "community education program" is a program in which a public building, including but not limited to a public elementary or secondary school or a community or junior college, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other related community services for the community that center serves in accordance with the needs, interests, and concerns of that community. Nothing in this section shall be construed to prohibit any applicant under this section from carrying out any activity with funds derived from other sources.

"Community
education pro-
gram."
Ante, p. 544.

(d)(1) In order to carry out the purposes and provisions of this section, the Commissioner is authorized to make grants to State educational agencies and to local educational agencies to pay the Federal share of the cost of planning, establishing, expanding, and operating community education programs.

Grants.

(2) Fifty percent of the funds made available pursuant to clause (1) of subsection (i) shall be available for grants to State educational agencies. The remainder of such funds shall be available for grants to local educational agencies.

(3) For the purpose of paragraph (1) of this subsection, the Federal share shall be—

Federal share.

(A) 80 per centum of a program to establish a new community education program,

(B) 65 per centum of a program to expand or improve a community education program for the first year in which such program is assisted under this section, and 55 per centum in any fiscal year thereafter, and

(C) 40 per centum of a program to maintain or carry out a community education program.

Application.

(4) Any State or local educational agency desiring to receive a grant under this section for any fiscal year shall submit an application to the Commissioner at such time, in such manner, and in such form as the Commissioner shall prescribe by regulation. Each such application shall contain provisions—

(A) assuring that local community colleges, social, recreational, and health groups will be consulted with respect to programs to be offered and facilities to be used for the purpose of this section;

(B) assuring that the applicant will pay from non-Federal sources the remaining costs of carrying out the application; and

(C) containing a description of each community education program for which assistance is sought in sufficient detail to apply the appropriate Federal share specified in clause (3) of this subsection.

The Commissioner shall not approve an application submitted by a local educational agency unless the State educational agency of the State in which that local educational agency is located has been given an opportunity to review, and make comment on, such application.

Training grants.

(e) The Commissioner is authorized to make grants to institutions of higher education to develop and establish, or to expand, programs which will train persons to plan and operate community education programs.

Information clearinghouse.

(f) (1) The Commissioner shall establish or designate a clearinghouse to gather and disseminate information received from community education programs, including but not limited to information regarding new programs, methods to encourage community participation, and ways of coordinating community education programs with other community services. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

Technical assistance.

(2) The Commissioner shall make available to each community education program such technical assistance and information as the program may require, and such technical assistance shall be coordinated with the national clearinghouse.

Community Education Advisory Council.
Establishment; membership.
Post, p. 575.

(g) (1) There is established, subject to part D of the General Education Provisions Act, in the Office of the Commissioner, a Community Education Advisory Council (referred to in this section as the "Advisory Council") to be composed of eleven members. The members of the Advisory Council shall be appointed by the Secretary.

(2) A substantial number of the members of the Advisory Council shall be persons experienced in the operation of community education programs and the training of such persons. The Council shall include representatives from various disciplines involved in providing services in community school programs.

(f) (1) The Commissioner shall establish or designate a clearinghouse within three months after enactment of this section.

(4) The Commissioner shall make available to the Advisory Council such staff, information, and other assistance as it may require to carry out its activities.

(5) The Advisory Council shall advise the Commissioner on policy matters relating to the interests of community schools.

(6) In the fiscal year ending June 30, 1975, the Advisory Council shall be responsible for advising the Commissioner regarding the establishment of policy guidelines and regulations for the operation and administration of this section. In addition, the Council shall create a system for evaluation of the programs. The Council shall present to Congress a complete and thorough evaluation of the programs and operation of this section for each fiscal year ending after June 30, 1975.

Policy guide-
lines and regula-
tions.

Evaluation, sub-
mittal to Congress.

(h) In approving applications under this section the Commissioner shall insure that there is an equitable geographical distribution of community education programs throughout the United States in both urban and rural areas.

(i) The Commissioner is authorized to expend (1) for the purpose of subsection (d), \$15,000,000 for each fiscal year ending prior to July 1, 1978; and (2) for the purposes of subsection (e), \$2,000,000 for each fiscal year ending prior to July 1, 1978.

Appropriation.

CAREER EDUCATION

SEC. 406. (a) It is the sense of Congress that—

20 USC 1865.

(1) every child should, by the time he has completed secondary school, be prepared for gainful or maximum employment and for full participation in our society according to his or her ability;

(2) it is the obligation of each local educational agency to provide that preparation for all children (including handicapped children and all other children who are educationally disadvantaged) within the school district of such agency; and

(3) each State and local educational agency should carry out a program of career education which provides every child the widest variety of career education options which are designed to prepare each child for maximum employment and participation in our society according to his or her ability.

(b) It is the purpose of this section to assist in achieving the policies set forth in subsection (a) by—

(1) developing information on the needs for career education for all children;

(2) promoting a national dialogue on career education designed to encourage each State and local educational agency to determine and adopt the approach to career education best suited to the needs of the children served by them;

(3) assessing the status of career education programs and practices, including a reassessment of the stereotyping of career opportunities by race or by sex;

(4) providing for the demonstration of the best of the current career education programs and practices by the development and testing of exemplary programs and practices using various theories, concepts, and approaches with respect to career education;

(5) providing for the training and retraining of persons for conducting career education programs; and

(6) developing State and local plans for implementing career education programs designed to insure that every child has the opportunity to gain the knowledge and skills necessary for gainful or maximum employment and for full participation in our society according to his or her ability.

(c) (1) In order to carry out the policies, purposes, and provisions of this section, there is established in the Office of Education an Office of Career Education (hereafter in this section referred to as the "Office"). The Office shall be headed by a Director.

Office of Career
Education.
Establishment.

(2) The Director of the Office shall report directly to the Commissioner.

"Career education."

(d) For the purposes of this section, the term "career education" means an education process designed—

- (1) to increase the relationship between schools and society as a whole;
- (2) to provide opportunities for counseling, guidance and career development for all children;
- (3) to relate the subject matter of the curricula of schools to the needs of persons to function in society;
- (4) to extend the concept of the education process beyond the school into the area of employment and the community;
- (5) to foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence;
- (6) to make education more relevant to employment and functioning in society; and
- (7) to eliminate any distinction between education for vocational purposes and general or academic education.

Survey and assessment.

Report to Congress.

Post, p. 569.

Career education models, grants.

Local State educational program plans, grants.

National Advisory Council for Career Education. Establishment.
Post, p. 575.

(e) The Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curriculums, and materials in the United States and submit to the Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the Advisory Council created under subsection (g) for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b). In exercising his authority under clauses (ii) (III) and (ii) (V) of section 434(b) (1) (A) of the General Education Provisions Act, for any fiscal year, the Commissioner shall require State educational agencies and local educational agencies to report on their efforts to prepare students for gainful or maximum employment.

(f) (1) During the period beginning with the enactment of this section and ending June 30, 1978, the Commissioner is authorized to make grants to State and local educational agencies, institutions of higher education, and other nonprofit agencies and organizations to support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models (including models in which handicapped children receive appropriate career education either by participation in regular or modified programs with nonhandicapped children or where necessary in specially designed programs for handicapped children whose handicaps are of such severity that they cannot benefit from regular or modified programs). Grants made under this subsection shall be consistent with the policies set forth in subsection (a) of this subsection.

(2) During the period beginning one year after the enactment of this section and ending June 30, 1977, the Commissioner is authorized to make grants to State educational agencies to enable them to develop State plans for the development and implementation of career education programs in the local educational agencies of the States. Such plans shall be designed to carry out the policies and purposes set forth in subsections (a) and (b).

(g) (1) Subject to part D of the General Education Provisions Act and within ninety days after the enactment of this section, there is established a National Advisory Council for Career Education which shall be composed of—

(A) the Assistant Secretary of Health, Education, and Welfare for Education, the Commissioner of Education, the Director of the Office of Career Education, the Director of the National Institute of Education, the Administrator of the National Center for

Education Statistics, the Director of the National Science Foundation, the Chairman of the National Foundation for the Arts, the Chairman of the National Foundation for the Humanities, the Chairman of the National Advisory Council for Vocational Education, all of whom shall serve in a nonvoting ex officio capacity; and

(B) not less than twelve public members broadly representative of the fields of education, the arts, the humanities, the sciences, community services, business and industry, and the general public, a majority of whom shall be engaged in education or education-related professions.

(2) The public members shall be appointed by the Secretary. The Secretary shall select the Chairman from among the public members. The members shall serve for terms of three years with not more than four seats rotating in any one year. The Commissioner shall provide such staff and funds for the Council as deemed necessary and such staff and funds shall be in addition to those provided elsewhere in this title.

Chairman; term.

(3) The duties of the Council shall be to advise the Commissioner on the implementation of this section and carry out such advisory functions as it deems appropriate, including reviewing the operation of this section and all other programs of the Division of Education pertaining to the development and implementation of career education, evaluating their effectiveness in meeting the needs of career education throughout the United States, and in determining the need for further legislative remedy in order that all citizens may benefit from the purposes of career education as prescribed in this section.

Duties.

(4) The Council with the assistance of the Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curricula, and materials in the United States and submit to Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the Council for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b).

Survey and assessment.

Report to Congress.

(h) For the purpose of carrying out the provisions of this section, the Commissioner is authorized to expend not to exceed \$15,000,000 for each fiscal year ending prior to July 1, 1978.

Appropriation.

CONSUMERS' EDUCATION

SEC. 407. (a) (1) Section 811(a) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

20 USC 887d.

"SEC. 811. (a) (1) There shall be within the Office of Education an Office of Consumers' Education (hereafter in this section referred to as the 'Office') which shall be headed by a Director of Consumers' Education (hereafter in this section referred to as the 'Director') who, subject to the management of the Commissioner, shall have responsibility for carrying out the provisions of this section.

Office of Consumers' Education.
Establishment.

"(2) The Director shall be appointed by the Commissioner in accordance with the provisions of title 5 of the United States Code relating to appointments to the competitive service."

5 USC 101 *et seq.*

(2) Such section 811(b) of such Act is amended, in clause (ii) in the second sentence of paragraph (1)(C), by striking out "paragraph (2)" and inserting in lieu thereof "subparagraph (B)".

(3) Section 811(d) of such Act is amended to read as follows:

"(d) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed \$15,000,000 for each fiscal year ending prior to July 1, 1978."

(b) The amendments made by paragraph (3) of subsection (a) shall be effective on and after July 1, 1973.

Effective date.
20 USC 887d
note.

WOMEN'S EDUCATIONAL EQUITY

Women's Educational Equity Act of 1974.
20 USC 1866.

SEC. 408. (a) This section may be cited as the "Women's Educational Equity Act of 1974."

(b)(1) The Congress hereby finds and declares that educational programs in the United States (including its possessions), as presently conducted, are frequently inequitable as such programs relate to women and frequently limit the full participation of all individuals in American society.

(2) It is the purpose of this section to provide educational equity for women in the United States.

"Council."

(c) As used in this section, the term "Council" means the Advisory Council on Women's Educational Programs.

Grants and contracts.

(d)(1) The Commissioner is authorized to make grants to, and enter into contracts with, public agencies and private nonprofit organizations and with individuals for activities designed to carry out the purposes of this section at all levels of education, including preschool, elementary and secondary education, higher education, and adult education. These activities shall include—

(A) the development, evaluation, and dissemination by the applicant of curricula, textbooks, and other educational materials related to educational equity;

(B) preservice and inservice training for educational personnel including guidance and counseling with special emphasis on programs and activities designed to provide educational equity;

(C) research, development, and educational activities designed to advance educational equity;

(D) guidance and counseling activities, including the development of nondiscriminatory tests, designed to assure educational equity;

(E) educational activities to increase opportunities for adult women, including continuing educational activities and programs for underemployed and unemployed women;

(F) the expansion and improvement of educational programs and activities for women in vocational education, career education, physical education and educational administration.

Applications.

(2) A grant may be made and a contract may be entered into under this section only upon application to the Commissioner, at such time, in such form, and containing or accompanied by such information as the Commissioner may prescribe. Each such application shall—

(A) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

(B) describe a program for carrying out one of the purposes set forth in subsection (a) which holds promise of making a substantial contribution toward attaining such purposes; and

(C) set forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application.

(3) The Commissioner shall approve applicants and amendments thereto which meet the requirements of paragraph (2).

Nondiscrimination.

(4) Nothing in this section shall be construed as prohibiting men from participating in any programs or activities assisted under this section.

Additional grants.

(e) In addition to the authority of the Commissioner under subsection (d), the Commissioner shall carry out a program of small grants, not to exceed \$15,000, each, in order to support innovative approaches to achieving the purpose of this section; and for that

purpose the Commissioner is authorized to make grants to public and private nonprofit agencies and to individuals.

(f) (1) There is established in the Office of Education an Advisory Council on Women's Educational Programs. The Council shall be composed of—

Advisory Council on Women's Educational Programs.
Establishment; membership.

(A) seventeen individuals, some of whom shall be students, who shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals broadly representative of the general public who, by virtue of their knowledge or experience, are versed in the role and status of women in American society;

(B) the Chairman of the Civil Rights Commission;

(C) the Director of the Women's Bureau of the Department of Labor; and

(D) the Director of the Women's Action Program of the Department of Health, Education, and Welfare.

The Council shall elect its own Chairman.

(2) The term of office of each member of the Council appointed under clause (A) of paragraph (1) shall be three years, except that—

Term.

(A) the members first appointed under such clause shall serve as designated by the President, six for a term of one year, five for a term of two years, and six for a term of three years; and

(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(3) The Council shall—

Duties.

(A) advise the Commissioner with respect to general policy matters relating to the administration of this section;

(B) advise and make recommendations to the Assistant Secretary concerning the improvement of educational equity for women;

(C) make recommendations to the Commissioner with respect to the allocation of any funds pursuant to this section, including criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation; and

(D) develop criteria for the establishment of program priorities.

(4) From the sums available for the purposes of this section, the Commissioner is authorized and directed to conduct a national, comprehensive review of sex discrimination in education, to be submitted to the Council not later than a year after the date of enactment of this section. The Council shall review the report of the Commissioner and shall make such recommendations, including recommendations for additional legislation, as it deems advisable.

Sex discrimination in education, review.

(5) The provisions of part D of the General Education Provisions Act shall apply with respect to the Council established under this subsection.

Post, p. 575.

(f) The Commissioner is directed, at the end of each fiscal year, to submit to the President and the Congress and to the Council a report setting forth the programs and activities assisted under this section, and to provide for the distribution of this report to all interested groups and individuals, including the Congress, from funds authorized under this section. After receiving the report from the Commissioner, the Council shall evaluate the programs and projects assisted under this section and include such evaluation in its annual report.

Report to President, Congress and Council.

Program evaluation.

(h) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed \$30,000,000 for each fiscal year prior to July 1, 1978.

Appropriation.

ELEMENTARY AND SECONDARY SCHOOL EDUCATION IN THE ARTS

20 USC 1867.

SEC. 409. The Commissioner shall, during the period beginning after June 30, 1974 and ending on June 30, 1978, through arrangements made with the John F. Kennedy Center for the Performing Arts, carry out a program of grants and contracts to encourage and assist State and local educational agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school programs. Not less than \$750,000 shall be available for the purposes of this section during any fiscal year during the period for which provision is made in the preceding sentence.

EFFECTIVE DATE

20 USC 1801
note.

SEC. 410. Except where otherwise specified in this title, the amendments made by, and the provisions of, this title shall be effective on and after the date of enactment of this Act.

TITLE V—EDUCATION ADMINISTRATION

NATIONAL CENTER FOR EDUCATION STATISTICS

SEC. 501. (a) Part A of the General Education Provisions Act is amended by adding at the end thereof the following new section:

“NATIONAL CENTER FOR EDUCATION STATISTICS

Establishment.
20 USC 1221e-1.

“SEC. 406. (a) There is established, within the Office of the Assistant Secretary, a National Center for Education Statistics (hereafter in this section referred to as the ‘Center’). The Center shall be headed by an Administrator who shall be appointed by the Assistant Secretary in accordance with the provisions of title 5, United States Code, relating to appointments in the competitive service.

5 USC 101 *et*
seq.

Functions.

“(b) The purpose of the Center shall be to collect and disseminate statistics and other data related to education in the United States and in other nations. The Center shall—

“(1) collect, collate, and, from time to time, report full and complete statistics on the conditions of education in the United States;

“(2) conduct and publish reports on specialized analyses of the meaning and significance of such statistics;

“(3) assist State and local educational agencies in improving and automating their statistical and data collection activities; and

“(4) review and report on educational activities in foreign countries.

Advisory Council
on Education Sta-
tistics.
Establishment;
membership.

“(c) (1) There shall be an Advisory Council on Education Statistics which shall be composed of 7 members appointed by the Secretary and such ex officio members as are listed in subparagraph (2). Not more than 4 of the appointed members of the Council may be members of the same political party.

“(2) The ex officio members of the Council shall be—

“(A) the Commissioner of Education,

“(B) the Director of the National Institute of Education,

“(C) the Director of the Census, and

“(D) the Commissioner of Labor Statistics.

Terms.

“(3) Appointed members of the Council shall serve for terms of 3 years, as determined by the Secretary, except that in the case of initially appointed members of the Council, they shall serve for shorter terms to the extent necessary that the terms of office of not more than 3 members expire in the same calendar year.

"(4) The Assistant Secretary shall serve as the non-voting presiding officer of the Council.

"(5) (A) The Council shall meet at the call of the presiding officer, except that it shall meet—

"(i) at least four times during each calendar year; and

"(ii) in addition, whenever three voting members request in writing that the presiding officer call a meeting.

"(B) Six members of the Council shall constitute a quorum of the Council.

"(6) The provisions of section 448(b) of part D of this title shall not apply to the Council established under this subsection.

84 Stat. 172;
86 Stat. 326.
20 USC 1233g.

"(7) The Council shall review general policies for the operation of the Center and shall be responsible for establishing standards to insure that statistics and analyses disseminated by the Center are of high quality and are not subject to political influence.

"(d) (1) The Assistant Secretary shall, not later than March 1 of each year, submit to the Congress an annual report which—

Report to
Congress.

"(A) contains a description of the activities of the Center during the then current fiscal year and a projection of its activities during the succeeding fiscal year;

"(B) sets forth estimates of the cost of the projected activities for such succeeding fiscal year; and

"(C) includes a statistical report on the condition of education in the United States during the two preceding fiscal years and a projection, for the three succeeding fiscal years, of estimated statistics related to education in the United States.

"(2) The Center shall develop and enforce standards designed to protect the confidentiality of persons in the collection, reporting, and publication of data under this section. This subparagraph shall not be construed to protect the confidentiality of information about institutions, organizations, and agencies receiving grants from or having contracts with the Federal Government.

Data publica-
tion standards.

"(e) In order to carry out the objectives of the Center, the Assistant Secretary is authorized, either directly or by grant or contract, to carry out the purposes set forth in subsection (b), and for that purpose the Assistant Secretary is authorized to make grants to, and contracts with public and private institutions, agencies, organizations and individuals.

Grants.

"(f) (1) (A) The Center is authorized to furnish transcripts or copies of tables and other statistical records of the Office of Education, the Assistant Secretary, and the National Institute of Education to, and to make special statistical compilations and surveys for, State or local officials, public and private organizations, or individuals. The Center shall furnish such special statistical compilations and surveys as the Committees on Labor and Public Welfare and on Appropriations of the Senate and the Committees on Education and Labor and on Appropriations of the House of Representatives may request. Such statistical compilations and surveys, other than those carried out pursuant to the preceding sentence, shall be made subject to the payment of the actual or estimated cost of such work. In the case of nonprofit organizations or agencies, the Assistant Secretary may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Assistant Secretary: *Provided*, That the purposes of such projects are otherwise authorized by law.

Special statis-
tical compilations
and surveys, sub-
mittal to congres-
sional committees.

"(B) All funds received in payment for work or services enumerated under subparagraph (A) shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay

Educational
data consortium
with other Federal
agencies.

appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

"(2) (A) The Center shall participate with other Federal agencies having a need for educational data in forming a consortium for the purpose of providing direct joint access with such agencies to all educational data received by the Center through automated data processing. The Library of Congress, General Accounting Office, and the Committees on Labor and Public Welfare and Appropriations of the Senate and the Committees on Education and Labor and Appropriations of the House of Representatives shall, for the purposes of this subparagraph, be considered Federal agencies.

"(B) The Center shall, in accordance with regulations published for the purpose of this paragraph, provide all interested parties, including public and private agencies and individuals, direct access to data collected by the Center for purposes of research and acquiring statistical information.

"(3) The Commissioner and the National Institute of Education are directed to cooperate with the Center and make such records and data available to the Center as may be necessary to enable the Center to carry out its functions under this subsection.

Funds,
limitation.

"(g) (1) The amount available for salaries and expenses of the Center shall not exceed \$5,000,000 for the fiscal year ending June 30, 1975, \$10,000,000 for the fiscal year ending June 30, 1976, and \$14,000,000 for the fiscal year ending June 30, 1977.

"(2) The amount available for grants and contracts by the Assistant Secretary under subsection (e) shall not exceed \$20,000,000 for the fiscal year ending June 30, 1975, \$25,000,000 for the fiscal year ending June 30, 1976, and \$30,000,000 for the fiscal year ending June 30, 1977.

"(3) Sums appropriated for activities and expenses of the Center which are not limited by paragraph (2) of this subsection shall be appropriated apart from appropriations which are so limited, as separate line items."

Effective date.
20 USC 1221e-
1 note.
84 Stat. 168;
86 Stat. 326.
20 USC 1231f.

(b) (1) The amendments made by subsection (a) shall be effective on the tenth day after the date of enactment of this Act.

(2) Section 427 of such Act is amended to read as follows:

"AUTHORIZATION TO FURNISH INFORMATION

Transfer of
records.

"SEC. 427. The Commissioner is authorized to transfer transcripts or copies of other records of the Office of Education to State and local officials, public and private organizations, and individuals."

20 USC 1221e-
1 note.

(3) (A) All functions and authority vested in the Commissioner of Education which, immediately prior to the date upon which the amendments made by subsection (a) become effective, are related to the collection, analysis, and dissemination of statistics about, and reports on the condition of, education in the Nation as determined by the Assistant Secretary are transferred, on such date to the National Center for Education Statistics established under section 406 of the General Education Provisions Act.

Ante, p. 556.
20 USC 1231f
note.
Supra.

(B) The functions and authority of the Commissioner of Education under section 427 relating to statistics prior to the date upon which the amendments made by subsection (a) become effective, together with all funds deposited in any account under such section, are transferred, on such date to the National Center for Education Statistics.

Survey.
20 USC 880b-
10 note.
Ante, p. 509.

(4) The National Center for Education Statistics shall conduct the survey required by section 731(c)(1)(A) of title VII of the Elementary and Secondary Education Act of 1965.

GENERAL PROVISIONS RELATING TO OFFICERS IN THE EDUCATION
DIVISION

SEC. 502. (a) (1) The General Education Provisions Act is amended by adding after section 406 the following new sections:

Ante, p. 556.

"RULES FOR EDUCATION OFFICERS OF THE UNITED STATES

"SEC. 407. (a) For the purposes of this section, the term 'education officer of the United States' means any person appointed by the President pursuant to this part, except members of commissions, councils, and boards.

"Education officer of the United States."
20 USC 1221e-2.

"(b) Each education officer of the United States shall serve at the pleasure of the President.

"(c) No education officer of the United States shall engage in any other business, vocation, or employment while serving in the position to which he is appointed; nor may he, except with the express approval of the President in writing, hold any office in, or act in any capacity for, or have any financial interest in, any organization, agency, or institution to which an agency in the Education Division makes a grant or with which any such agency makes a contract or any other financial arrangement.

Conflict-of-interest.

"(d) No person shall hold, or act for, more than one position as an education officer of the United States for more than a 30 day period.

"GENERAL AUTHORITY OF ADMINISTRATIVE HEADS OF EDUCATION
AGENCIES

"SEC. 408. (a) Each administrative head of an education agency, in order to carry out functions otherwise vested in him by law, is, subject to limitations as may be otherwise imposed by law, authorized—

20 USC 1221e-3.

"(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of operation of the agency of which he is head;

"(2) in accordance with those provisions of title 5, United States Code, relating to the appointment and compensation of personnel and subject to such limitations as are imposed in this part, to appoint and compensate such personnel as may be necessary to enable such agency to carry out its functions;

5 USC 101
et seq.

"(3) to accept unconditional gifts or donations of services, money, or property (real, personal, or mixed; tangible or intangible);

"(4) without regard for section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary for the conduct of such agency;

"(5) with funds expressly appropriated for such purpose, to construct such facilities as may be necessary to carry out functions vested in him or in the agency of which he is head, and to acquire and dispose of property; and

"(6) to use the services of other Federal agencies and reimburse such agencies for such services.

"(b) Any administrative head of an education agency is, subject to any other limitations on delegations of authority provided by law, authorized to delegate any of his functions under this section to an officer or employee of that agency.

Delegation of functions.

"(c) For the purposes of this section, the term 'administrative head of an education agency' means the Commissioner and the Director of the National Institute of Education. To the extent that the Assistant

"Administrative head of an education agency."

Secretary is directly responsible for the administration of a program and to the extent that the Assistant Secretary is responsible for the supervision of the National Center for Education Statistics, the Assistant Secretary shall, for such purposes, be considered within the meaning of such term.”

(2) The General Education Provisions Act is amended—

20 USC 1221b.

(A) in section 402(b), by striking out the second sentence thereof;

20 USC 1221e.

(B) in section 405—

(I) by striking out that part of the first sentence of subsection (d) (1) which follows “Senate” and inserting in lieu thereof a period, and

(II) by striking out subsection (f).

Effective date.

20 USC 1221e-
2 note.

(b) The amendments made by this section shall be effective on the tenth day after the date of enactment of this Act.

AMENDMENT WITH RESPECT TO THE OFFICE OF EDUCATION; REGIONAL OFFICES

20 USC 1221c.

SEC. 503. (a) Section 403 of such Act is amended to read as follows:

“THE OFFICE OF EDUCATION

“SEC. 403. (a) There shall be an Office of Education (hereinafter in this section referred to as the ‘Office’) which shall be the primary agency of the Federal Government responsible for the administration of programs of financial assistance to educational agencies, institutions, and organizations. The Office shall have such responsibilities and authorities as may be vested in the Commissioner by law or delegated to the Commissioner in accordance with law.

“(b) The Office shall be headed by the Commissioner of Education who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be subject to the direction and supervision of the Secretary.

“(c) (1) The Office shall, consistent with such organization thereof which is provided by law, be divided into bureaus, and such bureaus shall be divided into divisions as the Commissioner determines appropriate.

“(2) (A) There shall be regional offices of the Office established in such places as the Commissioner, after consultation with the Assistant Secretary, shall determine. Such regional offices shall carry out such functions as are specified in subparagraph (B).

“(B) The regional offices shall serve as centers for the dissemination of information about the activities of the agencies in the Education Division and provide technical assistance to State and local educational agencies, institutions of higher education, and other educational agencies, institutions, and organizations and to individuals and other groups having an interest in Federal education activities.

“(C) The Commissioner shall not delegate to any employee in any regional office any function which was not carried out, in accordance with regulations effective prior to June 1, 1973, by employees in such offices unless the delegation of such function to employees in regional offices is expressly authorized by law enacted after the enactment of the Education Amendments of 1974.

“(3) The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than November 1 of each year a report on the personnel needs and assignments of the Office.

Report to congressional committees.

Such report shall include a description (A) of the manner in which the Office is organized and the personnel of the Office are assigned to the various functions of that agency and (B) of personnel needs of that agency in order to enable it to carry out its functions, as authorized by law.”.

(b) The provisions of the amendments made by subsection (a) shall be effective on the tenth day after the date of enactment of this Act, except that the provisions of limitation set forth in section 403(c)(2)(C) of the General Education Provisions Act shall have effect on the date of such enactment, and shall be retroactive to June 1, 1973.

Effective date.
20 USC 1221c
note.

Ante, p. 560.

AMENDMENTS WITH RESPECT TO THE EDUCATION DIVISION

SEC. 504. (a) Section 401 of the General Education Provisions Act is amended to read as follows:

20 USC 1221a.

“THE EDUCATION DIVISION

“SEC. 401. (a) There shall be, within the Department of Health, Education, and Welfare, an Education Division, composed of the agencies listed in subsection (b), which shall be headed by the Assistant Secretary.

“(b)(1) The Education Division shall be composed of the following agencies:

“(A) The Office of Education; and

“(B) The National Institute of Education.

“(2) In the Office of the Assistant Secretary there shall be a National Center for Education Statistics.”.

(b) The amendment made by subsection (a) shall be effective on the tenth day after the date of enactment of this Act.

Effective date.
20 USC 1221a
note.

AMENDMENTS WITH RESPECT TO APPLICABILITY, AUTHORIZATION OF APPROPRIATIONS, AND OTHER GENERAL MATTERS

SEC. 505. (a)(1) Section 400 of the General Education Provisions Act is amended to read as follows:

20 USC 1221.

“SHORT TITLE; APPLICABILITY; DEFINITIONS; APPROPRIATIONS

“SEC. 400. (a) This title may be cited as the ‘General Education Provisions Act’.

“(b) Except where otherwise specified, the provisions of this title shall apply to any program for which an administrative head of an education agency has administrative responsibility as provided by law or by delegation of authority pursuant to law.

“(c)(1) For the purposes of this title, the term—

“(A) ‘applicable program’ means any program to which this title is, under the terms of subsection (b), applicable;

“(B) ‘applicable statute’ means—

“(i) the Act or the title, part or section of an Act, as the case may be, which authorizes the appropriation for an applicable program;

“(ii) this title; and

“(iii) any other statute which under its terms expressly controls the administration of an applicable program;

“(C) ‘Assistant Secretary’ means the Assistant Secretary of Health, Education, and Welfare for Education;

“(D) ‘Commissioner’ means the Commissioner of Education;

“(E) ‘Director’ means the Director of the National Institute of Education; and

“(F) ‘Secretary’ means the Secretary of Health, Education, and Welfare.

42 USC 2000a
note.

“(2) Nothing in this title shall be construed to affect the applicability of the Civil Rights Act of 1964 to any program subject to the provisions of this title.

Appropriations.

“(3) No Act making appropriations to carry out an applicable program shall be considered an applicable statute.

Limitations.

“(d) Except as otherwise limited in this title, there are authorized to be appropriated for any fiscal year such sums as may be necessary to carry out the provisions of this title.

“(e) (1) The aggregate of the appropriations to the agencies in the Education Division and to the Office of the Assistant Secretary for any fiscal year shall not exceed the limitations set forth for that fiscal year in subparagraph (2).

“(2) (A) Except as is provided in subparagraph (B), the appropriations to which paragraph (1) applies—

“(i) shall not exceed \$7,500,000,000 for the fiscal year ending June 30, 1975, \$8,000,000,000 for the fiscal year ending June 30, 1976, and \$9,000,000,000 for the fiscal year ending June 30, 1977; and

“(ii) shall not exceed such amounts as may be authorized by the law and limited by this subparagraph.

“(B) The limitations set forth in subparagraph (A) shall not apply—

20 USC 1071.
20 USC 1132c,
1132d,
20 USC 1078a
note.

“(i) to uncontrollable expenditures under obligations created under part B of title IV of the Higher Education Act of 1965, parts C and D of title VII of such Act, and the Emergency Insured Student Loan Act of 1969; and

“(ii) to any other expenditure under an obligation determined by the Commissioner pursuant to, or in accordance with, law to be an uncontrollable expenditure of the Office of Education.”

20 USC 1221g.

(2) Section 442(d) of the Education Amendments of 1972 is amended by striking out “400(c)” and inserting in lieu thereof “400(d)”.

Effective date.
20 USC 1221
note.

(b) The amendments made by subsection (a) shall be effective on the tenth day after the date of enactment of this Act.

REVISION OF APPROPRIATIONS AND EVALUATIONS PROVISIONS

20 USC 1221.

SEC. 506. (a) (1) Part B of the General Education Provisions Act is amended—

(A) by inserting immediately after the heading thereof the following:

“Subpart I—Appropriations”

20 USC 1222,
1224.
20 USC 1223.
20 USC 1225.

(B) by striking out section 411 and section 413;

(C) by redesignating section 412 as 411;

(D) by redesignating section 414 as section 412; and

(E) by striking out subsection (b) of such section 412, as redesignated by this paragraph, and adding in lieu thereof the following new subsections:

“(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs to which this title is applicable during any fiscal year, ending prior to July 1, 1978, which are not obligated and expended by educational agencies or institutions prior to the beginning of the fiscal year succeeding the fiscal year for

which such funds were appropriated shall remain available for obligation and expenditure by such agencies and institutions during such succeeding fiscal year.

“(c) If any funds appropriated to carry out any applicable program are not obligated pursuant to a spending plan submitted in accordance with section 3679(d)(2) of the Revised Statutes and become available for obligation after the institution of a judicial proceeding seeking the release of such funds, then such funds shall be available for obligation and expenditure until the end of the fiscal year which begins after the termination of such judicial proceeding.”.

31 USC 665.

(2) Part B of such Act is further amended—

Ante, p. 562.
20 USC 1226.

(A) by redesignating section 415 as 413; and

(B) by adding immediately after section 413, as redesignated by this paragraph, the following new section:

“CONTINGENT EXTENSION OF PROGRAMS

“SEC. 414. (a) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

20 USC 1226a.

“(1) of the authorization of appropriations for an applicable program; or

“(2) of the duration of an applicable program;
either—

“(A) has passed or has formally rejected legislation which would have the effect of extending the authorization or duration (as the case may be) of that program; or

“(B) by action of either the House of Representatives or the Senate, approves a resolution stating that the provisions of this section shall no longer apply to such program;

such authorization or duration is hereby automatically extended for one additional fiscal year. The amount appropriated for such additional year shall not exceed the amount which the Congress could, under the terms of the law for which the appropriation is made, have appropriated for such program during such terminal year.

“(b)(1) For the purposes of clause (A) of subsection (a), the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

“(2) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations which are necessary for the continuation of an applicable program, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which that part of subsection (a) which follows clause (B) thereof is in operation.”.

(3) Part B of such Act is further amended—

(A) by redesignating section 417 as section 419,

20 USC 1227.

(B) by striking out “section 400(c)” in such section 419, as redesignated by this paragraph, and inserting in lieu thereof “section 400(d)”, and

(C) by adding immediately after section 414, as added by paragraph (2) of this subsection, the following:

Supra.

“Subpart 2—Planning and Evaluation of Federal Education Activities

“PROGRAM PLANNING AND EVALUATION

“SEC. 416. Sums appropriated pursuant to section 400(d) may include for any fiscal year for which appropriations are otherwise

20 USC 1226b.
Ante, p. 561.

authorized under any applicable program not to exceed \$25,000,000 which shall be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, contracts, or other payments, for (1) planning for the succeeding year for any such program, and (2) evaluation of such programs.

“ANNUAL EVALUATION REPORTS

Transmittal to
congressional
committees.
20 USC 1226c.

“SEC. 417. (a) (1) Not later than November 1 of each year, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate an annual evaluation report which evaluates the effectiveness of applicable programs in achieving their legislated purposes together with recommendations relating to such programs for the improvement of such programs which will result in greater effectiveness in achieving such purposes. In the case of any evaluation report evaluating specific programs and projects, such report shall—

“(A) set forth goals and specific objectives in qualitative and quantitative terms for all programs and projects assisted under the applicable program concerned and relate those goals and objectives to the purposes of such program;

“(B) contain information on the progress being made during the previous fiscal year toward the achievement of such goals and objectives;

“(C) describe the cost and benefits of the applicable program being evaluated during the previous fiscal year and identify which sectors of the public receive the benefits of such program and bear the costs of such program;

“(D) contain plans for implementing corrective action and recommendations for new or amended legislation where warranted;

“(E) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations in the report; and

“(F) be prepared in concise summary form with necessary detailed data and appendices.

Ante, p. 488.

Ante, p. 490.

“(2) In the case of programs and projects assisted under title I of the Elementary and Secondary Education Act of 1965, the report under this subsection shall include a survey of how many of the children counted under section 103(c) of such Act participate in such programs and projects, and how many of such children do not, and a survey of how many educationally disadvantaged children participate in such programs and projects, and how many educationally disadvantaged children do not. For purposes of the preceding sentence, the term ‘educationally disadvantaged children’ refers to children who are achieving one or more years behind the achievement expected at the appropriate grade level for such children.

“Educationally
disadvantaged
children.”

“(b) Each evaluation report submitted pursuant to subsection (a) shall contain: (1) a brief description of each contract or grant for evaluation of any program (whether or not such contract or grant was made under section 416) any part of the performance of which occurred during the preceding year, (2) the name of the firm or individual who is to carry out the evaluation, and (3) the amount to be paid under the contract or grant.

“RENEWAL EVALUATION REPORTS

20 USC 1226d.

“SEC. 418. (a) In the case of any applicable program for which—
“(1) the authorization of appropriations expires; or

“(2) the time during which payments or grants are to be made expires;
not later than one year prior to the date of such expiration, the Assistant Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a comprehensive evaluation report on such program.

“(b) Any comprehensive evaluation report submitted pursuant to subsection (a) shall contain—

“(1) a history of the program concerned, including—

“(A) a history of authorizations of appropriations, budget requests, appropriations, and expenditures for such programs;

“(B) a history of legislative recommendations with respect to such program made by the President and the disposition of such recommendations, and

“(C) a history of legislative changes made in applicable statutes with respect to such program;

“(2) assuming a continuation of such program, recommendations for improvements (including legislative changes and funding levels) in such program with a view toward achieving the legislative purposes of such program;

“(3) a compilation and summary of all evaluations of such program; and

“(4) a recommendation with respect to whether such program should be continued, and the date of its expiration, and the reasons for such recommendation.”.

(b) The amendments made by subsection (a) of this section shall become effective on the date of enactment of this Act.

Effective date.
20 USC 1223
note.

APPLICABILITY OF PART C

SEC. 507. (a) Section 421 of the General Education Provisions Act, and all references thereto, is redesignated as section 421A; and such Act is amended by inserting after the heading of part C of such Act the following new section:

20 USC 1231.

“APPLICABILITY

“SEC. 421. The provisions of this part shall apply to any program for which the Commissioner has administrative responsibility, as specified by law or by delegation of authority pursuant to law.”.

20 USC 1230.

(b) The amendment made by subsection (a) shall be effective on and after July 1, 1974.

Effective date.
20 USC 1230
note.

PUBLICATION OF INDEXED COMPILATION OF INNOVATIVE PROJECTS; REVIEW OF APPLICATIONS

SEC. 508. (a) Part C of the General Education Provisions Act is amended by redesignating sections 424 through 427 as sections 426 through 429, respectively, and by inserting after section 423 the following new sections:

20 USC 1231c,
1231d, 1231e,
1231f.

“COMPILATION OF ASSISTED INNOVATIVE PROJECTS

“SEC. 424. The Assistant Secretary shall publish annually a compilation of all innovative projects assisted under programs administered in the Education Division, including title III and part C of title IV of the Elementary and Secondary Education Act of 1965, in any

20 USC 1231b-1.

20 USC 841.
Ante, p. 543.

year funds are used to carry out such programs. Such compilation shall be indexed according to subject, descriptive terms, and locations.

“REVIEW OF APPLICATIONS

20 USC 1231b-2.

“SEC. 425. (a) In the case of any applicable program under which financial assistance is provided to (or through) a State educational agency to be expended in accordance with a State plan approved by the Commissioner, and in the case of the program provided for in title I of the Elementary and Secondary Education Act of 1965, any applicant or recipient aggrieved by the final action of the State educational agency, and alleging a violation of State or Federal law, rules, regulations, or guidelines governing the applicable program, in (1) disapproving or failing to approve its application or program in whole or part, (2) failing to provide funds in amounts in accord with the requirements of laws and regulations, or (3) terminating further assistance for an approved program, may within thirty days request a hearing. Within thirty days after it receives such a request, the State educational agency shall hold a hearing on the record and shall review such final action. No later than ten days after the hearing the State educational agency shall issue its written ruling, including reasons therefor. If it determines such final action was contrary to Federal or State law, or the rules, regulations, and guidelines, governing such applicable program it shall rescind such final action.

20 USC 236.

Appeal.

“(b) Any applicant or recipient aggrieved by the failure of a State educational agency to rescind its final action after a review under such subsection (a) may appeal such action to the Commissioner. An appeal under this subsection may be taken only if notice of such appeal is filed with the Commissioner within twenty days after the applicant or recipient has been notified by the State educational agency of the results of its review under subsection (a). If, on such appeal, the Commissioner determines the final action of the State educational agency was contrary to Federal law, or the rules, regulations, and guidelines governing the applicable program, he shall issue an order to the State educational agency prescribing appropriate action to be taken by such agency. On such appeal, findings of fact of the State educational agency, if supported by substantial evidence, shall be final. The Commissioner may also issue such interim orders to State educational agencies as he may deem necessary and appropriate pending appeal or review.

Records, availability.

“(c) Each State educational agency shall make available at reasonable times and places to each applicant or recipient under a program to which this section applies all records of such agency pertaining to any review or appeal such applicant or recipient is conducting under this section, including records of other applicants.

Noncompliance.

“(d) If any State educational agency fails or refuses to comply with any provision of this section, or with any order of the Commissioner under subsection (b), the Commissioner shall forthwith terminate all assistance to the State educational agency under the applicable program affected.”

Effective date.
20 USC 1231b-1
note.

(b) The amendments made by subsection (a) shall be effective on the date of enactment of this Act.

AMENDMENTS TO SECTION 431 OF THE GENERAL EDUCATION PROVISIONS ACT RELATING TO RULES, REGULATIONS, AND OTHER REQUIREMENTS OF GENERAL APPLICABILITY

20 USC 1232.

SEC. 509. (a) (1) Section 431(b) of the General Education Provisions Act is amended by inserting “(1)” after “(b)” and by adding at the end thereof the following:

“(2) (A) During the thirty-day period prior to the date upon which such standard, rule, regulation, or general requirement is to be effective, the Commissioner shall, in accordance with the provisions of section 553 of title 5, United States Code, offer any interested party an opportunity to make comment upon, and take exception to, such standard, rule, regulation, or general requirement and shall reconsider any such standard, rule, regulation, or general requirement upon which comment is made or to which exception is taken.

“(B) If the Commissioner determines that the thirty-day requirement in paragraph (1) will cause undue delay in the implementation of a regulation, thereby causing extreme hardship for the intended beneficiaries of an applicable program, he shall notify the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate. If neither committee disagrees with the determination of the Commissioner within 10 days after such notice, the Commissioner may waive such requirement with respect to such regulation.”

Waiver.

Ante, p. 566.

(2) Section 431 of such Act is amended by adding at the end thereof the following new subsections:

“(d) (1) Concurrently with the publication in the Federal Register of any standard, rule, regulation, or requirement of general applicability as required in subsection (b) of this section, such standard, rule, regulation, or requirement shall be transmitted to the Speaker of the House of Representatives and the President of the Senate. Such standard, rule, regulation, or requirement shall become effective not less than forty-five days after such transmission unless the Congress shall, by concurrent resolution, find that the standard, rule, regulation, or requirement is inconsistent with the Act from which it derives its authority, and disapprove such standard, rule, regulation, or requirement.

Transmittal to Speaker of the House and President of the Senate.

Effective date.

“(2) The forty-five-day period specified in paragraph (1) shall be deemed to run without interruption except during periods when either House is in adjournment sine die, in adjournment subject to the call of the Chair, or in adjournment to a day certain for a period of more than four consecutive days. In any such period of adjournment, the forty-five days shall continue to run, but if such period of adjournment is thirty calendar days, or less, the forty-five-day period shall not be deemed to have elapsed earlier than ten days after the end of such adjournment. In any period of adjournment which lasts more than thirty days, the forty-five-day period shall be deemed to have elapsed after thirty calendar days has elapsed, unless, during those thirty calendar days, either the Committee on Education and Labor of the House of Representatives, or the Committee on Labor and Public Welfare of the Senate, or both, shall have directed its chairman, in accordance with said committee's rules, and the rules of that House, to transmit to the appropriate department or agency head a formal statement of objection to the proposed standard, rule, regulation, or requirement. Such letter shall suspend the effective date of the standard, rule, regulation, or requirement until not less than twenty days after the end of such adjournment, during which the Congress may enact the concurrent resolution provided for in this subsection. In no event shall the standard, rule, regulation, or requirement go into effect until the forty-five-day period shall have elapsed, as provided for in this subsection, for both Houses of the Congress.

“(e) Whenever a concurrent resolution of disapproval is enacted by the Congress under the provisions of this section, the agency which issued such standard, rule, regulation, or requirement may thereafter issue a modified standard, rule, regulation, or requirement to

govern the same or substantially identical circumstances, but shall, in publishing such modification in the Federal Register and submitting it to the Speaker of the House of Representatives and the President of the Senate, indicate how the modification differs from the proposed standard, rule, regulation, or requirement of general applicability earlier disapproved, and how the agency believes the modification disposes of the findings by the Congress in the concurrent resolution of disapproval.

“(f) For the purposes of subsections (d) and (e) of this section, activities under sections 404, 405, and 406 of this title, and under title IX of the Education Amendments of 1972 shall be deemed to be applicable programs.

“(g) Not later than sixty days after the enactment of any part of any Act affecting the administration of any applicable program, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a schedule in accordance with which the Commissioner has planned to promulgate rules, regulations, and guidelines implementing such Act or part of such Act. Such schedule shall provide that all such rules, regulations, and guidelines shall be promulgated within one hundred and eighty days after the submission of such schedule. Except as is provided in the following sentence, all such rules, regulations, and guidelines shall be promulgated in accordance with such schedule. If the Commissioner finds that, due to circumstances unforeseen at the time of the submission of any such schedule, he cannot comply with a schedule submitted pursuant to this subsection, he shall notify such committees of such finding and submit a new schedule. If both such committees notify the Commissioner of their approval of such new schedule, such rules, regulations, and guidelines shall be promulgated in accordance with such new schedule.”.

(b) The amendment made by paragraph (2) of subsection (a) shall be effective on the date of enactment of this Act and shall be effective with respect to the provisions of this Act.

AUDITS AND RECORDKEEPING

SEC. 510. Section 434(a) of the General Education Provisions Act is amended to read as follows:

“SEC. 434. (a) (1) Each recipient of Federal funds under any applicable program through any grant, subgrant, contract, subcontract, loan, or other arrangement entered into (other than by formal advertising) shall keep such records as the Assistant Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

“(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of five years after the completion of the project or undertaking to which reference is made in paragraph (1), have access, for the purpose of audit and examination, to any books, documents, papers, and records of such recipients which, in the opinion of the Comptroller General, after consultation with the Assistant Secretary, may be related, or pertinent to, the grants, subgrants, contracts, subcontracts, loans, or other arrangements to which reference is made in paragraph (1).”.

20 USC 1221d,
1221e.

Ante, p. 556.

20 USC 1681.

Schedule, sub-
mittal to con-
gressional com-
mittees.

Effective date.
20 USC 1232
note.

84 Stat. 169;
86 Stat. 326.
20 USC 1232c.

SIMPLIFIED STATE APPLICATION

SEC. 511. (a) Section 434 of the General Education Provisions Act is amended by striking out subsection (b) thereof and inserting in lieu thereof the following:

20 USC 1232c.

“(b)(1)(A) In the case of any State which applies, contracts, or submits a plan, for participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of the State educational agency of that State, such State shall submit to, and maintain on file with, the Commissioner a general application meeting the requirements of this subsection. Such general application shall (i) provide for the submission by the State and approval by the Commissioner of an annual program plan with respect to the particular programs in which the State desires to participate and (ii) provide assurances—

“(I) that the State will, through its State educational agency, provide for such methods of administration as are necessary for the proper and efficient administration of the programs to which the general application applies;

“(II) that the State will make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the States under any applicable program;

“(III) that the State will make provision for making such reports as the Commissioner may require to carry out his functions;

“(IV) that the State will follow such policies and use such methods and practices of administration as will insure that non-Federal funds will not be supplanted by Federal funds; and

“(V) that the State will submit to, and have approved by, the Commissioner an annual program plan in accordance with subparagraph (B).

“(B) The annual program plan submitted by any State for any fiscal year with respect to any program to which this paragraph applies shall—

Annual program plan.

“(i) be prepared and administered in a manner consistent with specific State plan requirements of the appropriate applicable statutes affecting the program for which the annual program plan is applicable;

“(ii) set forth a statement describing the purposes for which Federal funds will be expended during the fiscal year for which the annual program plan is submitted; and

“(iii) comply in all other respects with the specific requirements of the appropriate applicable statutes.

“(2) In accordance with determinations and regulations of the Commissioner, the requirements of paragraph (1) shall be in lieu of comparable requirements for State plans in applicable statutes authorizing appropriations for programs to which paragraph (1) applies.

“(3) In the case of any application for assistance under any applicable program to which paragraph (1) does not apply and with respect to which the Commissioner determines that this section would simplify the administration of an applicable program, each such application shall be submitted to the Commissioner at such time, in such manner, and containing such information as the Commissioner shall prescribe by regulation and, as a precondition for approval, shall—

“(A) provide for such methods of administration as are necessary for the proper and efficient administration of the program or project for which application is made;

“(B) make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under the application; and

“(C) provide for making such reports as the Commissioner may require to carry out his functions.

Noncompliance.

“(c) Whenever the Commissioner, after reasonable notice and an opportunity for hearing, finds that there has been a failure, by any recipient of funds under any applicable program, to comply substantially with the terms to which such recipient has agreed in order to receive such funds, the Commissioner shall notify such recipient that further payments will not be made to such recipient under that program until he is satisfied that such recipient no longer fails to comply with such terms. Until the Commissioner is so satisfied, no further payments shall be made to such recipient. Pending the outcome of any termination proceeding initiated under this paragraph, the Commissioner may suspend payments to such recipient, after such recipient has been given reasonable notice and opportunity to show cause why such action should not be taken.

Judicial review.

“(d) (1) If any State has submitted an application for funds under any applicable program under which appropriations for such program are, by the applicable statute, allotted or apportioned among the States or under which the State (or local educational agencies in that State) is entitled to a portion of an appropriation therefor and the Commissioner disapproves such application, or if the Commissioner withholds payments to a State under paragraph (1) of subsection (c), that State shall be entitled to judicial review of the actions of the Commissioner in accordance with the provisions of this paragraph.

“(2) (A) If any State, under circumstances qualifying for judicial review under this paragraph, desires judicial review of the Commissioner's action, such State may, within sixty days of such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based the action brought under this division, as provided in section 2112 of title 28, United States Code.

“(B) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

“(C) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

“Application.”

“(e) For the purposes of this section, the term ‘application’ includes—

“(1) an application for a grant;

“(2) an offer to make a contract;

“(3) a State plan for the administration of an applicable program;

“(4) State assurances with respect to the administration of such a program; and

“(5) any other methods for seeking Federal funds from the Commissioner of Education;

under which an agency, institution, organization, or other organized entity may become the recipient of Federal funds.”

(b) (1) The amendments made by subsection (a) shall be effective on and after July 1, 1974.

(2) Nothing in the amendment made by subsection (a) shall be construed to affect the applicability of chapter 5 of title 5, United States Code, to the Office of Education or actions by the Commissioner.

Effective date.
20 USC 1232c
note.
20 USC 1232c
note.
5 USC 500.

FURNISHING INFORMATION

SEC. 512. (a) Part C of the General Education Provisions Act is further amended by adding at the end thereof the following new section:

“RESPONSIBILITY OF STATES TO FURNISH INFORMATION

“SEC. 437. (a) The Commissioner shall require that each State submit to him, within sixty days after the end of any fiscal year, a report on the uses of Federal funds in that State under any applicable program for which the State is responsible for administration. Such report shall—

Report to Commissioner.
20 USC 1232f.

“(1) list all grants and contracts made under such program to the local educational agencies and other public and private agencies and institutions within such State during such year;

“(2) include the total amount of funds available to the State under each such program for such fiscal year and specify from which appropriation Act or Acts these funds were available;

“(3) with respect to the second preceding fiscal year, include a compilation of reports from local educational agencies and other public and private agencies and institutions within such State which sets forth the amount of such Federal funds received by each such agency and the purposes for which such funds were expended;

“(4) with respect to such second preceding fiscal year, include a statistical report on the individuals served or affected by programs, projects, or activities assisted with such Federal funds; and

“(5) be made readily available by the State to local educational agencies and other public and private agencies and institutions within the State, and to the public.

“(b) On or before October 15 of each year, the Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and to the Committee on Education and Labor of the House of Representatives an analysis of these reports and a compilation of statistical data derived therefrom.”

Report analysis and statistical data, submittal to congressional committees.

(b) The amendment made by subsection (a) shall be effective upon enactment of this Act.

Effective date.
20 USC 1232f
note.

PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

SEC. 513. (a) Part C of the General Education Provisions Act is further amended by adding at the end thereof the following new section:

Family Educational Rights and Privacy Act of 1974.

“PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS

“SEC. 438. (a) (1) No funds shall be made available under any applicable program to any State or local educational agency, any institution of higher education, any community college, any school, agency

20 USC 1232g.

offering a preschool program, or any other educational institution which has a policy of denying, or which effectively prevents, the parents of students attending any school of such agency, or attending such institution of higher education, community college, school, preschool, or other educational institution, the right to inspect and review any and all official records, files, and data directly related to their children, including all material that is incorporated into each student's cumulative record folder, and intended for school use or to be available to parties outside the school or school system, and specifically including, but not necessarily limited to, identifying data, academic work completed, level of achievement (grades, standardized achievement test scores), attendance data, scores on standardized intelligence, aptitude, and psychological tests, interest inventory results, health data, family background information, teacher or counselor ratings and observations, and verified reports of serious or recurrent behavior patterns. Where such records or data include information on more than one student, the parents of any student shall be entitled to receive, or be informed of, that part of such record or data as pertains to their child. Each recipient shall establish appropriate procedures for the granting of a request by parents for access to their child's school records within a reasonable period of time, but in no case more than forty-five days after the request has been made.

Hearing.

“(2) Parents shall have an opportunity for a hearing to challenge the content of their child's school records, to insure that the records are not inaccurate, misleading, or otherwise in violation of the privacy or other rights of students, and to provide an opportunity for the correction or deletion of any such inaccurate, misleading, or otherwise inappropriate data contained therein.

Release of
records, parental
consent require-
ment.

“(b) (1) No funds shall be made available under any applicable program to any State or local educational agency, any institution of higher education, any community college, any school, agency offering a preschool program, or any other educational institution which has a policy of permitting the release of personally identifiable records or files (or personal information contained therein) of students without the written consent of their parents to any individual, agency, or organization, other than to the following—

“(A) other school officials, including teachers within the educational institution or local educational agency who have legitimate educational interests;

“(B) officials of other schools or school systems in which the student intends to enroll, upon condition that the student's parents be notified of the transfer, receive a copy of the record if desired, and have an opportunity for a hearing to challenge the content of the record;

“(C) authorized representatives of (i) the Comptroller General of the United States, (ii) the Secretary, (iii) an administrative head of an education agency (as defined in section 409 of this Act), or (iv) State educational authorities, under the conditions set forth in paragraph (3) of this subsection; and

“(D) in connection with a student's application for, or receipt of, financial aid.

“(2) No funds shall be made available under any applicable program to any State or local educational agency, any institution of higher education, any community college, any school, agency offering a preschool program, or any other educational institution which has a policy or practice of furnishing, in any form, any personally identifiable information contained in personal school records, to any persons other than those listed in subsection (b) (1) unless—

“(A) there is written consent from the student’s parents specifying records to be released, the reasons for such release, and to whom, and with a copy of the records to be released to the student’s parents and the student if desired by the parents, or

“(B) such information is furnished in compliance with judicial order, or pursuant to any lawfully issued subpoena, upon condition that parents and the students are notified of all such orders or subpoenas in advance of the compliance therewith by the educational institution or agency.

“(3) Nothing contained in this section shall preclude authorized representatives of (A) the Comptroller General of the United States, (B) the Secretary, (C) an administrative head of an education agency or (D) State educational authorities from having access to student or other records which may be necessary in connection with the audit and evaluation of Federally-supported education program, or in connection with the enforcement of the Federal legal requirements which relate to such programs: *Provided*. That, except when collection of personally identifiable data is specifically authorized by Federal law, any data collected by such officials with respect to individual students shall not include information (including social security numbers) which would permit the personal identification of such students or their parents after the data so obtained has been collected.

Records, accessibility for audit.

“(4) (A) With respect to subsections (c) (1) and (c) (2) and (c) (3), all persons, agencies, or organizations desiring access to the records of a student shall be required to sign a written form which shall be kept permanently with the file of the student, but only for inspection by the parents or student, indicating specifically the legitimate educational or other interest that each person, agency, or organization has in seeking this information. Such form shall be available to parents and to the school official responsible for record maintenance as a means of auditing the operation of the system.

Written request.

“(B) With respect to this subsection, personal information shall only be transferred to a third party on the condition that such party will not permit any other party to have access to such information without the written consent of the parents of the student.

“(c) The Secretary shall adopt appropriate regulations to protect the rights of privacy of students and their families in connection with any surveys or data-gathering activities conducted, assisted, or authorized by the Secretary or an administrative head of an education agency. Regulations established under this subsection shall include provisions controlling the use, dissemination, and protection of such data. No survey or data-gathering activities shall be conducted by the Secretary, or an administrative head of an education agency under an applicable program, unless such activities are authorized by law.

Surveys.

“(d) For the purposes of this section, whenever a student has attained eighteen years of age, or is attending an institution of postsecondary education the permission or consent required of and the rights accorded to the parents of the student shall thereafter only be required of and accorded to the student.

“(e) No funds shall be made available under any applicable program unless the recipient of such funds informs the parents of students, or the students, if they are eighteen years of age or older, or are attending an institution of postsecondary education, of the rights accorded them by this section.

“(f) The Secretary, or an administrative head of an education agency, shall take appropriate actions to enforce provisions of this section and to deal with violations of this section, according to the provisions of this Act, except that action to terminate assistance may

be taken only if the Secretary finds there has been a failure to comply with the provisions of this section, and he has determined that compliance cannot be secured by voluntary means.

“(g) The Secretary shall establish or designate an office and review board within the Department of Health, Education, and Welfare for the purpose of investigating, processing, reviewing, and adjudicating violations of the provisions of this section and complaints which may be filed concerning alleged violations of this section, according to the procedures contained in sections 434 and 437 of this Act.”.

(b) (1) (i) The provisions of this section shall become effective ninety days after the date of enactment of section 438 of the General Education Provisions Act.

(2) (i) This section may be cited as the “Family Educational Rights and Privacy Act of 1974”.

Ante, pp. 568-571.

Effective date.
20 USC 1232g
note.

20 USC 1232g
note.

PROTECTION OF PUPIL RIGHTS

Ante, p. 571. SEC. 514. (a) Part C of the General Education Provisions Act is further amended by adding after section 438 the following new section:

“PROTECTION OF PUPIL RIGHTS

20 USC 1232h.

Definition.

“SEC. 439. All instructional material, including teacher’s manuals, films, tapes, or other supplementary instructional material which will be used in connection with any research or experimentation program or project shall be available for inspection by the parents or guardians of the children engaged in such program or project. For the purpose of this section ‘research or experimentation program or project’ means any program or project in any applicable program designed to explore or develop new or unproven teaching methods or techniques.”.

(b) The amendment made by subsection (a) shall be effective upon enactment of this Act.

Effective date.
20 USC 1232h
note.

LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

Supra. SEC. 515. (a) Part C of the General Education Provisions Act is further amended by adding after section 439 the following new section:

“LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

20 USC 1232i.
Ante, p. 572.

“SEC. 440. Except as provided in section 438(b) (1) (D) of this Act, the refusal of a State or local educational agency or institution of higher education, community college, school, agency offering a pre-school program, or other educational institution to provide personally identifiable data on students or their families, as a part of any applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students or their parents, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Such a refusal shall also not constitute sufficient grounds for a denial of, a refusal to consider, or a delay in the consideration of, funding for such a recipient in succeeding fiscal years. In the case of any dispute arising under this section, reasonable notice and opportunity for a hearing shall be afforded the applicant.”.

(b) The amendment made by subsection (a) shall be effective upon enactment of this Act.

Effective date.
20 USC 1232i
note.

APPOINTMENT OF MEMBERS OF AND FUNCTIONING OF ADVISORY COUNCILS

SEC. 516. (a) Section 443 of the General Education Provisions Act is amended by inserting "(a)" after "Sec. 433." and by adding at the end thereof the following:

20 USC 1233b.

"(b) Where the President fails to appoint a member to fill a vacancy in the membership of a Presidential advisory council within sixty days after it occurs (or after the effective date of the statute creating such council), then the Secretary shall immediately appoint a member to fill such vacancy."

(b) The amendment made by subsection (a) shall be effective upon enactment of this Act.

Effective date.
20 USC 1233b
note.

OTHER AMENDMENTS RELATING TO ADVISORY COUNCILS

SEC. 517. (a) (1) Section 445 of the General Education Provisions Act is amended by adding at the end thereof the following new subsection:

20 USC 1233d.

"(d) No employee of an advisory council, appointed and compensated pursuant to this section, shall be compensated at a rate in excess of that which such employee would receive if such employee were appointed subject to the appropriate provisions of title 5, United States Code, regarding appointments to, and compensation with respect to, the competitive service, except that—

5 USC 101 *et seq.*

"(1) executive directors of Presidential advisory councils shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of such title 5;

5 USC 5332
note.

"(2) executive directors of all other statutory advisory councils shall be compensated at the rate provided for employees in grade 15 of such General Schedule; and

"(3) in accordance with regulations promulgated by the Assistant Secretary, other employees of advisory councils shall be compensated at such rates as may be necessary to enable such advisory councils to accomplish their purposes."

(2) Such section 445 is amended by striking out "Commissioner" where it appears and inserting in lieu thereof "Assistant Secretary."

20 USC 1233f.

(b) Section 447(b) of the General Education Provisions Act is amended by striking out "each statutory advisory council" and inserting in lieu thereof "each advisory council which is subject to the operation of this part".

RELATION TO OTHER LAWS

SEC. 518. (a) Part D of the General Education Provisions Act is amended by adding at the end thereof the following new section:

20 USC 1233.

"RELATION TO OTHER LAWS

"SEC. 449. (a) No provision of any law establishing, authorizing the establishment of, or controlling the operation of, an advisory council which is not consistent with the provisions of this part shall apply to any advisory council to which this part applies.

20 USC 1233h.

"(b) The provisions of subsections (e) and (f) of section 10 of the Federal Advisory Committee Act shall not apply to Presidential advisory councils (as defined in section 441)."

(b) The amendment made by subsection (a) shall be effective upon enactment of this Act.

20 USC 1233h
note.

OFFICE OF LIBRARIES AND LEARNING RESOURCES

Establishment.
20 USC 1221i.

SEC. 519. (a) There is established, in the Office of Education, an Office of Libraries and Learning Resources (hereafter in this section referred to as the "Office"), through which the Commissioner shall administer all programs in the Office of Education related to assistance for, and encouragement of, libraries and information centers and education technology.

(b) The Office shall be headed by a Director, to whom the Commissioner shall delegate his delegable functions with respect to the programs administered through the Office.

TITLE VI—EXTENSION AND REVISION OF RELATED ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

PART A—ADULT EDUCATION

DEFINITION OF "COMMUNITY SCHOOL PROGRAM"

20 USC 1202.

SEC. 601. Section 303 of the Adult Education Act is amended by (1) redesignating subsections (e), (f), (g), (h), and (i), and all references thereto, as subsections (f), (g), (h), (i), and (j), respectively, and (2) inserting after subsection (d) the following new subsection:

"(e) The term 'community school program' is a program in which a public building, including but not limited to a public elementary or secondary school or a community or junior college, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other related community services for the community that center serves in accordance with the needs, interests, and concerns of that community."

SPECIAL PROJECTS RESERVATION ELIMINATED

20 USC 1203.

Sec. 602. Section 304 of the Adult Education Act is amended (1) by striking out subsection (a), and (2) by striking out in subsection (b) the following: "(b) From the remainder of such sums, the" and inserting in lieu thereof "The".

NEW STATE PLAN REQUIREMENTS

20 USC 1205.

SEC. 603. (a) Section 306 of the Adult Education Act is amended by redesignating clauses (6), (7), (8), and (9), and all references thereto, as clauses (8), (9), (10), and (11), respectively, and by inserting after clause (5) of such section the following new clauses:

"(6) provide for cooperation with manpower development and training programs and occupational education programs, and for coordination of programs carried on under this title with other programs, including reading improvement programs, designed to provide reading instruction for adults carried on by State and local agencies;

"(7) provide that such agency will make available not to exceed 20 per centum of the State's allotment for programs of equivalency for a certificate of graduation from a secondary school;"

(b) Section 306(a)(1) of such Act is amended by inserting after "adult population" the following: ", including institutionalized persons," and by inserting before the semicolon at the end thereof a

comma and the following: "That not to exceed 20 per centum of the funds used to carry out this Act for any fiscal year may be used for the education of institutionalized persons".

USE OF FUNDS FOR SPECIAL PROJECTS

SEC. 604. Section 309 of the Adult Education Act is amended to read as follows:

20 USC 1208.

"USE OF FUNDS FOR SPECIAL EXPERIMENTAL DEMONSTRATION PROJECTS AND TEACHER TRAINING

"SEC. 309. Of the funds allotted to a State under section 305 for a fiscal year, not less than 15 per centum shall be used for—

"(1) special projects which will be carried out in furtherance of the purposes of this title, and which—

"(A) involve the use of innovative methods, systems, materials, or programs which may have national significance or be of special value in promoting effective programs under this title, or

"(B) involve programs of adult education which are part of community school programs, carried out in cooperation with other Federal, federally assisted, State, or local programs which have unusual promise in promoting a comprehensive or coordinated approach to the problems of persons with educational deficiencies; and

"(2) training persons engaged, or preparing to engage, as personnel in programs designed to carry out the purposes of this title."

CLEARINGHOUSE ON ADULT EDUCATION

SEC. 605. The Adult Education Act is amended by inserting immediately after section 309 thereof the following new section:

Supra.

"CLEARINGHOUSE ON ADULT EDUCATION

"SEC. 309A. The Commissioner shall establish and operate a clearinghouse on adult education, which shall collect and disseminate to the public information pertaining to the education of adults and adult education programs, together with ways of coordinating adult education programs with manpower and other education programs. The Commissioner is authorized to enter into contracts with public agencies or private organizations to operate the clearinghouse established or designated under this section."

20 USC 1208-1.

Contract
authority.

STATE ADVISORY COUNCILS

SEC. 606. The Adult Education Act is amended by inserting immediately after section 310 thereof the following new section:

"STATE ADVISORY COUNCILS

"SEC. 310A. (a) Any State which receives assistance under this title may establish and maintain a State advisory council, or may designate and maintain an existing State advisory council, which shall be, or has been, appointed by the Governor or, in the case of a State in which members of the State board which governs the State education agency are elected (including election by the State legislature), by such board.

20 USC 1208b.

“(b)(1) Such a State advisory council shall include as members persons who, by reason of experience or training, are knowledgeable in the field of adult education or who are officials of the State educational agency or of local educational agencies of that State, persons who are or have received adult educational services, and persons who are representative of the general public.

“(2) Such a State advisory council, in accordance with regulations prescribed by the Commissioner, shall—

“(A) advise the State educational agency on the development of, and policy matters arising in, the administration of the State plan approval pursuant to section 306;

“(B) advise with respect to long-range planning and studies to evaluate adult education programs, services, and activities assisted under this Act; and

“(C) prepare and submit to the State educational agency, and to the National Advisory Council for Adult Education established pursuant to section 310, an annual report of its recommendations, accompanied by such additional comments of the State educational agency as that agency deems appropriate.

“(c) Upon the appointment of any such advisory council, the appointing authority under subsection (a) of this section shall inform the Commissioner of the establishment of, and membership of, its State advisory council. The Commissioner shall, upon receiving such information, certify that each such council is in compliance with the membership requirements set forth in subsection (b)(1) of this section.

“(d) Each such State advisory council shall meet within thirty days after certification has been accepted by the Commissioner under subsection (c) of this section and select from among its membership a chairman. The time, place, and manner of subsequent meetings shall be provided by the rules of the State advisory council, except that such rules shall provide that each such council meet at least four times each year, including at least one public meeting at which the public is given the opportunity to express views concerning adult education.

“(e) Each such State advisory council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this section.”.

AMENDMENTS RELATING TO BILINGUAL EDUCATION

SEC. 607. (a) Section 306(a) of the Adult Education Act is amended by striking out “and” at the end of clause (10) of such section, by redesignating clause (11), and all references thereto, as clause (12), and by adding after clause (10) the following new clause:

“(11) provide that special assistance be given to the needs of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965), by providing bilingual adult education programs in which instruction is given in English and, to the extent necessary to allow such persons to progress effectively through the adult education program, in the native language of such persons, carried out in coordination with programs of bilingual education assisted under such title VII and bilingual vocational education programs under the Vocational Education Act of 1963; and”

(b)(1) Section 309(b)(1) of such Act is amended by inserting a comma and “including methods for educating persons of limited English-speaking ability” immediately after “methods”.

Ante, p. 576;
Infra.

Annual report.

20 USC 1208a.

Ante, p. 576.

Ante, p. 504.

Ante, p. 503.
20 USC 1241
note.
20 USC 1208.

(2) Section 309(b) (2) of such Act is amended by inserting a comma and “including education for persons of limited English-speaking ability” immediately after “education”.

20 USC 1208.

(3) Section 311(b) of such Act is amended by inserting a comma and “including education for persons of limited English-speaking ability in which instruction is given in English and, to the extent necessary to allow such persons to progress effectively through the adult education program, in the native language of such persons” immediately after “adult education”.

20 USC 1209.

EXTENSION OF AUTHORIZATIONS OF APPROPRIATIONS; TECHNICAL AMENDMENTS

SEC. 608. (a) Section 313(a) of the Adult Education Act is amended—

20 USC 1211.

(1) by striking out “section 310” and inserting in lieu thereof “sections 310 and 314”;

(2) by striking out the word “and” after “June 30, 1971,”; and

(3) by inserting after “June 30, 1973,” the following: “\$150,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, \$175,000,000 for the fiscal year ending June 30, 1976, and \$200,000,000 for each of the fiscal years ending June 30, 1977, and June 30, 1978: *Provided*, That, effective with respect to fiscal years after June 30, 1974, grants to each State under section 305 shall not be less than 90 per centum of the grants made to such State agencies in fiscal year 1973.”

(b) Section 314(d) of such Act, is amended by striking out “two” and inserting after “years” the following: “ending prior to July 1, 1978”.

20 USC 1211a.

EFFECTIVE DATES

SEC. 609. (a) The amendments made by this part shall be effective on the date of enactment of this Act, except that—

20 USC 1202 note.

(1) the amendments made by section 608 shall be effective on and after July 1, 1973; and

(2) the amendments made by sections 603 and 607 shall be effective on, and with respect to appropriations for fiscal years beginning after June 30, 1973.

(b) The amendments made by sections 603 and 604 shall not take effect with respect to any multi-year program or project approved prior to the date of enactment of this Act.

PART B—EDUCATION OF THE HANDICAPPED

SHORT TITLE

SEC. 611. This title may be cited as the “Education of the Handicapped Amendments of 1974”.

Education of the Handicapped Amendments of 1974.

BUREAU FOR THE EDUCATION AND TRAINING OF THE HANDICAPPED

20 USC 1402 note.

SEC. 612. (a) Section 603 of the Education of the Handicapped Act is amended by inserting “(a)” after “SEC. 603.” and by adding at the end thereof the following new subsection:

20 USC 1402.

“(b)(1) The Bureau established under subsection (a) shall be headed by a Deputy Commissioner of Education who shall be appointed by the Commissioner, who shall report directly to the Commissioner, be compensated at the rate specified for, and placed in, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

5 USC 5332 note.

"(2) In addition to such Deputy Commissioner, there shall be placed in such Bureau five positions for persons to assist the Deputy Commissioner in carrying out his duties, including the position of Associate Deputy Commissioner, and such positions shall be placed in grade 16 of the General Schedule set forth in section 5332 of title 5, United States Code."

5 USC 5332
note.
20 USC 1402
note.
Ante, p. 579.

(b) (1) The positions created by subsection (b) of section 603 of the Education of the Handicapped Act shall be in addition to the number of positions placed in the appropriate grades under section 5108 of title 5, United States Code, and such positions shall be in addition to, and without prejudice against, the number of positions otherwise placed in the Office of Education under such section 5108 or under other law. Nothing in this section shall be deemed as limiting the Commissioner from assigning additional General Schedule positions in grades 16, 17, and 18 to the Office should he determine such additions to be necessary to operate programs for educating handicapped children authorized by this Act.

Effective date.
20 USC 1402
note.

(2) The amendments made by subsection (a) shall become effective upon the enactment of this Act.

ADVISORY COMMITTEE

20 USC 1403.

SEC. 613. (a) Section 604(b) of the Education of the Handicapped Act is amended by adding at the end thereof the following new sentence: "The Advisory Committee shall continue to exist until July 1, 1977."

(b) Section 604 of such Act is amended by adding at the end thereof the following new subsection:

"(c) There are authorized to be appropriated for the purposes of this section \$100,000 for the fiscal year ending June 30, 1974, and for each of the three succeeding fiscal years."

STATE ENTITLEMENTS

Effective date.
20 USC 1411
and note.

SEC. 614. (a) Effective for fiscal year 1975 only, section 611 of the Education of the Handicapped Act is amended to read as follows:

"GRANTS TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

"SEC. 611. (a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the pre-school, elementary school, and secondary school levels in order to provide full educational opportunities to all handicapped children. Such payments may be used for the early identification and assessment of handicapping conditions in children under three years of age.

20 USC 1412.

"(b) (1) Subject to the provisions of section 612, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

"(A) the number of children aged three to twenty-one inclusive, in that State in the most recent fiscal year for which satisfactory data are available;

multiplied by—

"(B) \$8.75.

"State."

"(2) For the purpose of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

“(c) (1) The jurisdictions to which this subsection applies are the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

“(2) Each jurisdiction to which this subsection applies shall, for the fiscal year ending June 30, 1975, be entitled to a grant in an amount equal to an amount determined by the Commissioner, in accordance with criteria established by regulations, needed to initiate, expand, or improve programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels, in that jurisdiction, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 2 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 2 per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 2 per centum limitation.

“(d) The Commissioner is authorized for the fiscal year ending June 30, 1975, to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.”

Indian reservation schools, assistance.

(b) Effective for fiscal year 1975 only, section 612 of such Act is amended to read as follows:

Effective date.
20 USC 1412
and note.

“ALLOCATIONS OF APPROPRIATIONS

“SEC. 612. (a) Sums appropriated for the fiscal year ending June 30, 1975, shall be made available to States and allocated to each State, on the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from the appropriation for this part for the fiscal year 1974.

Ante, p. 580.

“(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlements created under section 611 (to the extent that such entitlements are unsatisfied) ratably reduced.

“(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsections (a) and (b) for that year, the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.”

(c) Effective for fiscal year 1975 only, section 613(a) of such Act is amended by striking out “desires to receive grants” in the first sentence of such subsection and inserting in lieu thereof “is entitled to receive payments”.

20 USC 1413
and note.

(d) Section 613(a) of such Act is further amended by (1) striking out the word “and” at the end of paragraph (10), (2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon, and (3) by adding at the end thereof the following two paragraphs:

“(12) (A) establish a goal of providing full educational opportunities to all handicapped children, and (B) provide for a procedure to assure that funds expended under this part are used to accomplish the goal set forth in (A) of this paragraph and priority in the utilization of funds under this part will be given to handicapped children who are not receiving an education; and

“(13) provide procedures for insuring that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation and educational placement of handicapped children including, but not limited to (A) (i) prior notice to parents or guardians of the child when the local or State educational agency proposes to change the educational placement of the child, (ii) an opportunity for the parents or guardians to obtain an impartial due process hearing, examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardians are not known, unavailable, or the child is a ward of the State including the assignment of an individual (not to be an employee of the State or local educational agency involved in the education or care of children) to act as a surrogate for the parents or guardians, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; and (B) procedures to insure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular education environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure the testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.”

Ante, p. 580.

(e) (1) Section 611(a) of the Education of the Handicapped Act is amended by inserting before the period the following: “in order to provide full educational opportunity to all handicapped children”.

(2) Subsection (b) of section 611 of the Education of the Handicapped Act is amended to read as follows:

“(b) For the purpose of making grants under this part, there are authorized to be appropriated \$100,000,000 for the fiscal year ending June 30, 1976, and \$110,000,000 for the fiscal year ending June 30, 1977.”

(3) The amendment made by subsection (e) shall become effective and shall be deemed to have been enacted on July 1, 1975.

(f) (1) Section 612(a) (1) (B) of such Act is amended by striking out “1973” and inserting in lieu thereof “1977”.

(2) The amendment made by this subsection shall be effective on and after July 1, 1973.

ADDITIONAL STATE PLAN REQUIREMENT

SEC. 615. (a) (1) Effective on and after July 1, 1975, section 612(a) (2) of the Education of the Handicapped Act is amended by striking out “\$200,000” and inserting in lieu thereof “\$300,000”.

Effective date.
20 USC 1411
note.
20 USC 1412.

Effective date.
20 USC 1412
note.

Effective date.
20 USC 1412
and note.

(2) Effective on and after July 1, 1975, section 612(a) of such Act is amended by inserting at the end thereof the following new paragraph:

Effective date.
20 USC 1412
and note.

“(3) No State shall, in any fiscal year, be required to expend amounts allotted pursuant to this section to carry out the provisions of paragraph (1) of section 613(b) unless that State receives an amount greater than the amount allotted to that State for the fiscal year ending June 30, 1973.”

20 USC 1413.

(b) Section 613(a)(1) of such Act is amended by striking out “\$100,000” and inserting in lieu thereof “\$200,000”.

(c) (1) Section 613 of such Act is amended by redesignating subsections (b), (c), and (d) of such section, and all references thereto, as subsections (c), (d), and (e), respectively, and by inserting after subsection (a) the following:

“(b) (1) Any State which desires to receive a grant under this part for any fiscal year beginning after June 30, 1975, shall submit to the Commissioner for approval not later than one year after the enactment of the Education of the Handicapped Amendments of 1974, through its State educational agency an amendment to the State plan required under subsection (a), setting forth in detail the policies and procedures which the State will undertake in order to assure that—

Ante, p. 579.

“(A) all children residing in the State who are handicapped regardless of the severity of their handicap and who are in need of special education and related services are identified, located, and evaluated, including a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

“(B) policies and procedures will be established in accordance with detailed criteria prescribed by the Commissioner to protect the confidentiality of such data and information by the State;

“(C) there is established (i) a goal of providing full educational opportunities to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal; and

“(D) the amendment submitted by the State pursuant to this subsection shall be available to parents and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

For the purpose of this part, any amendment to the State plan required by this subsection and approved by the Commissioner shall be considered, after June 30, 1975, as a required portion of the State plan.

“(2) The requirement of paragraph (1) of this subsection shall not be effective with respect to any fiscal year in which the aggregate of the amounts allotted to the States for this part for that fiscal year is less than \$45,000,000.”

(2) Section 613(e)(1) of such Act (as redesignated by this section) is amended by striking out “subsection (c)” and inserting in lieu thereof “subsection (d)”.

(d) The amendment made by subsections (a)(1) and (b) of this section shall be effective in any fiscal year for which the aggregate of the amounts allotted to the States for that fiscal year for carrying out part B of the Education of the Handicapped Act is \$45,000,000 or more.

Effective date.
20 USC 1412
note.

20 USC 1411.

REGIONAL EDUCATION PROGRAMS FOR DEAF AND OTHER HANDICAPPED
PERSONS

20 USC 1425,
1426.

SEC. 616. Part C of the Education of the Handicapped Act is amended by redesignating sections 625 and 626 thereof as sections 626 and 627, respectively, and by inserting a new section as follows:

“REGIONAL EDUCATION PROGRAMS

20 USC 1424a.

“SEC. 625. (a) The Commissioner is authorized to make grants to or contracts with institutions of higher education, including junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for the development and operation of specially designed or modified programs of vocational, technical, postsecondary, or adult education for deaf or other handicapped persons.

“(b) In making grants or contracts authorized by this section the Commissioner shall give priority consideration to—

“(1) programs serving multistate regions or large population centers;

“(2) programs adapting existing programs of vocational, technical, postsecondary, or adult education to the special needs of handicapped persons; and

“(3) programs designed to serve areas where a need for such services is clearly demonstrated.

“Handicapped
persons.”

“(c) For purposes of this section, the term ‘handicapped persons’ means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, emotionally disturbed, crippled, or in other ways health impaired and by reason thereof require special education programming and related services.”

CENTERS AND SERVICES

SEC. 617. Section 627 of the Education of the Handicapped Act (as redesignated by section 616) is amended to read as follows:

“AUTHORIZATION OF APPROPRIATIONS

20 USC 1426.

“SEC. 627. There are authorized to be appropriated to carry out the provisions of section 621, \$12,500,000 for the fiscal year ending June 30, 1975, \$18,000,000 for the fiscal year ending June 30, 1976, and \$19,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 622, \$15,000,000 for the fiscal year ending June 30, 1975, \$20,000,000 for the fiscal year ending June 30, 1976, and for the succeeding fiscal year. There are authorized to be appropriated to carry out the provisions of section 623, \$25,500,000 for the fiscal year ending June 30, 1975, \$36,000,000 for the fiscal year ending June 30, 1976, and \$38,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 625, \$1,000,000 for the fiscal year ending June 30, 1975, and such sums as may be necessary for each of the two succeeding fiscal years.”

PERSONNEL TRAINING

20 USC 1436.

SEC. 618. Section 636 of the Education of the Handicapped Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 636. There are authorized to be appropriated for carrying out the provisions of this part (other than section 633) \$45,000,000 for the fiscal year ending June 30, 1975, \$52,000,000 for the fiscal year ending June 30, 1976, and \$54,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 633, \$500,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, and \$1,000,000 for the fiscal year ending June 30, 1977."

RESEARCH

SEC. 619. Section 644 of the Education of the Handicapped Act is amended to read as follows: 20 USC 1444.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 644. For the purpose of carrying out this part, there are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1975, \$20,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977."

INSTRUCTIONAL MEDIA

SEC. 620. (1) Sections 652(b)(3), 652(b)(4), and 652(b)(5) of the Education of the Handicapped Act are each amended by inserting "by grant and contract," after "provide". 20 USC 1452.

(2) Section 654 of such Act is amended to read as follows: 20 USC 1454.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 654. For the purposes of carrying out this part there are hereby authorized to be appropriated not to exceed \$18,000,000 for the fiscal year ending June 30, 1975, and \$22,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year thereafter."

SPECIFIC LEARNING DISABILITIES

SEC. 621. Section 661(c) of the Education of the Handicapped Act is amended to read as follows: 20 USC 1461.

"(c) For the purpose of making grants and contracts under this section there are authorized to be appropriated \$10,000,000 for the fiscal year ending June 30, 1975, \$20,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977."

PART C—INDIAN EDUCATION

EXTENSION OF PROGRAMS FOR THE EDUCATION OF INDIAN CHILDREN

SEC. 631. (a) Section 810(g) of the Elementary and Secondary Education Act of 1965 is amended by striking out "two succeeding fiscal years" and inserting in lieu thereof "succeeding fiscal years ending prior to July 1, 1978". 20 USC 887c.

(b) Section 303(a)(1) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by the Indian Education Act, is amended by striking out "July 1, 1975" and inserting in lieu thereof "July 1, 1978". 20 USC 241bb.

(c) The amendments made by this section shall be effective on and after July 1, 1973. Effective date. 20 USC 887c note.

REVISION OF PROGRAMS RELATING TO INDIAN EDUCATION

20 USC 887c.

SEC. 632. (a) Section 810(f) of the Elementary and Secondary Education Act of 1965 is amended by inserting after the third sentence the following new sentence: "The Commissioner shall not approve an application for a grant under subsection (b), (c), or (d) unless he is satisfied that such an application, to the extent consistent with the number of eligible children in the area to be served who are enrolled in private nonprofit elementary and secondary schools whose needs are of the type which the program is intended to meet, makes provision for the participation of such children on an equitable basis."

20 USC 241bb.

(b) Section 303(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by striking out "5 per centum" and inserting in lieu thereof "10 per centum".

20 USC 821
note.

(c) Part B of the Indian Education Act is amended by adding at the end thereof the following new sections:

"SPECIAL EDUCATIONAL TRAINING PROGRAMS FOR TEACHERS OF INDIAN CHILDREN

20 USC 887c-1.

"SEC. 422. (a) The Commissioner is authorized to make grants to and enter into contracts with institutions of higher education, Indian organizations, and Indian tribes for the purpose of preparing individuals for teaching or administering special programs and projects designed to meet the special educational needs of Indian children and to provide in-service training for persons teaching in such programs. Priority shall be given to Indian institutions and organizations. In carrying out his responsibilities under this section, the Commissioner is authorized to award fellowships and traineeships to individuals and to make grants to and to enter into contracts with institutions of higher education, Indian organizations, and Indian tribes for cost of education allowances. In awarding fellowships and traineeships under this section, the Commissioner shall give preference to Indians.

"(b) In the case of traineeships and fellowships, the Commissioner is authorized to grant stipends to, and allowances for dependents of, persons receiving traineeships and fellowships.

"(c) There is authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, and for each of the three succeeding fiscal years to carry out the provisions of this section.

"FELLOWSHIPS FOR INDIAN STUDENTS

20 USC 887c-2.

"SEC. 423. (a) During the fiscal year ending June 30, 1975, and each of the three succeeding fiscal years, the Commissioner is authorized to award not to exceed two hundred fellowships to be used for study in graduate and professional programs at institutions of higher education. Such fellowships shall be awarded to Indian students in order to enable them to pursue a course of study of not less than three, nor more than four, academic years leading toward a professional or graduate degree in engineering, medicine, law, business, forestry and related fields. In addition to the fellowships authorized to be awarded in the first sentence of this subsection, the Commissioner is authorized to award a number of fellowships equal to the number previously awarded during any fiscal year under this subsection but vacated prior to the end of the period during which they were awarded, except that each fellowship so awarded shall be only for a period of study not in excess of the remainder of the period of time for which the fellowship it replaces was awarded, as the Commissioner may determine.

“(b) The Commissioner shall pay to persons awarded fellowships under this subsection such stipends (including such allowances for subsistence of such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

“(c) The Commissioner shall pay to the institution of higher education at which the holder of a fellowship under this subsection is pursuing a course of study, in lieu of tuition charged such holder, such amounts as the Commissioner may determine to cover the cost of education for the holder of such a fellowship.”.

(d) The amendments made by this section shall be effective on and after July 1, 1974.

Effective date.
20 USC 887c
note.

PART D—EMERGENCY SCHOOL AID

EXTENSION OF THE EMERGENCY SCHOOL AID ACT

SEC. 641. (a) Section 704(a) of the Emergency School Aid Act (title VII of Public Law 92-318) is amended by striking out “for the fiscal year ending June 30, 1974” and inserting in lieu thereof “for the period ending June 30, 1976”.

20 USC 1603.

(b) With respect to the fiscal year ending June 30, 1976, the authorization level for the Emergency School Aid Act shall, for the purposes of section 414 of the General Education Provisions Act, be equal to the amount appropriated for the purposes of the Emergency School Aid Act for the fiscal year ending June 30, 1976.

20 USC 1603
note.
20 USC 1601
note.
Ante, p. 563.

REPEAL OF RESERVATION FOR CERTAIN METROPOLITAN PROJECTS

SEC. 642. (a) Section 704(b) of the Emergency School Aid Act is amended by striking out paragraph (1) and by striking out “(2)” of such section.

(b) The matter preceding paragraph 1 of section 709(a) of such Act is amended to read as follows: “Sums available to the Secretary under section 708 for metropolitan area projects shall be available for the following purposes:”.

20 USC 1608.

20 USC 1607.

AMENDMENT WITH RESPECT TO ELIGIBILITY

SEC. 643. (a) Section 706(a) of the Emergency School Aid Act is amended (1) by striking out paragraph (3), (2) by striking out the period at the end of paragraph (1) (D) and inserting, “; or” and (3) by adding at the end of such paragraph (1) the following:

20 USC 1605.

“(E) which will establish or maintain one or more integrated schools as defined in section 720(7) and which—

20 USC 1619.

“(i) has a sufficient number of minority group children to comprise more than 50 per centum of the number of children in attendance at the schools of such agency, and

“(ii) has agreed to apply for an equal amount of assistance under subsection (b).”

(b) Section 706(b) of such Act is amended by inserting “(1)” after “subsection (a)”.

(c) Section 710(c) of such Act is amended by inserting in paragraph (2) after “(iii)” the following: “or under section 706(a) (1) (E)”. In the same paragraph insert “or activity” after “plan” the second time it appears.

20 USC 1609.

(d) Section 720(7) of such Act is amended by striking “section 706(a) (3)” and by inserting “section 706(a) (1) (E)”.

Supra.

SPECIAL PROJECTS FOR THE TEACHING OF MATHEMATICS

20 USC 1607.

SEC. 644. Section 708(a) of such Act is amended by adding at the end thereof the following new paragraph:

“(3) The Assistant Secretary is authorized to make grants to, and contracts with, one or more private, nonprofit agencies, institutions, or organizations, for the conduct, in cooperation with one or more local educational agencies, of special programs for the teaching of standard mathematics to children eligible for services under this Act through instruction in advanced mathematics by qualified instructors with bachelor degrees in mathematics, or the mathematical sciences from colleges or other institutions of higher education, or equivalent experience.”

AMENDMENT RELATING TO NONPROFIT GROUPS

20 USC 1605.

SEC. 645. Section 708(b) of the Elementary School Aid Act is amended by striking out “706(a)” both times it appears in such section and inserting in lieu thereof “706” in each instance.

EFFECTIVE DATE

20 USC 1603
note.

SEC. 646. The amendments made by and the provisions of this part shall be effective on and after July 1, 1974, and with respect to appropriations for fiscal years beginning on and after such date except that the provisions of section 641(b) shall be effective only with respect to fiscal year 1977.

PART E—NATIONAL DEFENSE EDUCATION ACT

EXTENSION OF TITLE III

20 USC 441.

SEC. 651. (a) Section 301 of the National Defense Education Act of 1958 is amended by striking out “1975” both times it appears and inserting “1977” in lieu thereof, by striking out “for the fiscal year ending” after “\$130,500,000” in the first sentence, and by inserting in lieu thereof “for each of the fiscal years ending prior to”, and by adding at the end thereof the following new sentence: “Notwithstanding the preceding two sentences, no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part B of title IV of the Elementary and Secondary Education Act of 1965.”

Ante, p. 542.
Effective date.
20 USC 441
note.

(b) The amendment made by this section shall be effective on and after July 1, 1974.

TITLE VII—NATIONAL READING IMPROVEMENT
PROGRAM

STATEMENT OF PURPOSE

20 USC 1901.

SEC. 701. It is the purpose of this title—

(1) to provide financial assistance to encourage State and local educational agencies to undertake projects to strengthen reading instruction programs in elementary grades;

(2) to provide financial assistance for the development and enhancement of necessary skills of instructional and other educational staff for reading programs;

(3) to develop a means by which measurable objectives for reading programs can be established and progress toward such objectives assessed;

- (4) to develop the capacity of preelementary school children for reading, and to establish and improve preelementary school programs in language arts and reading; and
- (5) to provide financial assistance to promote literacy among youth and adults.

PART A—READING IMPROVEMENT PROJECTS

PROJECTS AUTHORIZED

SEC. 705. (a) (1) The Commissioner is authorized to enter into agreements with either State educational agencies or local educational agencies, or both, for the carrying out by such agencies, in schools having large numbers or a high percentage of children with reading deficiencies, of projects involving the use of innovative methods, systems, materials, or programs which show promise of overcoming such reading deficiencies.

20 USC 1921.

(2) The Commissioner is further authorized to enter into agreements with State educational agencies, local educational agencies, or with nonprofit educational or child care institutions for the carrying out by such agencies and institutions, in areas where such schools are located, of such projects for preelementary school children. Such projects are to be instituted in kindergartens, nursery schools, or other pre-school institutions.

(b) No agreement may be entered into under this part, unless upon an application made to the Commissioner at such time, in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall set forth a reading program which provides for—

Applications,
reading program
requirements.

(1) diagnostic testing designed to identify preelementary and elementary school children with reading deficiencies, including the identification of conditions which, without appropriate other treatment, can be expected to impede or prevent children from learning to read;

(2) planning for and establishing comprehensive reading programs;

(3) reading instruction for elementary school pupils whose reading achievement is less than that which would normally be expected for pupils of comparable ages and in comparable grades of school;

(4) preservice training programs for teaching personnel including teacher-aides and other ancillary educational personnel, and in-service training and development programs, where feasible, designed to enable such personnel to improve their ability to teach students to read;

(5) participation of the school faculty, school board members, administration, parents, and students in reading-related activities which stimulate an interest in reading and are conducive to the improvement of reading skills;

(6) parent participation in development and implementation of the program for which assistance is sought;

(7) local educational agency school board participation in the development of programs;

(8) periodic testing in programs for elementary school children on a sufficiently frequent basis to measure accurately reading achievement, and for programs for preelementary school children a test of reading proficiency at the conclusion, minimally, of the first-grade program into which the nursery and kindergarten programs are integrated;

(9) publication of test results on reading achievement by grade level, and where appropriate, by school, without identification of achievement of individual children;

(10) availability of test results on reading achievement on an individual basis to parents or guardians of any child being so tested;

(11) participation on an equitable basis by children enrolled in nonprofit private elementary schools in the area to be served (after consultation with the appropriate private school officials) to an extent consistent with the number of such children whose educational needs are of the kind the program is intended to meet;

(12) the use of bilingual education methods and techniques to the extent consistent with the number of elementary school-age children in the area served by a reading program who are of limited English-speaking ability;

(13) appropriate involvement of leaders of the cultural and educational resources of the area to be served, including institutions of higher education, nonprofit private schools, public and private nonprofit agencies such as libraries, museums, educational radio and television, and other cultural and education resources of the community; and

(14) assessment, evaluation, and collection of information on individual children by teachers during each year of the pre-elementary program, to be made available for teachers in the subsequent year, in order that continuity for the individual child not be lost.

Additional
requirements.

(c) Each such applicant, in addition to meeting the requirements of subsection (b), shall provide assurances that—

(1) appropriate measures have been taken by the agency to analyze the reasons why elementary school children are not reading at the appropriate grade level;

(2) the agency will develop a plan setting forth specific objectives which shall include the goals of having the children in project schools reading at the appropriate grade level at the end of grade three; and

(3) whenever appropriate, sufficient measures will be taken to coordinate each preelementary reading program with the reading program of the educational agencies or institutions which such preelementary school children will be next in attendance.

(d) No grant may be made under this part unless the application for such grant provides assurances that the provisions of this subsection are met. Each State educational agency shall—

State advisory
councils on
reading.

(1) establish an advisory council on reading appointed by such agency which shall be broadly representative of the education resources of the State and of the general public, including persons representative of—

(A) public and private nonprofit elementary and secondary schools,

(B) institutions of higher education,

(C) parents of elementary and secondary school children, and

(D) areas of professional competence relating to instruction in reading, and

(2) authorize the advisory council established under clause (1) to receive and designate priorities among applications for grants under this section in that State,

if—

(i) that State educational agency desires to receive a grant under this part, or

(ii) any local educational agency of that State desires to receive a grant under this part, and notifies the State educational agency concerned, or

(iii) in the case of a preelementary school program any non-profit educational agency or child care institution in that State desires to receive a grant under this part, and notifies the State educational agency concerned.

(e) No agreement may be entered into under this part unless the application submitted to the Commissioner— Application approval.

(1) has first been approved by the State educational agency, and

(2) is accompanied by assurances that such agency will supervise compliance by the local educational agency in that State with the requirements set forth in subsection (b) of this section.

(f) The Commissioner may approve any application submitted under this part which meets the requirements of subsections (b), (c), (d), and (e). In approving such applications, the Commissioner may not use any panel (other than employees of the Office of Education) for the purpose of such approval.

(g) In approving applications under this part the Commissioner shall, to the maximum extent feasible, assure an equitable distribution of funds throughout the United States and among urban and rural areas. Not more than 12½ percent of the funds expended under this part in any fiscal year may be expended in any State in that year. Equitable distribution of funds.

PART B—STATE READING IMPROVEMENT PROGRAMS

STATEMENT OF PURPOSE

SEC. 711. It is the purpose of this part to provide financial assistance to the States to enable them— 20 USC 1941.

(1) to provide financial assistance for projects designed to facilitate reaching the objectives of this title;

(2) to develop comprehensive programs to improve reading proficiency and instruction in reading in the elementary schools of the State;

(3) to provide State leadership in the planning, improving, execution, and evaluation of reading programs in elementary schools; and

(4) to arrange for and assist in the training of special reading personnel and specialists needed in programs assisted under this title.

APPLICABILITY AND EFFECTIVE DATE

SEC. 712. (a) The provisions of this part shall become effective only in any fiscal year in which appropriations made pursuant to section 732(a) exceed \$30,000,000 and then only with respect to the amount of such excess. 20 USC 1942.

(b) The provisions of this part shall be effective on and after the beginning of fiscal year 1976. Post, p. 596.

ALLOTMENTS TO STATES

SEC. 713. (a)(1) From the sums appropriated pursuant to section 732(a) for each fiscal year which are available for carrying out this part, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such sums, as he may determine, and shall 20 USC 1943.

apportion such amount to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. Of the remainder of such sums, he shall allot an amount to each State which bears the same ratio to the amount available for allotment as the number of school age children (aged 5 to 12, inclusive) in each such State bears to the total number of such children in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. The allotment of a State which would be less than \$50,000 under the preceding sentence shall be increased to \$50,000, and the total of the increases thereby required shall be derived by proportionately reducing the allotments to the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotments to any such remaining States from being reduced to less than \$50,000.

“State.”

(2) For the purpose of this section the term “State” includes the District of Columbia and the Commonwealth of Puerto Rico.

Reallotment.

(b) The amount allotted to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 732 for any fiscal year shall be deemed part of the amount allotted to it under subsection (a) for that year.

Post, p. 596.

AGREEMENTS WITH STATE EDUCATIONAL AGENCIES

20 USC 1944.

SEC. 714. (a) Any State which desires to receive grants under this part shall, through its State educational agency, enter into an agreement with the Commissioner, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the sole agency for administration of the agreement;

(2) provides for the establishment of a State advisory council on reading, appointed by the State educational agency, which shall be broadly representative of the educational resources of the State and of the general public, including persons representative of—

(A) public and private nonprofit elementary school children, and

(B) institutions of higher education,

(C) parents of elementary school children, and

(D) areas of professional competence relating to instruction in reading,

to advise the State educational agency on the formulation of a standard of excellence for reading programs in the elementary schools and on the preparation of, and policy matters arising in the administration of, the agreement (including the criteria for approval of applications for assistance under such agreement) and in the evaluation of results of the program carried out pursuant to the agreement;

(3) describes the reading programs in elementary schools for which assistance is sought under this part and procedures for giving priority to reading programs which are already receiving Federal financial assistance and show reasonable promise of achieving success;

(4) sets forth procedures for the submission of applications by local educational agencies within that State, including procedures for an adequate description of the reading programs for which assistance is sought under this part;

(5) sets forth criteria for achieving an equitable distribution of that part of the assistance under this part which is made available to local educational agencies pursuant to the second sentence of subsection (b) of this section, which criteria shall—

(A) take into account the size of the population to be served, beginning with preschool, the relative needs of pupils in different population groups within the State for the program authorized by this title, and the financial ability of the local educational agency serving such pupils;

(B) assure that such distribution shall include grants to local educational agencies having high concentrations of children with low reading proficiency, and

(C) assure an equitable distribution of funds among urban and rural areas;

(6) sets forth criteria for the selection or designation and training of personnel (such as reading specialists and administrators of reading programs) engaged in programs assisted under this part, including training for private elementary school personnel, which shall include qualifications acceptable for such personnel;

(7) provides for the coordination and evaluation of programs assisted under this part;

(8) provides for technical assistance and support services for local educational agencies participating in the program;

(9) makes provision for the dissemination to the educational community and the general public of information about the objectives of the program and results achieved in the course of its implementation;

(10) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to evaluate the effectiveness of the program and to carry out his other functions under this title;

Reports to
Commissioner.

(11) provides that not more than 5 per centum of the amount allotted to the State under section 713 for any fiscal year may be retained by the State educational agency for purposes of administering the agreement; and

Ante, p. 591.

(12) provides that programs assisted under this part shall be of sufficient size, scope, and quality so as to give reasonable promise of substantial progress toward achieving the purposes of this title.

(b) Grants for projects to carry out the purposes of this part may be made to local educational agencies (subject to the provision of subsection (e) relating to the participation of private elementary and secondary school pupils), institutions of higher education, and other public and nonprofit private agencies and institutions. Not less than 60 per centum of the amount allotted to a State under section 713 for any fiscal year shall be made available by the State for grants to local educational agencies within that State.

(c) The Commissioner shall enter into an agreement which complies with the provisions of subsection (a) with any State which desires to enter into such an agreement.

20 USC 827.

(d) The Commissioner's final action with respect to entering into an agreement under subsection (a) shall be subject to the provisions of section 207 of the Elementary and Secondary Education Act of 1965, relating to judicial review.

Ante, p. 497.

(e) The provisions of section 141A of the Elementary and Secondary Education Act of 1965 relating to the participation of children enrolled in private elementary and secondary schools shall apply to programs assisted under this part.

PART C—OTHER READING IMPROVEMENT PROGRAMS

SPECIAL EMPHASIS PROJECTS

Contract
authority.
20 USC 1961.

SEC. 721. (a) The Commissioner is authorized to contract with local educational agencies for special emphasis projects to determine the effectiveness of intensive instruction by reading specialists and reading teachers. Each such project should provide for—

(1) the teaching of reading by a reading specialist for all children in the first and second grades of an elementary school and the teaching of reading by a reading specialist for elementary school children in grades three through six who have reading problems; and

(2) an intensive vacation reading program for elementary school children who are found to be reading below the appropriate grade level or who are experiencing problems in learning to read.

(b) No contract may be entered into under this section unless upon an application made to the Commissioner at such time, in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall provide assurances that—

Ante, p. 589.

(1) the provisions of section 705(b) are met; and

(2) the State educational agency has certified that individuals employed as reading specialists and reading teachers meet the requirements of subsections (e) and (f).

(c) No contract may be entered into under this section unless the project has been approved by the State educational agency.

Districtwide
project.

(d) The Commissioner is authorized to enter into at least one arrangement with a local educational agency for a districtwide project conducted in all schools of such agencies. In selecting the districtwide project, the Commissioner shall give priority to an application from a local educational agency if the Commissioner finds that—

Post, p. 595.

(1) the local educational agency will give credit for any course to be developed for reading teachers or reading specialists under section 722 and will encourage participation by the teachers of such agency in the training;

(2) the local public educational television station will present or distribute, in the event supplementary noncommercial telecommunication is utilized, any course to be developed under section 722 at an hour convenient for the viewing by elementary school teachers, and, if possible, at a time convenient for such teachers to take the course, as a group, at the elementary school where they teach; and

(3) the local educational agency will make arrangements with the appropriate officials of institutions of higher education to obtain academic credit for the completion of such a course.

(e) In any project assisted under this section a reading teacher may be used in lieu of a reading specialist, if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of a reading specialist and if such reading teacher is enrolled or will enroll in a program to become a reading specialist. A regular elementary teacher may be used in lieu of a reading teacher if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of the reading teacher, and if such regular elementary teacher is enrolled or will enroll in a program to become a reading teacher.

(f) For the purpose of this section and section 722 the term—

Infra.
"Reading
specialist."

(1) "reading specialist" means an individual who has a master's degree, with a major or specialty in reading, from an accredited institution of higher education and has successfully completed three years of teaching experience, which includes reading instruction, and

(2) "reading teacher" means an individual, with a bachelor's degree, who has successfully completed a minimum of twelve credit hours, or its equivalent, in courses of the teaching of reading at an accredited institution of higher education, and has successfully completed two years of teaching experience, which includes reading instruction.

"Reading
teacher."

READING TRAINING ON PUBLIC TELEVISION

SEC. 722. (a) The Commissioner is authorized, through grants or contracts, to enter into contractual arrangements with institutions of higher education, public or private agencies or organizations, and individuals for—

20 USC 1962.

(1) the preparation, production, evaluation, and distribution for use on public educational television stations of courses for elementary school teachers who are or intend to become reading teachers or reading specialists; and

(2) the preparation and distribution of informational and study course material to be used in conjunction with any such course.

(b) In carrying out the provisions of this section the Commissioner shall consult with recognized authorities in the field of reading, specialists in the use of the communications media for educational purposes, and with the State and local educational agencies participating in projects under this title.

Consultation
with specialists.

READING ACADEMIES

SEC. 723. (a) The Commissioner is authorized to make grants to and to enter into contracts with State and local educational agencies, institutions of higher education, community organizations and other nonprofit organizations, having the capacity to furnish reading assistance and instruction to youths and adults who do not otherwise receive such assistance and instruction.

20 USC 1963.

(b) Grants made and contracts entered into under this section shall contain provisions to assure that such reading assistance and instruction will be provided in appropriate facilities to be known as "reading academies".

PART D—GENERAL PROVISIONS

EVALUATION

Report to congressional committees.
20 USC 1981.

Contents.

SEC. 731. (a) The Commissioner shall submit an evaluation report to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than March 31, in each fiscal year ending prior to fiscal year 1979. Each such report shall—

(1) contain a statement of specific and detailed objectives for the program assisted under the provisions of this title;

(2) include a statement of the effectiveness of the program in meeting the stated objectives, measured through the end of the preceding fiscal year;

(3) make recommendations with respect to any changes or additional legislation deemed necessary or desirable in carrying out the program;

(4) contain a list identifying the principal analyses and studies supporting the major conclusions and recommendations contained in the report; and

(5) contain an annual evaluation plan for the program through the ensuing fiscal year for which the budget was transmitted to Congress by the President, in accordance with section 201(a) of the Budget and Accounting Act, 1921.

31 USC 11.

(b) From the sums appropriated pursuant to section 732 for any fiscal year, the Commissioner may reserve such amount, not in excess of 1 per centum of such sums, as he deems necessary for evaluation, by the Commissioner or by public or private nonprofit agencies, of programs assisted under this title.

AUTHORIZATION OF APPROPRIATIONS

20 USC 1982.
Ante, pp. 589,
591.

SEC. 732. (a) There are authorized to be appropriated to carry out the provisions of parts A and B of this title \$30,000,000 for the fiscal year ending June 30, 1975, \$82,000,000 for the fiscal year ending June 30, 1976, \$88,000,000 for the fiscal year ending June 30, 1977, and \$93,000,000 for the fiscal year ending June 30, 1978.

(b) There are authorized to be appropriated to carry out the provisions of section 721, relating to special emphasis projects, \$15,000,000 for the fiscal year ending June 30, 1975, \$20,000,000 for the fiscal year ending June 30, 1976, and \$25,000,000 for each of the fiscal years ending June 30, 1977 and 1978.

(c) There are authorized to be appropriated for the purpose of carrying out section 722, relating to reading training on public television, \$3,000,000 for the fiscal year ending June 30, 1975. Sums appropriated pursuant to this subsection shall remain available for obligation and expenditure through the succeeding fiscal year.

(d) There are authorized to be appropriated to carry out the provisions of section 723, relating to reading academies, \$5,000,000 for the fiscal year ending June 30, 1975, \$7,500,000 for the fiscal year ending June 30, 1976, and \$10,000,000 for each of the fiscal years ending June 30, 1977 and 1978.

TITLE VIII—MISCELLANEOUS PROVISIONS

PART A—POLICY STATEMENTS AND WHITE HOUSE CONFERENCE ON
EDUCATION

NATIONAL POLICY WITH RESPECT TO EQUAL EDUCATIONAL OPPORTUNITY

SEC. 801. Recognizing that the Nation's economic, political, and social security require a well-educated citizenry, the Congress (1) reaffirms, as a matter of high priority, the Nation's goal of equal educational opportunity, and (2) declares it to be the policy of the United States of America that every citizen is entitled to an education to meet his or her full potential without financial barriers.

20 USC 1221-1.

POLICY WITH RESPECT TO ADVANCE FUNDING OF EDUCATION PROGRAMS

SEC. 802. The Congress declares it to be the policy of the United States to implement immediately and continually section 411 of the General Education Provisions Act, relating to advance funding for education programs, so as to afford responsible State, local, and Federal officers adequate notice of available Federal financial assistance for education authorized under this and other Acts of Congress.

20 USC 1223
note.*Ante*, p. 562.POLICY OF THE UNITED STATES WITH RESPECT TO MUSEUMS AS
EDUCATIONAL INSTITUTIONS

SEC. 803. The Congress, recognizing—

20 USC 1221-2.

(1) that museums serve as sources for schools in providing education for children,

(2) that museums provide educational services of various kinds for educational agencies and institutions and institutions of higher education, and

(3) that the expense of the educational services provided by museums is seldom borne by the educational agencies and institutions taking advantage of the museums' resources,

declares that it is the sense of the Congress that museums be considered educational institutions and that the cost of their educational services be more frequently borne by educational agencies and institutions benefiting from those services.

WHITE HOUSE CONFERENCE ON EDUCATION

SEC. 804. (a) The President is authorized to call and conduct a White House Conference on Education in 1977 (hereafter in this section referred to as the "Conference") in order to stimulate a national assessment of the condition, needs, and goals of education and to obtain from a group of citizens broadly representative of all aspects of education, both public and nonpublic, a report of findings and recommendations with respect to such assessment.

20 USC 1221-1
note.

Report.

(b) (1) In carrying out the provisions of this section, participants in conferences and other activities at local, State, and Federal levels are authorized to consider all matters relevant to the purposes of the Conference set forth in subsection (a), but shall give special consideration to the following:

(A) The implementation of the policy set forth in section 801.

(B) The means by which educational systems are financed.

(C) Preschool education (including child care and nutrition programs), with special attention to the needs of disadvantaged children.

(D) The adequacy of primary education in providing all children with the fundamental skills of communication (reading, writing, spelling, and other elements of effective oral and written expression) and mathematics.

(E) The effectiveness of secondary education in preparing students for careers, as well as for postsecondary education.

(F) The place of occupational education (including education in proprietary schools) in the educational structure and the role of vocational and technical education in assuring that the Nation's requirements for skilled manpower are met.

(G) The structure and needs of postsecondary education, including methods of providing adequate levels of student assistance and institutional support.

(H) The adequacy of education at all levels in meeting the special educational needs of such individuals as handicapped persons, economically disadvantaged, racially or culturally isolated children, those who need bilingual instruction, and gifted and talented children.

(I) Ways of developing and implementing expanded educational opportunities for adults at the basic and secondary education equivalency levels.

(J) The contribution of nonpublic primary and secondary education in providing alternate educational experiences for pupils and a variety of options for parents in guiding their children's development.

(2) Participants in conference activities at the State and local levels are authorized to narrow the scope of their deliberations to the educational problems which they consider to be most critical in their respective areas, but shall be encouraged by the National Conference Committee (established pursuant to subsection (c)) to consider such problems in the context of the total educational structure.

(c)(1) There is established a National Conference Committee (hereafter in this section referred to as the "Committee"), composed of not more than thirty-five members, fifteen of whom shall be appointed by the President, ten of whom shall be appointed by the President pro tempore of the Senate, and ten of whom shall be appointed by the Speaker of the House of Representatives. The Committee shall at its first meeting select a Chairman and a Vice Chairman.

(2)(A) The Committee shall provide guidance and planning for the Conference and shall make a final report (and such interim reports as may be desirable) of the results, findings, and recommendations of the Conference to the President and to the Congress not later than December 1, 1977.

(B) The Committee is authorized to provide such assistance as may be necessary for State and local conference activities in preparation for the National Conference.

(3) The Commissioner shall support the activities of the Committee by providing technical assistance, advice, and consultation.

(4) Members of the Committee shall serve without compensation, but may receive travel expenses (including per diem in lieu of subsistence) as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently, while employed in the business of the Committee away from their homes or regular places of business.

(5) The Committee is authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Conference Director and such professional, technical, and clerical personnel as may be necessary to assist in carrying out its functions under this section.

National
Conference Com-
mittee.
Establishment;
membership.

Report to
President and
Congress.

Travel
expenses.

5 USC 101 et
seq.

(d) (1) From the sums appropriated pursuant to subsection (e) the Commissioner is authorized to make a grant to each State, upon application of the Governor thereof, in order to assist in meeting the costs of that State's participation in the Conference program (including the conduct of conferences at the State and local levels).

Grants.

(2) Grants made pursuant to paragraph (1) shall be made only with the approval of the Chairman of the Committee.

(3) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Commissioner in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than \$75,000 nor less than \$25,000.

Apportionment
of funds.

(e) There are authorized to be appropriated, without fiscal year limitations, such sums as may be necessary to carry out the purposes of this section; and sums so appropriated shall remain available for expenditure until June 30, 1978.

Appropriation.

(f) For the purposes of this section, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"State."

PART B—EDUCATIONAL STUDIES AND SURVEYS

STUDY OF PURPOSES AND EFFECTIVENESS OF COMPENSATORY EDUCATION PROGRAMS

SEC. 821. (a) In addition to the other authorities, responsibilities and duties conferred upon the National Institute of Education (hereinafter referred to as the "Institute") by section 405 of the General Education Provisions Act and notwithstanding the second sentence of subsection (b) (1) of such section 405, the Institute shall undertake a thorough evaluation and study of compensatory education programs, including such programs conducted by States and such programs conducted under title I of the Elementary and Secondary Education Act of 1965. Such study shall include—

20 USC 1221e
note.

20 USC 1221e.

Ante, p. 488.
20 USC 236.

(1) an examination of the fundamental purposes of such programs, and the effectiveness of such programs in attaining such purposes;

(2) an analysis of means to identify accurately the children who have the greatest need for such programs, in keeping with the fundamental purposes thereof;

(3) an analysis of the effectiveness of methods and procedures for meeting the educational needs of children, including the use of individualized written educational plans for children, and programs for training the teachers of children;

(4) an exploration of alternative methods, including the use of procedures to assess educational disadvantage, for distributing funds under such programs to States, to State educational agencies, and to local educational agencies in an equitable and efficient manner, which will accurately reflect current conditions and insure that such funds reach the areas of greatest current need and are effectively used for such areas;

(5) not more than 20 experimental programs, which shall be reasonably geographically representative, to be administered by the Institute, in cases where the Institute determines that such experimental programs are necessary to carry out the purposes of clauses (1) through (4), and the Commissioner of Education is

Ante, p. 488.
20 USC 236.

authorized, notwithstanding any provision of title I of the Elementary and Secondary Education Act of 1965, at the request of the Institute, to approve the use of grants which educational agencies are eligible to receive under such title I (in cases where the agency eligible for such grant agrees to such use) in order to carry out such experimental programs; and

(6) findings and recommendations, including recommendations for changes in such title I or for new legislation, with respect to the matters studied under clauses (1) through (5).

Information,
availability.

(b) The National Advisory Council on the Education of Disadvantaged Children shall advise the Institute with respect to the design and execution of such study. The Commissioner of Education shall obtain and transmit to the Institute such information as it shall request with respect to programs carried on under title I of the Act.

Report to
President and
Congress.

(c) The Institute shall make an interim report to the President and to the Congress not later than December 31, 1976, and shall make a final report thereto no later than nine months after the date of submission of such interim report, on the result of its study conducted under this section. Any other provision of law, rule, or regulation to the contrary notwithstanding, such reports shall not be submitted to any review outside of the Institute before their transmittal to the Congress, but the President and the Commissioner of Education may make to the Congress such recommendations with respect to the contents of the reports as each may deem appropriate.

Ante, p. 499.

(d) Sums made available pursuant to section 151(i) of the Elementary and Secondary Education Act of 1965 shall be available to carry out the provisions of this section.

Study plan,
submittal to
Congress.

(e) (1) The Institute shall submit to the Congress, within one hundred and twenty days after the date of the enactment of this Act, a plan for its study to be conducted under this section. The Institute shall have such plan delivered to both Houses on the same day and to each House while it is in session. The Institute shall not commence such study until the first day after the close of the first period of thirty calendar days of continuous session of Congress after the date of the delivery of such plan to the Congress.

(2) For purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

SURVEY AND STUDY FOR UPDATING NUMBER OF CHILDREN COUNTED

20 USC 241c
note.

SEC. 822. (a) The Secretary of Commerce shall, in consultation with the Secretary of Health, Education, and Welfare, expand the current population survey (or make such other survey) in order to furnish current data for each State with respect to the total number of school-age children in each State to be counted for purposes of section 103(c)(1)(A) of title I of the Elementary and Secondary Act of 1965. Such survey shall be made, and a report of the results of such survey shall be made jointly by the Secretary of Commerce and the Secretary of Health, Education, and Welfare to the Congress, not later than one year after the date of the enactment of this Act.

Ante, p. 488.
Report to
Congress.

(b) The Secretary of Health, Education, and Welfare and the Secretary of Commerce shall study the feasibility of updating the number of children counted for purposes of section 103(c) of title I of the Act

in school districts of local educational agencies in order to make adjustments in the amounts of the grants for which local educational agencies within a State are eligible under section 103(a)(2) of the Act, and shall report to the Congress, no later than one year after the date of enactment of this Act, the results of such study, which shall include an analysis of alternative methods for making such adjustments, together with the recommendations of the Secretary of Health, Education, and Welfare and the Secretary of Commerce with respect to which such method or methods are most promising for such purpose, together with a study of the results of the expanded population survey, authorized in subsection (a) (including analysis of its accuracy and the potential utility of data derived therefrom) for making adjustments in the amounts paid to each State under section 144(a)(1) of title I of such Act.

Ante, p. 488.
Report to
Congress.

20 USC 241h.

(c) No method of making adjustments directed to be considered pursuant to subsection (a) or subsection (b) shall be implemented unless such method shall first be enacted by the Congress.

**STUDY OF THE MEASURE OF POVERTY USED UNDER TITLE I OF THE
ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965**

SEC. 823. The Assistant Secretary shall supervise, with the full participation of the National Institute of Education and the National Center for Education Statistics, a thorough study of the manner in which the relative measure of poverty for use in the financial assistance program authorized by title I of the Elementary and Secondary Education Act of 1965 may be more accurately and currently developed. The study of the relative measure of poverty required by this subsection shall be adjusted for regional, climatic, metropolitan, urban, suburban, and rural differences and for family size and head of household differences. The study required by this section shall consider—

20 USC 241a
note.

Ante, p. 488.
20 USC 236.

Study consider-
ations.

(A) the availability of data more current than the decennial census including data collected by any agency of the Federal Government which are relevant except that data so collected shall not disclose the name of any individual or any other information customarily held confidential by that agency, but shall include aggregate information to the extent possible;

(B) the availability and usefulness of cost of living data;

(C) the availability and usefulness of cost of housing data;

(D) the availability and usefulness of labor market and job availability data;

(E) the availability and usefulness of data with respect to prevailing wage rates, unemployment rates, and income distribution; and

(F) the availability of data with respect to eligibility criteria for aid to families with dependent children under a State plan approved under title IV of the Social Security Act.

42 USC 601.

(2) The Assistant Secretary is authorized and directed to prepare and submit to the Congress not later than one year after the effective date of this Act a report of the study conducted under this subsection including recommendations with respect to the availability of data designed to improve the relative measure of poverty for the program of financial assistance authorized by title I of the Elementary and Secondary Education Act of 1965. Whenever the Assistant Secretary determines that data specified in paragraph (1) of this subsection are not available or that it is impractical to obtain data for each relevant area or category, the report shall contain an explanation of the reasons therefor.

Report to
Congress.

STUDY OF LATE FUNDING OF ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

20 USC 241a
note.

SEC. 824. (a) The Commissioner shall make a full and complete investigation and study to determine—

(1) the extent to which late funding of Federal programs to assist elementary and secondary education handicaps local educational agencies in the effective planning of their education programs, and the extent to which program quality and achievement of program objectives is adversely affected by such late funding, and

(2) means by which, through legislative or administrative action, the problem can be overcome.

Report to
Congress.

(b) Not later than one year after the date of enactment of this Act, the Commissioner shall make a report to the Congress on the study required by subsection (a), together with such recommendations as he may deem appropriate.

SAFE SCHOOL STUDY

20 USC 241a
note.

SEC. 825. (a) The Secretary shall make a full and complete investigation and study, including necessary research activities, during the period beginning upon the date of enactment of this Act and ending June 30, 1976, to determine—

(1) the frequency, seriousness, and incidence of crime in elementary and secondary schools in the States;

(2) the number and location of schools affected by crime;

(3) the per-pupil average incidence of crimes in elementary and secondary schools in urban, suburban, and rural schools located in all regions of the United States;

(4) the cost of replacement and repair of facilities, books, supplies, equipment, and other tangible objects seriously damaged or destroyed as the result of crime in such schools; and

(5) the means by which crimes are attempted to be prevented in such schools and the means by which crimes may more effectively be prevented in such schools.

Information,
submittal to
Secretary.

(b) Within thirty days after the date of the enactment of this Act, the Secretary shall request each State educational agency to take the steps necessary to establish and maintain appropriate records to facilitate the compilation of information under clauses (2) and (3) of subsection (a) and to submit such information to him no later than seven months after the date of enactment of this Act. In conducting this study, the Secretary shall utilize data and other information available as a result of any other studies which are relevant to the objectives of this section.

Report to
Congress.

(c) Not later than December 1, 1976, the Secretary shall prepare and submit to the Congress a report on the study required by this section, together with such recommendations as he may deem appropriate. In such report, all information required under each paragraph of subsection (a) of this section shall be stated separately and be appropriately labeled, and shall be separately stated for elementary and secondary schools, as defined in sections 801 (c) and (d) of the Elementary and Secondary Education Act of 1965.

20 USC 881.
Reimbursement
to State agencies.

(d) The Secretary may reimburse each State educational agency for the amount of expenses incurred by it in meeting the requests of the Secretary under this section.

Appropriation.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

STUDY OF ATHLETIC INJURIES

SEC. 826. (a) The Secretary shall make a full and complete investigation and study to determine—

20 USC 241a
note.

(1) the number of athletic injuries to, and deaths of male and female students occurring in athletic competition between schools, in any practice session for such competition, and in any other school-related athletic activities for the twelve-month period beginning sixty days after the date of enactment of this Act;

(2) the number of athletic injuries and deaths occurring (for the twelve-month period under clause (1)) at each school with an athletic trainer or other medical or health professional personnel trained to prevent or treat such injuries and at each school without such personnel.

(b) Within fifty days after the date of enactment of this Act, the Secretary shall request each school to maintain appropriate records to enable it to compile information under subsection (a) and shall request such school to submit such information to the Secretary immediately after the twelve-month period beginning sixty days after the date of enactment of this Act. Not later than eighteen months after the date of enactment of this Act, the Secretary shall make a report to the Congress on the study required by subsection (a), together with such recommendations as he may deem appropriate. In such report, all information required under each paragraph of subsection (a) shall be stated separately for the two groups of schools under clauses (1) and (2) of subsection (c), except that the information shall also be stated separately (and shall be excluded from the group under clause (2)) for institutions of higher education which provide either of the two-year programs described in section 801 (E) (3) of the Elementary and Secondary Education Act of 1965.

Information,
submittal to
Secretary.

Report to
Congress.

(c) For the purposes of this section, the term "school" means (1) any secondary school or (2) any institution of higher education, as defined in section 801 of the Elementary and Secondary Education Act of 1965.

20 USC 881.

"School."

(d) There is authorized to be appropriated the sum of \$75,000 to carry out the provisions of this section.

Appropriation.

PART C—AMENDMENTS TO THE HIGHER EDUCATION ACT OF 1935

COMMUNITY SERVICE AND CONTINUING EDUCATION AMENDMENTS

SEC. 831. Section 111 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist through June 30, 1975."

20 USC 1009.

20 USC 1233g.

DEVELOPING INSTITUTIONS AMENDMENT

SEC. 832. Section 302(a) (2) of the Higher Education Act of 1965 is amended by adding at the end thereof the following new sentence: "The Commissioner is authorized to waive three years of the requirements set forth in clause (C) of paragraph (1) in the case of applications for grants under this title by institutions if the Commissioner determines such action will substantially increase higher education for Spanish-speaking people."

Waiver.
20 USC 1052.

BILINGUAL EDUCATION AMENDMENTS

SEC. 833. (a) (1) Clause (B) of section 417B(b) (3) of the Higher Education Act of 1965 is amended by inserting "(i)" after the word "who" and by inserting before the semicolon at the end thereof a

20 USC 1070d-1.

comma and the following: "or (ii) by reason of limited English-speaking ability, are in need of bilingual educational teaching, guidance, and counseling in order to enable them to pursue a post-secondary education".

20 USC 1070d-1.

(2) Section 417B of such Act is amended by adding at the end thereof the following new subsection:

"(d) Recipients of grants or contracts for the purposes of clause (3) (ii) of subsection (b) shall include in their curriculum a program of English language instruction for students of limited English-speaking ability."

Effective date.

20 USC 1070d-1
note.

(b) The amendments made by this section shall be effective upon the enactment of this Act.

VETERANS COST OF INSTRUCTION PAYMENTS AMENDMENTS

20 USC 1070e-1. SEC. 834. (a) (1) Paragraph (1) of section 420(a) of the Higher Education Act of 1965 is amended to read as follows:

"(1) During the period beginning July 1, 1972, and ending June 30, 1975, each institution of higher education shall be entitled to a payment under, and in accordance with, this section during any fiscal year if—

38 USC 1501.

38 USC 1651.

"(A) the number of persons who are veterans receiving vocational rehabilitation under chapter 31 of title 38, United States Code, or veterans receiving educational assistance under chapter 34 of such title, and who are in attendance as undergraduate students at such institution during any academic year, equals at least—

"(i) 110 per centum of the number of such recipients who were in attendance at such institution during the preceding academic year, or

"(ii) 10 per centum of the total number of undergraduate students in attendance at such institution during such academic year and if such number does not constitute a per centum of such undergraduate students which is less than such per centum for the preceding academic year; and

"(B) the number of such persons is at least 25."

(2) The first sentence of paragraph (2) of section 420(a) of such Act is amended by inserting before the period a comma and the following: "or equals at least the minimum number of such persons necessary to establish eligibility to entitlement under paragraph (1) during the preceding academic year, whichever is less".

(3) Section 420(d) of such Act is amended by inserting "(1)" after "(d)" and by adding at the end thereof the following new paragraph:

"(2) The maximum amount of payments to any institution of higher education, or any branch thereof which is located in a community which is different from that in which the parent institution thereof is located, in any fiscal year, shall be \$135,000. In making payments under this section for any fiscal year, the Commissioner shall apportion the appropriation for making such payments, from funds which become available as a result of the limitation on payments set forth in the preceding sentence, in such a manner as will result in the receipt by each institution which is eligible for a payment under this section of first \$9,000 (or the amount of its entitlement for that fiscal year, whichever is less) and then additional amounts up to the limitation set forth in the preceding sentence."

(4) Section 420(e) of such Act is amended by striking out the matter preceding the word "except" and inserting in lieu thereof the fol-

lowing: "Not less than 75 per centum of the amounts paid to any institution under subsection (d) in any fiscal year shall be used to implement the requirement of clause (B) (i) of paragraph (1) of subsection (c), and, to the extent that such funds remain after implementing such requirements, funds limited by such 75 per centum requirement shall be used for implementing the requirements of clauses (B) (ii), (iii), and (iv) of such paragraph (1)."

(b) The amendments made by this section shall take effect on the date of the enactment of this Act.

Effective date.
20 USC 1070e-1
note.

TEACHER CORPS AMENDMENTS

SEC. 835. (a) (1) Section 511 of the Higher Education Act of 1965 is amended—

20 USC 1101.

(A) by inserting after "teacher preparation" in the matter preceding paragraph (1) the following: "and to encourage institutions of higher education and local educational agencies to improve programs of training and retraining for teachers and teacher aides";

(B) by striking out "and" at the end of paragraph (3);

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and "and";

(D) by inserting after paragraph (4) the following new paragraph:

"(5) supporting demonstration projects for retraining experienced teachers and teacher aides serving in local educational agencies."

(2) Section 513(a) of such Act is amended by inserting in paragraph (1) after "experienced teachers" a comma and the following: "teacher aides".

20 USC 1103.

(3) Section 513 (c) of such Act is amended—

(A) by striking out "3 per centum" in paragraph (2) and inserting in lieu thereof "5 per centum";

(B) by striking out in paragraph (2) "and the Virgin Islands" and inserting in lieu thereof "the Virgin Islands, Guam, American Samoa and the Trust Territory of the Pacific Islands"; and

(C) by striking out in paragraph (2) "or the Virgin Islands" and inserting in lieu thereof "the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands".

(4) Section 514(a) (2) of such Act is amended to read as follows:

Compensation.
20 USC 1104.

"(2) a teacher intern shall be compensated at such rates as the Commissioner may determine to be consistent with the nature of the program and with prevailing practices under comparable federally supported programs or local projects, not to exceed \$150 per week plus \$15 per week for each dependent; and"

(b) The amendments made by subsection (a) shall be effective on and after July 1, 1974.

Effective date.
20 USC 1101
note.

AMENDMENT TO TITLE IX RESPECTING TRAINING IN THE LEGAL PROFESSION

SEC. 836. (a) Part D of title IX of the Higher Education Act of 1965 is amended by adding at the end thereof the following new section:

"ASSISTANCE FOR TRAINING IN THE LEGAL PROFESSION

"SEC. 966. (a) The Commissioner is authorized prior to July 1, 1978, to make grants to, or enter into contracts with, public and private agencies and organizations other than institutions of higher education for the purpose of assisting individuals from disadvantaged

20 USC 1134r-1.

backgrounds, as determined in accordance with criteria prescribed by the Commissioner, to undertake training for the legal profession.

“(b) Grants made, and contracts entered into under, subsection (a) may cover, in accordance with regulations of the Commissioner, all or part of the cost of—

“(1) selecting individuals from disadvantaged backgrounds for training for the legal profession,

“(2) facilitating the entry of such individuals into institutions of higher education for the purpose of pursuing such training,

“(3) providing counseling or other services designed to assist such individuals to complete successfully such training,

“(4) providing, for not more than three months prior to the entry of such individuals upon their courses of training for the legal profession, preliminary training for such individuals designed to assist them to complete successfully such training for the legal profession,

“(5) paying such stipends (including allowances for travel and for dependents) as the Commissioner may determine for such individuals for any such period of preliminary training or for any period of training for the legal profession during which such individuals maintain satisfactory academic proficiency, as determined by the Commissioner, and

“(6) paying for administrative activities of the agencies and organizations which receive such grants, or with which such contracts are entered into, to the extent such activities are for the purpose of furthering activities described in clauses (1) through (5).

“(c) The activities authorized under this section may be carried out without regard to the requirements and limitations set forth in sections 962 and 963 of this part.”

(b) The amendment made by subsection (a) shall become effective on September 1, 1974.

20 USC 1134o,
1134p.
Effective date.
20 USC 1134r-1
note.

COMMUNITY COLLEGE AND OCCUPATIONAL EDUCATION AMENDMENT

20 USC 1135.

SEC. 837. Section 1001(b) (1) is amended by striking out “1974” and inserting in lieu thereof “1975”.

PART D—OTHER MISCELLANEOUS PROVISIONS

AMENDMENTS TO THE LIBRARY SERVICES AND CONSTRUCTION ACT AND THE VOCATIONAL EDUCATION ACT OF 1963 RELATING TO BILINGUAL EDUCATION AND VOCATIONAL TRAINING

20 USC 1242.

SEC. 841. (a) (1) Section 102 of the Vocational Education Act of 1963 is amended by redesignating subsection (c), and all references thereto, as subsection (d), and by adding after subsection (b) thereof the following new subsection:

Appropriation.

“(c) There are authorized to be appropriated \$17,500,000 for the fiscal year ending June 30, 1975, for the purpose of carrying out section 122(a) (4) (C). Nothing in this subsection shall be construed to affect the availability for such purpose of appropriations made pursuant to subsection (a).”

Post, p. 607.

20 USC 1244.

(2) Clause (D) of section 104(a) (1) of such Act is amended by inserting before the comma at the end thereof the following: “and of persons of limited English-speaking ability (as defined in section 703 (a) of title VII of the Elementary and Secondary Education Act of 1965).”

Ante, p. 504.

(3) Clause (A)(vii) of section 104(b)(1) of such Act is amended by inserting before the comma at the end thereof the following: "(and may include, where appropriate, students who are persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965))".

20 USC 1244.

(4) Section 108 of such Act is amended by adding at the end thereof the following new paragraphs:

Ante, p. 504.

20 USC 1248.

"(14) The term 'vocational training' means training or retraining which is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional which requires a baccalaureate or higher degree; such term includes guidance and counseling (either individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations to which the students are in training or instruction necessary for students to benefit from such training; the training of persons engaged as, or preparing to become, instructors in a vocational training program; travel of students and vocational training personnel while engaged in a training program; and the acquisition, maintenance, and repair of instructional supplies, aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land.

"Vocational training."

"(15) The term 'postsecondary educational institution' means a nonprofit institution legally authorized to provide postsecondary education within a State for persons sixteen years of age or older, who have graduated from or left elementary or secondary school."

"Postsecondary educational institution."

(5)(A) Clause (4) of section 122(a) of such Act is amended by adding at the end thereof the following:

20 USC 1262.

"(C) vocational education for students of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965) carried out in coordination with bilingual education programs under such title VII and bilingual adult education programs under section 306(a)(11) of the Adult Education Act;"

Ante, p. 578.

20 USC 1391.

(6) Section 191 of such Act, and all references thereto, is redesignated as section 189.

(7) Title I of such Act is amended by adding at the end thereof the following new part:

"PART J—BILINGUAL VOCATIONAL TRAINING

"STATEMENT OF FINDINGS

"SEC. 191. The Congress hereby finds that one of the most acute problems in the United States is that which involves millions of citizens, both children and adults, whose efforts to profit from vocational training is severely restricted by their limited English-speaking ability because they come from environments where the dominant language is other than English; that such persons are therefore unable to help to fill the critical need for more and better trained personnel in vital occupational categories; and that such persons are unable to make their maximum contribution to the Nation's economy and must, in fact, suffer the hardships of unemployment or underemployment. The Congress further finds that there is a critical shortage of instructors

20 USC 1393.

possessing both the job knowledge and skills and the dual language capabilities required for adequate vocational instruction of such language-handicapped persons, and a corresponding shortage of instructional materials and of instructional methods and techniques suitable for such instruction.

"GENERAL RESPONSIBILITIES OF THE COMMISSIONER

20 USC 1393a.

"SEC. 192. (a) The Commissioner and the Secretary of Labor together shall—

"(1) develop and disseminate accurate information on the status of bilingual vocational training in all parts of the United States;

"(2) evaluate the impact of such bilingual vocational training on the shortages of well-trained personnel, the unemployment or underemployment of persons with limited English-speaking ability, and the ability of such persons to contribute fully to the economy of the United States; and

"(3) report their findings annually to the President and the Congress.

Report to
President and
Congress.
Consultation
with Secretary
of Labor.

29 USC 871.

"(b) The Commissioner shall consult with the Secretary of Labor with respect to the administration of this part. Regulations and guidelines promulgated by the Commissioner to carry out this part shall be consistent with those promulgated by the Secretary of Labor pursuant to section 301 (b) of the Comprehensive Employment and Training Act of 1973 and shall be approved by the Secretary of Labor before issuance.

"AUTHORIZATION OF APPROPRIATIONS

20 USC 1393b.

"SEC. 193. There are authorized to be appropriated \$17,500,000 for the fiscal year ending June 30, 1975, to carry out the provisions of this part.

"AUTHORIZATION OF GRANTS

Bilingual vocational training.
20 USC 1393c.

"SEC. 194. (a) From the sums made available for grants under this part pursuant to section 193, the Commissioner is authorized to make grants to and enter into contracts with appropriate State agencies, local educational agencies, postsecondary educational institutions, private nonprofit vocational training institutions, and to other nonprofit organizations especially created to serve a group whose language as normally used is other than English in supplying training in recognized occupations and new and emerging occupations, and to enter into contracts with private for-profit agencies and organizations, to assist them in conducting bilingual vocational training programs for persons of all ages in all communities of the United States which are designed to insure that vocational training programs are available to all individuals who desire and need such bilingual vocational training.

Payments to
applicants.

"(b) The Secretary shall pay to each applicant which has an application approved under this part an amount equal to the total sums expended by the applicant for the purposes set forth in that application.

"USE OF FEDERAL FUNDS

20 USC 1393d.
Post, p. 609.

"SEC. 195. Grants and contracts under this part may be used, in accordance with applications approved under section 197, for—

"(1) bilingual vocational training programs for persons who have completed or left elementary or secondary school and who are available for training by a postsecondary educational institution;

“(2) bilingual vocational training programs for persons who have already entered the labor market and who desire or need training or retraining to achieve year-round employment, adjust to changing manpower needs, expand their range of skills, or advance in employment; and

“(3) training allowances for participants in bilingual vocational training programs subject to the same conditions and limitations as are set forth in section 111 of the Comprehensive Employment and Training Act of 1973.

29 USC 821.

“APPLICATIONS

“SEC. 196. (a) A grant or contract for assistance under this part may be made only upon application to the Commissioner at such time, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Each such application shall—

20 USC 1393e.

“(1) provide that the activities and services for which assistance under this part is sought will be administered by or under the supervision of the applicant;

“(2) set forth a program for carrying out the purposes described in section 195; and

Ante, p. 608.

“(3) set forth a program of such size, scope, and design as will make a substantial contribution toward carrying out the purposes of this part.

“(b) No grant or contract may be made under this part directly to a local educational agency or a postsecondary educational institution or a private vocational training institution or any other eligible agency or organization unless that agency, institution, or organization has submitted the application to the State board established under part B of this title, or in the case of a State that does not have such a board, the similar State agency, for comment and includes the comment of that board or agency with the application.

20 USC 1261.

“APPLICATION APPROVAL BY THE COMMISSIONER

“SEC. 197. (a) The Commissioner may approve an application for assistance under this part only if—

Conditions.
20 USC 1393f.

“(1) the application meets the requirements set forth in subsection (a) of the previous section;

“(2) in the case of an application submitted for assistance under this part to an agency, institution, or organization other than the State board established under part B of this title, the requirement of subsection (b) of the previous section is met; and

“(3) in the case of an application submitted for assistance under this part, the Commissioner determines that the program is consistent with criteria established by him, where feasible, after consultation with the State board established under part B of this title, for achieving equitable distribution of assistance under this part within that State.

“(b) An amendment to an application shall, except as the Secretary may otherwise provide, be subject to approval in the same manner as the original application.”

(b) Clause (4) of section 6(b) of the Library Services and Construction Act is amended by inserting before the period at the end thereof a comma and the following: “and to programs and projects which serve areas with high concentrations of persons of limited

20 USC 351d.

Ante, p. 504.

Effective date.
20 USC 1242
note.

English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965, as amended)".

(c) The amendments made by this section shall be effective on and after July 1, 1974.

ASSISTANCE TO STATES FOR STATE EQUALIZATION PLANS

Reimbursement
to States.
20 USC 246.

Submittal to
Commissioner.

SEC. 842. (a) (1) Any State desiring to develop a plan for a program of financial assistance to local educational agencies in that State to assist such agencies in the provision of free public education may, upon application therefor, be reimbursed for the development or administration of such a plan in accordance with the provisions of this section. Each plan developed pursuant to, or which meets the requirements of, this section shall be submitted to the Commissioner not later than July 1, 1977, and shall, subject to the provisions of this section, be consistent with the guidelines developed pursuant to paragraph (3). Such plan shall be designed to implement a program of State aid for free public education—

(A) which is consistent with such standards as may be required by the fourteenth article of amendment to the Constitution; and

(B) the primary purpose of which is to achieve equality of educational opportunity for all children in attendance at the schools of the local educational agencies of the State.

Guidelines.

Publication in
Federal Register;
submittal to Pres-
ident of the Sen-
ate and Speaker
of the House.

(2) The Commissioner shall develop guidelines defining the principles set forth in clauses (A) and (B) of paragraph (1). Not later than April 1, 1975, the Commissioner shall publish such guidelines in the Federal Register and submit such guidelines to the President of the Senate and the Speaker of the House of Representatives.

Republication
in Federal
Register.

(3) During the sixty-day period following such publication, the Commissioner shall provide interested parties with an opportunity to present views and make recommendations with respect to such guidelines. Not later than July 1, 1975, the Commissioner shall (A) republish such guidelines in the Federal Register, together with any amendments thereto as may be merited and (B) publish in the Federal Register a summary of the views and recommendations presented by interested parties under the preceding sentence, together with the comments of the Commissioner respecting such views and recommendations.

Submittal to
President of the
Senate and
Speaker of the
House.

(4) (A) The guidelines published in accordance with paragraph (3), together with any amendments, shall, not later than July 1, 1975, be submitted to the President of the Senate and the Speaker of the House of Representatives. If either the Senate or the House of Representatives adopts, prior to December 1, 1975, a resolution of disapproval of such guidelines, the Commissioner shall, prior to December 15, 1975, publish new guidelines. Such new guidelines shall take into consideration such views and policies as may be made in connection with such resolution and shall become effective thirty days after such publication.

New guidelines.

Resolution of
disapproval.

(B) A resolution of disapproval under this paragraph may be in the form of a resolution of either the Senate or the House of Representatives or such resolution may be in the form of a concurrent resolution of both Houses. If such a resolution of disapproval is in the form of a concurrent resolution, the new guidelines published in accordance with the second sentence of subparagraph (A) of this paragraph shall be consistent with such policies as may be established by such concurrent resolution.

(C) If each of the Houses adopts a separate resolution with respect to guidelines submitted in accordance with this paragraph for any year and in connection therewith makes policy statements which differ substantially, then such differences may be resolved by the adoption of a concurrent resolution by both Houses. Any such concurrent resolution shall be deemed to be adopted in accordance with subparagraph (B).

(b) Any State developing a plan pursuant to this section may reject any guidelines developed and published under subsection (a) of this section if such State, as a provision of its plan, states the reasons for each such rejection.

(c) (1) Each State that develops a plan under this section shall be reimbursed for the reasonable amounts expended by the State in the development or administration of such a plan based upon the ratio of the population of that State to the population of all States except that no State shall receive less than \$100,000 and no State shall receive more than \$1,000,000. Reimbursement to States, limitation.

(2) For the purposes of this section the term "State" means the fifty States. "State."

TREATMENT OF PUERTO RICO AS A STATE

SEC. 843. (a) (1) Section 143(b) of the Elementary and Secondary Education Act of 1965, 202(a)(1), and 302(a)(1) of such Act are each amended by striking out "Puerto Rico,". 20 USC 241g, 822, 842.

(2) Section 202(a)(2), 302(a)(2), 307(b), 502(a)(1), 522(a), 531(c)(1)(A), and 531(c)(1)(B) of such Act are each amended by striking out "the Commonwealth of Puerto Rico," each time it appears. 20 USC 845, 862, 866a, 867.

(3) Sections 202(a)(1) and 302(a)(1) of such Act are each amended by striking out "3 per centum" and inserting in lieu thereof "1 per centum". Sections 502(a)(1), 522(a), and 531(c)(1)(A) of such Act are each amended by striking out "2 per centum" and inserting in lieu thereof "1 per centum".

(b) (1) Effective after June 30, 1975, section 612(a)(1) of the Education of the Handicapped Act is amended by striking out "Puerto Rico,". Effective dates.
20 USC 1412 and note.

(2) Effective after June 30, 1975, sections 612(a)(2) and 613(a)(1) of the Education of the Handicapped Act are each amended by striking out "the Commonwealth of Puerto Rico,". 20 USC 1413.

(3) Effective after June 30, 1975, section 612(a)(1) of the Education of the Handicapped Act is amended by striking out "3 per centum" and inserting in lieu thereof "1 per centum".

(c) (1) Section 303(f) of the Adult Education Act is amended by striking out "the Commonwealth of Puerto Rico," where it occurs, and by inserting "the Commonwealth of Puerto Rico," after "the District of Columbia,". 20 USC 1202.

(2) Section 305(a) of such Act is amended by striking out "Puerto Rico,". 20 USC 1204.

(3) Section 305(a) of the Adult Education Act is amended by striking out "2 per centum" and inserting in lieu thereof "1 per centum".

(d) Notwithstanding any provision of part A of title I of the Elementary and Secondary Education Act of 1965, the amount which the Commonwealth of Puerto Rico is eligible to receive under subpart 1 of such part A or under sections 121, 122, or 123 for the fiscal year ending June 30, 1975, shall not exceed 50 per centum of the full amount the Commonwealth of Puerto Rico would receive (after required 20 USC 241c note.
20 USC 241c.
Ante, p. 491.

ratable reductions) under such subpart or section but for this subsection, and for the fiscal years ending June 30, 1976, June 30, 1977, and June 30, 1978, such amount shall not exceed 75 per centum of the full amount the Commonwealth of Puerto Rico would receive (after required ratable reductions) under such subpart or section but for this subsection.

Effective date.
20 USC 241g
note.

(e) Unless otherwise specifically provided, the amendments made by this section shall be effective on and after July 1, 1974.

PROVISION RELATING TO SEX DISCRIMINATION

Proposed regula-
tions, publica-
tion.
20 USC 1681
note.
20 USC 1681.

SEC. 844. The Secretary shall prepare and publish, not later than 30 days after the date of enactment of this Act, proposed regulations implementing the provisions of title IX of the Education Amendments of 1972 relating to the prohibition of sex discrimination in federally assisted education programs which shall include with respect to intercollegiate athletic activities reasonable provisions considering the nature of particular sports.

EXTENSION OF ADVISORY COUNCILS

20 USC 241l.
20 USC 1233g.
SEC. 845. (a) Section 148(c) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1978."

20 USC 847a.
20 USC 1221.
(b) Section 309(c) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Council shall continue to exist until July 1, 1978, except that the Council shall not exist during any year for which funds are available for obligation by the Commissioner for carrying out title IV."

20 USC 880b-5.
20 USC 1221g.
(c) Section 708(a) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Advisory Committee shall continued to exist until July 1, 1978."

20 USC 1615.
(d) Section 442(a) of the Education Amendments of 1972 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1978."

20 USC 1209.
(e) Section 716(b) of the Emergency School Aid Act is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, such Council shall continue to exist until July 1, 1975."

(f) Section 310(b) of the Adult Education Act is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the Council shall continue to exist until July 1, 1978."

20 USC 1244.
(g) Section 104(a) of the Vocational Education Act of 1963 is amended by adding at the end thereof the following new sentence: "Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1976."

SEPARABILITY

SEC. 846. If any provision of, or any amendment made by, titles I and IV of this Act is held invalid by reason of being inconsistent with the Constitution, all provisions of this Act and amendments made by this Act which are separable from such invalid provision or amendment shall remain in effect. If any such provision or amendment is held invalid in one or more applications of such provision or amendment, such provision or amendment shall remain in effect in all valid applications which are separable from any such application.

20 USC 241b
note.
Ante, pp. 488,
535.
USC prec.
title 1.

Approved August 21, 1974.

Public Law 93-381

AN ACT

Making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1975, and for other purposes.

August 21, 1974
[H. R. 15544]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1975, and for other purposes, namely:

Treasury,
Postal Service,
and General Gov-
ernment Appro-
priation Act,
1975.

TITLE I—TREASURY DEPARTMENT

Treasury De-
partment Appro-
priations Act,
1975.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses in the Office of the Secretary, including the operation and maintenance of the Treasury Building and Annex thereof; hire of passenger motor vehicles; and not to exceed \$10,000 for official reception and representation expenses; \$25,850,000, of which not to exceed \$100,000 shall be available for unforeseen emergencies of a confidential character, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, and of which \$3,600,000 shall be for repairs and improvements to Treasury buildings and shall remain available until expended.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, including purchase of six passenger motor vehicles for police-type use; and the hire of passenger motor vehicles; \$3,100,000.

CONSTRUCTION

For necessary expenses for preparation of plans and specifications, acquisition of land, and construction of facilities for the Federal Law Enforcement Training Center, \$18,915,000, to remain available until expended: *Provided*, That such sums as are necessary may be transferred to the General Services Administration for execution of the work.

EXPENSES FOR ECONOMIC STABILIZATION

(LIQUIDATING FUNCTIONS)

For expenses necessary to enable the Secretary of the Treasury to terminate and provide for an orderly phaseout by December 31, 1974, of the economic stabilization activities conducted under the Economic Stabilization Act of 1970, as amended, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for GS-18, \$2,000,000: *Provided*, That advances, repayments or transfers may be made to any department or agency for expenses of such termination.

12 USC 1904
note.

5 USC 5332
note.

BUREAU OF ACCOUNTS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Accounts, \$100,000,000.

PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT

For payment of Government losses in shipment, in accordance with section 2 of the Act approved July 8, 1937 (40 U.S.C. 722), \$600,000.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms including purchase of (not to exceed two hundred and forty for replacement only, for police-type use), and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; \$92,000,000.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of eighty-nine passenger motor vehicles (of which seventy-eight shall be for replacement only), including seventy-nine

for police-type use; acquisition (purchase of two), operation, and maintenance of aircraft; hire of passenger motor vehicles and aircraft; and awards of compensation to informers as authorized by the Act of August 13, 1953 (22 U.S.C. 401); \$284,800,000, of which not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations.

BUREAU OF THE MINT

SALARIES AND EXPENSES

For necessary expenses of the Bureau of the Mint, including purchase of one passenger motor vehicle for replacement only; and not to exceed \$2,500 for the expenses of the annual assay commission; \$32,000,000.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$88,500,000.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided for, including executive direction, administrative support, and internal audit and security; hire of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; \$41,000,000.

ACCOUNTS, COLLECTION AND TAXPAYER SERVICE

For necessary expenses of the Internal Revenue Service for processing tax returns, revenue accounting, providing assistance to taxpayers, securing unfiled tax returns, and collecting unpaid taxes; hire of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; including not to exceed \$10,000,000 for employees on temporary appointments and not to exceed \$183,000 for salaries of personnel engaged in preemployment training of data transcriber applicants; \$712,600,000.

COMPLIANCE

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities, and for investigation and enforcement activities, including purchase (not to exceed two hundred and three of which seventy-eight shall be for replacement only, for police-type use) and hire of passenger motor vehicles; and services of expert witnesses at such rates as may be determined by the Commissioner; \$791,000,000.

FEDERAL TAX LIEN REVOLVING FUND

For increased capitalization of the revolving fund for redemption of real property, established by the Federal Tax Lien Act of 1966 (26 U.S.C. 7810(a)), \$500,000.

OFFICE OF THE TREASURER

SALARIES AND EXPENSES

For necessary expenses of the Office of the Treasurer, \$14,000,000.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Secret Service, including purchase (not to exceed eighty-eight for police-type use of which seventy-seven are for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments which may be provided without reimbursement; and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be necessary to perform protective functions; \$79,300,000: *Provided*, That funds appropriated to the United States Secret Service shall be available to provide protection to the immediate family of the Vice President of the United States and for the utilization of the Executive Protective Service to provide security at the official residence of the Vice President.

GENERAL PROVISIONS—TREASURY DEPARTMENT

SEC. 101. Appropriations in this Act to the Treasury Department shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-2) including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

This title may be cited as the "Treasury Department Appropriations Act, 1975".

TITLE II—POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for public service costs and for revenue foregone on free and reduced-rate mail, pursuant to 39 U.S.C. 2401 (b) and (c), and for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund and to postal employees for earned and unused annual leave as of June 30, 1971, pursuant to 39 U.S.C. 2004, \$1,550,000,000.

This title may be cited as the "Postal Service Appropriation Act, 1975".

Citation of
title.

Postal Service
Appropriation
Act, 1975.

Citation of
title.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

Executive
Office Appropri-
ation Act, 1975.

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102, \$250,000.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), \$1,600,000.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY

SALARIES AND EXPENSES

For necessary expenses of the Council on International Economic Policy, including personnel services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, \$1,600,000 of which, an amount not to exceed \$1,000 may be expended for official entertainment.

DOMESTIC COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the Domestic Council, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18; and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; \$1,250,000.

5 USC 5332
note.

UNANTICIPATED PERSONNEL NEEDS

For expenses necessary to enable the President to meet unanticipated personnel needs, for emergencies affecting the national interest, security, or defense which may arise at home or abroad during the current fiscal year, and to pay administrative expenses incurred with respect thereto, \$500,000.

EXECUTIVE RESIDENCE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence, and official entertainment expenses of the President, \$1,695,000.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, furnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, \$315,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

FEDERAL ENERGY OFFICE

SALARIES AND EXPENSES

No part of any appropriation contained in this or any other Act for the regulatory functions of the Federal Energy Administration under authority of Public Law 93-159, shall be obligated or expended beyond the expiration date of that Act except with explicit approval of the appropriations committees.

15 USC 751
note.

NATIONAL COMMISSION ON PRODUCTIVITY

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Productivity, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, \$2,000,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For expenses necessary for the National Security Council, including services as authorized by 5 U.S.C. 3109, \$2,900,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For expenses necessary for the Office of Management and Budget, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$21,000,000.

OFFICE OF TELECOMMUNICATIONS POLICY

SALARIES AND EXPENSES

For expenses necessary for the conduct of telecommunications functions assigned to the Director of the Office of Telecommunications policy, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$8,450,000.

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

SALARIES AND EXPENSES

For necessary expenses of the Special Action Office for Drug Abuse Prevention, \$3,000,000.

PHARMACOLOGICAL RESEARCH

For necessary expenses in connection with activities authorized by section 224 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255), \$4,000,000.

21 USC 1134.

SPECIAL FUND FOR DRUG ABUSE

For the "Special fund" established by section 223 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255), \$11,000,000.

21 USC 1133.

SPECIAL ASSISTANCE TO THE PRESIDENT

For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18, compensation for one position at a rate not to exceed the rate of level II of the Executive schedule, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, including hire of passenger motor vehicles, \$910,000.

5 USC 5332
note.
5 USC 5313
note.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For expenses necessary for the White House Office as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109, at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000); and not to exceed \$10,000 for official entertainment expenses to be available for allocation within the Executive Office of the President; \$16,367,000.

This title may be cited as the "Executive Office Appropriation Act, 1975".

Citation of
title.

TITLE IV—INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), \$750,000.

Independent
Agencies Approp-
riations Act,
1975.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

42 USC 4271 et
seq.

For expenses necessary to carry out the provisions of the Act of September 24, 1959 (73 Stat. 703-706), \$1,075,000.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306, \$130,000.

CIVIL SERVICE COMMISSION

SALARIES AND EXPENSES

22 USC 287
note.

For necessary expenses, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; and advances or reimbursements to applicable funds of the Commission and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; \$90,000,000 together with not to exceed \$18,698,000 for current fiscal year administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Commission in amounts determined by the Commission without regard to other statutes: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds for administrative expenses of effecting statutory annuity adjustments. No part of the appropriation herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit of the Commission, established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose.

3 CFR 1943-
1948 Comp.,
p. 256.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

5 USC 8901.

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, \$264,817,000.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

33 USC 776.

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special acts, to be credited to the Civil Service retirement and disability fund, \$882,287,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (2 C.Z.C. 181) and the Act of August 19, 1950, as amended (33 U.S.C. 771-775) may hereafter be paid out of the Civil Service retirement and disability fund.

FEDERAL LABOR RELATIONS COUNCIL

SALARIES AND EXPENSES

For expenses necessary to carry out functions of the Civil Service Commission under Executive Order No. 11491 of October 29, 1969, as amended, \$975,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C. 3109.

5 USC 7301
note.

INTERGOVERNMENTAL PERSONNEL ASSISTANCE

For grants to improve State and local personnel administration, as authorized by the Intergovernmental Personnel Act of 1970, \$15,000,000.

42 USC 4701
note.COMMISSION ON THE REVIEW OF THE NATIONAL POLICY TOWARD
GAMBLING

SALARIES AND EXPENSES

For expenses necessary to carry out functions of the Commission on the Review of the National Policy Toward Gambling, established by section 804 of the Organized Crime Control Act of 1970 (P.L. 91-452; 84 Stat. 938), \$1,000,000.

18 USC 1955
note.COMMITTEE FOR PURCHASE OF PRODUCTS AND SERVICES OF THE BLIND
AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For expenses necessary for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped, established by the Act of June 23, 1971, Public Law 92-28, including hire of passenger motor vehicles, \$252,000.

41 USC 48c.

GENERAL SERVICES ADMINISTRATION

DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY, OPERATING
EXPENSES

Not to exceed \$7,200,000 of any proceeds received by the General Services Administration during the current fiscal year from transfers of excess property and the disposal of surplus real and related personal property shall be deposited to this appropriation, and shall be available for necessary expenses incurred in the Federal Buildings Fund in carrying out surplus property functions, pursuant to the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460 1-5).

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into a fund pursuant to Section 210(f) of the Federal Property and Administrative Services Act

of 1949, as amended (40 U.S.C. 490(f)), shall be available during the current fiscal year for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract; in the aggregate amount of \$1,008,870,700 of which (1) not to exceed \$25,000,000 shall be available for construction of buildings as authorized by law including construction projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

Arizona:

Lukeville Border Station, \$2,081,000

Texas:

Laredo Border Station, \$15,462,000

Washington:

Blaine, Pacific Highway Border Station, \$3,374,000

Extensions and conversions:

Colorado:

Denver, Federal Center Building #50, \$1,209,000

Denver, Federal Center Building #85, \$1,727,000

Ohio:

Dayton, Federal Depot, #4, \$1,147,000

Provided, That the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum; (2) not to exceed \$26,244,000 for purchase contract payments; (3) not to exceed \$350,000,000 for rental of space; (4) not to exceed \$98,000,000 for alterations and major repairs; (5) not to exceed \$354,000,000 for real property operations; (6) not to exceed \$54,037,000 for program direction and centralized services; and (7) not to exceed \$101,589,700 of the amounts merged with the fund pursuant to section 210(f) (3) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f) (3)) of which (a) not to exceed \$69,995,700 for the construction of buildings as authorized by law including construction projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

Alabama:	
Mobile Federal Office Building-----	\$224, 000
Alaska:	
Fairbanks Federal Office Building and Parking Facility-----	638, 500
Anchorage Court House, Federal Office Building, and Park Facility-----	2, 000, 000
Alaska Highway Border Station-----	839, 000
Juneau Post Office and Court House-----	12, 000
Petersburg Federal Office Building and Post Office-----	25, 000
Arizona:	
Nogales Border Station #2-----	2, 670, 000
Arkansas:	
Batesville Post Office, Court House, and Federal Office Building--	86, 000
Fayetteville Court House and Federal Office Building-----	89, 000
California:	
Los Angeles Federal Office Building and Multi-Parking Facility--	1, 981, 000
San Diego Border Station-----	1, 724, 000
Hawthorne Federal Office Building-----	92, 000
Santa Rosa Federal Office Building-----	235, 000
Santa Ana Federal Office Building-----	18, 000
San Diego Federal Building-----	225, 000
Calexico Border Station-----	88, 000
Connecticut:	
New Haven Federal Office Building-----	877, 000
Delaware:	
Wilmington Court House, Customs Court, and Federal Office Building-----	151, 000
District of Columbia:	
South Portal Site Federal Office Building-----	10, 631, 300
James Forrestal Federal Office Building-----	170, 700
Department of Labor Building-----	11, 083, 600
J. E. Hoover Federal Bureau of Investigation Building-----	514, 000
Florida:	
Orlando Courthouse and Federal Office Building-----	99, 000
Tampa Motor Pool-----	15, 000
West Palm Beach Post Office and Courthouse-----	31, 000
Georgia:	
Atlanta, Richard B. Russell Federal Office Building-----	\$700, 000
Augusta Post Office and Federal Office Building-----	99, 000
Griffin Post Office and Federal Office Building-----	176, 000
Rome Post Office and Courthouse-----	106, 000
Waycross Courthouse and Federal Office Building-----	19, 000
Hawaii:	
Honolulu Federal Office Building-----	115, 000
Idaho:	
Sandpoint Federal Office Building-----	16, 000
Illinois:	
Chicago Federal Supply Center and Parking Facility-----	312, 000
Chicago Federal Archives and Records Center-----	15, 000
Chicago Federal Office Building-----	1, 194, 000
Alton Courthouse and Federal Office Building-----	50, 000
Carbondale Federal Office Building-----	261, 000
Indiana:	
Indianapolis Federal Office Building-----	15, 000
Indianapolis Post Office and Courthouse-----	10, 000
Iowa:	
Iowa City Post Office and Federal Office Building-----	12, 000
Kansas:	
Topeka Courthouse and Federal Office Building-----	662, 500

Kentucky:	
Covington, Internal Revenue Service Center-----	79,000
Frankfort Courthouse and Federal Office Building-----	67,000
Louisville Federal Office Building-----	53,000
Louisiana:	
Houma, A. J. Ellender Post Office and Federal Office Building--	160,000
New Orleans Courthouse and Federal Office Building-----	30,000
Maryland:	
Baltimore, E. A. Garmatz Federal Office Building-----	22,000
Massachusetts:	
New Bedford, Hastings Keith Federal Building-----	204,000
Michigan:	
Ann Arbor, Federal Office Building-----	322,000
Detroit, Patrick V. McNamara Federal Office Building-----	49,000
Grand Rapids, Courthouse and Federal Building-----	57,000
Saginaw, Federal Office Building-----	448,000
Mississippi:	
Aberdeen, Federal Office Building-----	54,000
Hattiesburg, Federal Office Building-----	69,000
Oxford, Courthouse, Post Office, and Federal Office Building--	82,000
Nebraska:	
Lincoln, Courthouse, Federal Office Building, and Park Facility --	67,000
New Hampshire:	
Manchester Federal Office Building-----	456,000
New Mexico:	
Gallup Federal Office Building-----	137,000
New York:	
Buffalo Federal Office Building-----	950,000
Champlain Border Station-----	262,000
Hyde Park, F. D. Roosevelt Library Extension-----	65,000
New York, Customs Courthouse and Federal Office Building----	113,500
Rochester, Customs Courthouse and Federal Office Building----	70,000
New York, Foley Square Courthouse Annex-----	737,000
North Carolina:	
Winston-Salem, Courthouse and Federal Office Building-----	839,000
Ohio:	
Akron, Courthouse, Federal Office Building and Parking Facility -----	43,000
Akron, Post Office-----	13,000
Columbia, Federal Office Building-----	861,000
Dayton, Courthouse and Federal Office Building-----	42,000
Mansfield Post Office and Federal Office Building-----	348,000
Oklahoma:	
Oklahoma City, Federal Office Building-----	603,000
Oregon:	
Eugene, Courthouse and Federal Office Building-----	30,000
Portland, Federal Office Building-----	12,000
Pennsylvania:	
Philadelphia, J. A. Byrne Courthouse and W. J. Greene, Jr., Federal Office Building-----	10,624,000
Williamsport, Courthouse and Federal Office Building-----	335,000
Puerto Rico:	
San Juan, Courthouse and Federal Office Building-----	\$25,000
Rhode Island:	
Providence, Post Office and Federal Office Building-----	38,000
South Carolina:	
Columbia, Courthouse, Federal Office Building, Parking Facility and Vehicle Maintenance Facility-----	955,000
Florence, John L. McMillan Federal Building and Courthouse--	327,000
South Dakota:	
Huron, Post Office and Federal Office Building-----	470,000
Rapid City, Courthouse and Federal Office Building-----	31,000

Tennessee:	
Nashville, Courthouse and Federal Office Building-----	130, 000
Texas:	
Dallas, Courthouse and Federal Office Building-----	31, 000
McAllen, Border Patrol Sector Headquarters-----	22, 000
Marfa, Border Patrol Headquarters-----	136, 000
Midland, Post Office, Courthouse, and Federal Office Building---	135, 000
San Antonio, Courthouse and Federal Office Building-----	594, 000
San Antonio, Post Office-----	73, 000
Vermont:	
Norton, Border Station-----	10, 000
Brattleboro, Post Office, Court House, and Federal Office Building -----	10, 000
Virginia:	
Quantico, Federal Bureau of Investigation Academy-----	555, 000
Roanoke, R. H. Poff Federal Office Building-----	37, 000
Virgin Islands:	
Charlotte Amalie, Courthouse and Federal Office Building-----	45, 000
Washington:	
Blaine, Peace Arch Border Station-----	3, 081, 000
Seattle, Federal Office Building-----	2, 503, 600
Seattle, Federal Center South-----	2, 878, 000
West Virginia:	
Morgantown, Post Office and Federal Office Building-----	200, 000
Elkins, Post Office, Courthouse, and Federal Office Building----	454, 000
Wisconsin:	
Madison, Courthouse and Federal Office Building-----	680, 000
Total -----	69, 995, 700

Provided, That the immediately foregoing limits of cost may be exceeded to the extent that they apply to construction projects previously included in the appropriation, Construction, Public Buildings Projects, to the extent that savings are affected in other such projects, but by not to exceed 10 per centum of the amounts previously appropriated for such projects under such appropriation; (b) not to exceed \$700,000 for repair and improvement of public buildings; (c) not to exceed \$5,245,000 for additional court facilities; (d) not to exceed \$16,149,000 for construction services of on-going construction projects; and (e) \$9,500,000 for the completion of buildings management projects, including charges for work for other agencies begun in prior years but not yet completed and \$2,571,000 to be deposited in the Treasury as miscellaneous receipts: *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490) and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration shall be considered to be federally owned buildings: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under Section 210(f) (6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f) (6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret

86 Stat. 216.
40 USC 603
note.

Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further*, That any revenues and collections and any other sums accruing to this Fund, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), in excess of \$1,088,870,700 shall be deposited in miscellaneous receipts of the Treasury of the United States.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement, inspection, standardization, and supply management activities as authorized by law, transportation, public utilities, the utilization of excess property, the disposal of surplus property, the rehabilitation of personal property, the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h), the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607), and the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. 2061–2166), including services as authorized by 5 U.S.C. 3109, \$165,500,000: *Provided*, That during the current fiscal year the General Services Administration is authorized to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials in the national and supplemental stockpiles, provided said leasehold interests are at nominal cost to the Government: *Provided further*, That during the current fiscal year there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with section 6 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e), may be transferred without reimbursement to the national stockpile: *Provided further*, That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061–2166), and excess materials in the national stockpile and supplemental stockpile, the disposition of which is authorized by law, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses (including transportation and other accessorial expenses) of acquisition of materials, or of refining, processing, or otherwise beneficiating materials, or of rotating materials, pursuant to section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b), and of processing and refining materials pursuant to section 303(d) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093(d)).

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

For necessary expenses in connection with Federal records management and related activities, as provided by law, including reimbursement for security guard services, contractual services incident to movement or disposal of records, and acceptance and utilization of voluntary and uncompensated services, \$50,500,000, of which \$2,000,000 for allocations and grants for historical publications as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

7 USC 1704.

50 USC app.
2061-2166.

RECORDS DECLASSIFICATION

For expenses necessary for the review and declassification of documents, and related records management activities, pursuant to Executive Order 11652, directives issued pursuant thereto, and other applicable authorities, including expenses not otherwise provided for, and acceptance and utilization of voluntary and uncompensated services, \$1,305,000.

50 USC 401
note.

AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided, necessary for carrying out Government-wide responsibilities relating to automated data management, telecommunications and related activities, as authorized by law, including services as authorized by 5 U.S.C. 3109, \$7,000,000.

PREPAREDNESS ACTIVITIES

OFFICE OF PREPAREDNESS

SALARIES AND EXPENSES

For expenses necessary for emergency preparedness functions and the disposal of excess materials in the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h), the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607), and the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. 2061-2166), including services as authorized by 5 U.S.C. 3109 and expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency planning, \$7,650,000.

7 USC 1704.

50 USC app.
2061-2166.

DEFENSE MOBILIZATION FUNCTIONS OF FEDERAL AGENCIES

For expenses necessary to assist other Federal agencies to perform civil defense mobilization functions, including payments by the Department of Labor to State employment security agencies for the full cost of administration of defense manpower mobilization activities, \$1,500,000.

GENERAL MANAGEMENT AND AGENCY OPERATIONS

SALARIES AND EXPENSES

For expenses of general management and agency operations of activities under the control of the General Services Administration, \$10,650,000: *Provided*, That not to exceed \$2,500 shall be available for reception and representation expenses.

FEDERAL MANAGEMENT POLICY

SALARIES AND EXPENSES

For expenses, not otherwise provided, necessary for Government-wide policy functions in the areas of financial management, procurement management, property management, automatic data processing management, and management systems development, pursuant to Executive Order 11717, dated May 9, 1973, \$1,730,000.

31 USC 16
note.

INDIAN TRIBAL CLAIMS

For expenses necessary to provide accounting records management, and other support incident to adjudication of Indian Tribal claims by the Indian Claims Commission, \$2,523,000.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), \$60,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provision of sections (a) and (e) of such Act.

ADMINISTRATIVE AND STAFF SUPPORT SERVICES

SALARIES AND EXPENSES

For administrative expenses necessary in providing general administrative and staff support services within the General Services Administration, not otherwise provided for, \$47,978,000: *Provided*, That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to section 601 of the Economy Act of 1932, as amended (31 U.S.C. 686).

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

SEC. 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); and (2) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451ff), and such appropriations or funds may be so transferred, with the approval of the Office of Management and Budget.

50 USC 451 and
note.

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

40 USC 759.

SEC. 3. None of the funds available under this Act or under section 111 of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended for the procurement by purchase, lease or any other arrangement, in whole or in part, of any or all the automatic data processing system, data communications network, or related software and services for the joint General Services Administration-Department of Agriculture MCS project 97-72 contained in the Request for Proposal CDPA 74-14, any successor to such project, or any other common user shared facilities authorized under section 111 of the Federal Property and Administrative Services Act of 1949.

SEC. 4. Not to exceed 2 per centum of any appropriations made available to the General Services Administration, excluding the Federal Buildings Fund, for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be increased thereby more than 2 per centum: *Provided*, That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of \$2,000,000.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract stenographic reporting, and other services as authorized by 5 U.S.C. 3109, \$6,285,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

26 USC 7443
note.

DEPARTMENT OF DEFENSE

DEFENSE CIVIL PREPAREDNESS AGENCY

OPERATION AND MAINTENANCE

For expenses, not otherwise provided for, necessary for carrying out civil defense activities, including the hire of motor vehicles; and financial contributions to the States for civil defense purposes, as authorized by law; \$63,400,000: *Provided*, That not to exceed \$28,600,000 shall be available for allocation under section 205 of the Federal Civil Defense Act of 1950, as amended.

50 USC app.
2286.

RESEARCH, SHELTER SURVEY, AND MARKING

For expenses, not otherwise provided for, necessary for studies and research to develop measures and plans for civil defense; continuing shelter surveys, marking, and equipping surveyed spaces; and financial contributions to the States under section 201(i) of the Federal Civil Defense Act, which shall be equally matched, for emergency operating centers and civil defense equipment; \$18,600,000.

50 USC app.
2281.

GENERAL PROVISIONS—CIVIL DEFENSE

SEC. 1. Appropriations contained in this Act for carrying out civil defense activities shall not be available in excess of the limitations on appropriations contained in section 408 of the Federal Civil Defense Act, as amended (50 U.S.C. App. 2260).

SEC. 2. No part of any appropriation in this Act shall be available for the construction of warehouses or for the lease of warehouse space in any building which is to be constructed specifically for civil defense activities.

This title may be cited as the "Independent Agencies Appropriations Act, 1975".

Citation of
title.

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; or to payments to interagency motor pools where separately set forth in the budget schedules.

Employees,
military leave,
position restora-
tion.

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

Offices outside
D.C., limitation.

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

Fiscal year
limitation.

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Foreign-made
tools, procure-
ment restriction.

SEC. 505. No part of any appropriation contained in this Act shall be available for the procurement of or for the payment of the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions or except in accordance with procedures prescribed by section 6-104.4 (b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970. This section shall be applicable to all solicitations for bids opened after its enactment.

Space and serv-
ice charges.

SEC. 506. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210j of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

Administrative
expenses for
purchase con-
tracts.
40 USC 602a.

SEC. 507. None of the funds available under this Act shall be available for administrative expenses in connection with the execution of purchase contracts pursuant to section 5 of the Public Buildings Amendments of 1972 (Public Law 92-313) in excess of the aggregate amount of \$300,000,000 (based on approved prospectuses) during the fiscal year ending June 30, 1975.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

Motor vehicle
purchase.
31 USC 638c
note.
31 USC 638a.

SEC. 601. Unless otherwise specifically provided the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at \$2,100 except station wagons for which the maximum shall be \$2,400: *Provided*, That these limits may be exceeded by not to exceed \$900 for police-type vehicles.

Police-type
vehicles.

Citizenship re-
quirement for em-
ployees.
31 USC 699b.

SEC. 602. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the

Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, or (4) is an alien from Cuba, Poland, or the Baltic countries lawfully admitted to the United States for permanent residence: *Provided, That*, for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal-clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

Penalty.

Exceptions.

SEC. 603. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

Quarters allowances.

SEC. 604. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

Nominees not approved.

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U.S.C. 841), shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

Administrative expense funds.

SEC. 606. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

Foreign credits.
31 USC 724.

Publicity or
propaganda.

U.S. Postal
Service employ-
ees, communica-
tion with Con-
gress.

Interdepart-
mental groups,
expenses.

Space and serv-
ice charges and
building improve-
ments.

40 USC 601
note.

40 USC 603
note.

U.S. or Postal
Service guards,
funds.

40 USC 603
note.

SEC. 607. (a) No part of any appropriation contained in this or any other Act, or of the funds available for expenditure by any corporation or agency, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress.

(b) No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance or efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

SEC. 608. No part of any appropriation contained in this or any other Act, shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under section 214 of the Independent Offices Appropriations Act, 1946 (31 U.S.C. 691) which do not have prior and specific congressional approval of such method of financial support.

SEC. 609. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 610. Funds made available by this or any other Act to the fund created by the Public Buildings Amendments of 1972 (86 Stat. 216), and the "Postal Service fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section, and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b) attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c).

SEC. 611. None of the funds available under this Act shall be available for administrative expenses in connection with the transfer of any functions, personnel, facilities, equipment, or funds out of the United States Customs Service unless such transfers have been specifically authorized by the Congress.

U.S. Customs
Service, trans-
fers.

SEC. 612. None of the funds available under this Act shall be available for administrative expenses for the purpose of transferring the border control activities of the Bureau of Customs to any other agency of the Federal Government.

Bureau of
Customs activi-
ties.

This Act may be cited as the "Treasury, Postal Service, and General Government Appropriation Act, 1975".

Short title.

Approved August 21, 1974.

Public Law 93-382

JOINT RESOLUTION

Designating August 26, 1974, as "Women's Equality Day"

August 22, 1974
[H. J. Res. 1105]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 26, 1974, is designated as "Women's Equality Day", and the President is authorized and requested to issue a proclamation in commemoration of that day in 1920 on which the women of America were first guaranteed the right to vote.

Women's
Equality Day.
Designation
authorization.

Approved August 22, 1974.

Public Law 93-383

AN ACT

To establish a program of community development block grants, to amend and extend laws relating to housing and urban development, and for other purposes.

August 22, 1974
[S. 3066]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing and Community Development Act of 1974".

Housing and
Community De-
velopment Act of
1974.
42 USC 5301
note.

TITLE I—COMMUNITY DEVELOPMENT

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

42 USC 5301.

(1) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities; and

(2) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment.

(b) The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

(1) systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;

(2) substantial expansion of and greater continuity in the scope and level of Federal assistance, together with increased private investment in support of community development activities; and

(3) continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts.

(c) The primary objective of this title is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, the Federal assistance provided in this title is for the support of community development activities which are directed toward the following specific objectives—

(1) the elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;

(2) the elimination of conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;

(3) the conservation and expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;

(4) the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;

(5) a more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;

(6) the reduction of the isolation of income groups within communities and geographical areas and the promotion of an

increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods to attract persons of higher income; and

(7) the restoration and preservation of properties of special value for historic, architectural, or esthetic reasons.

It is the intent of Congress that the Federal assistance made available under this title not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

(d) It is also the purpose of this title to further the development of a national urban growth policy by consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs into a consistent system of Federal aid which—

(1) provides assistance on an annual basis, with maximum certainty and minimum delay, upon which communities can rely in their planning;

(2) encourages community development activities which are consistent with comprehensive local and areawide development planning;

(3) furthers achievement of the national housing goal of a decent home and a suitable living environment for every American family; and

(4) fosters the undertaking of housing and community development activities in a coordinated and mutually supportive manner.

DEFINITIONS

SEC. 102. (a) As used in this title—

42 USC 5302.

(1) The term “unit of general local government” means any city, county, town, township, parish, village, or other general purpose political subdivision of a State; Guam, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions recognized by the Secretary; the District of Columbia; the Trust Territory of the Pacific Islands; and Indian tribes, bands, groups, and nations, including Alaska Indians, Aleuts, and Eskimos, of the United States. Such term also includes a State or a local public body or agency (as defined in section 711 of the Housing and Urban Development Act of 1970), community association, or other entity, which is approved by the Secretary for the purpose of providing public facilities or services to a new community as part of a program meeting the eligibility standards of section 712 of the Housing and Urban Development Act of 1970 or title IV of the Housing and Urban Development Act of 1968.

42 USC 4512.

42 USC 4513.

42 USC 3901.

(2) The term “State” means any State of the United States, or any instrumentality thereof approved by the Governor; and the Commonwealth of Puerto Rico.

(3) The term “metropolitan area” means a standard metropolitan statistical area as established by the Office of Management and Budget.

(4) The term “metropolitan city” means (A) a city within a metropolitan area which is the central city of such area, as defined

and used by the Office of Management and Budget, or (B) any other city, within a metropolitan area, which has a population of fifty thousand or more.

(5) The term "city" means (A) any unit of general local government which is classified as a municipality by the United States Bureau of the Census or (B) any other unit of general local government which is a town or township and which, in the determination of the Secretary, (i) possesses powers and performs functions comparable to those associated with municipalities, (ii) is closely settled, and (iii) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census.

(6) The term "urban county" means any county within a metropolitan area which (A) is authorized under State law to undertake essential community development and housing assistance activities in its unincorporated areas, if any, which are not units of general local government, and (B) has a combined population of two hundred thousand or more (excluding the population of metropolitan cities therein) in such unincorporated areas and in its included units of general local government (i) in which it has authority to undertake essential community development and housing assistance activities and which do not elect to have their population excluded or (ii) with which it has entered into cooperation agreements to undertake or to assist in the undertaking of essential community development and housing assistance activities.

(7) The term "population" means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(8) The term "extent of poverty" means the number of persons whose incomes are below the poverty level. Poverty levels shall be determined by the Secretary pursuant to criteria provided by the Office of Management and Budget, taking into account and making adjustments, if feasible and appropriate and in the sole discretion of the Secretary, for regional or area variations in income and cost of living, and shall be based on data referable to the same point or period in time.

(9) The term "extent of housing overcrowding" means the number of housing units with 1.01 or more persons per room based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(10) The term "Federal grant-in-aid program" means a program of Federal financial assistance other than loans and other than the assistance provided by this title.

(11) The term "program period" means the period beginning January 1, 1975, and ending June 30, 1975, and the period covering each fiscal year thereafter.

(12) The term "Community Development Program" means a program described in section 104(a) (2).

(13) The term "Secretary" means the Secretary of Housing and Urban Development.

(b) Where appropriate, the definitions in subsection (a) shall be based, with respect to any fiscal year, on the most recent data compiled by the United States Bureau of the Census and the latest published reports of the Office of Management and Budget available ninety days prior to the beginning of such fiscal year. The Secretary may by regulation change or otherwise modify the meaning of the terms defined in subsection (a) in order to reflect any technical change or modification thereof made subsequent to such date by the United States Bureau of the Census or the Office of Management and Budget.

(c) One or more public agencies, including existing local public agencies, may be designated by the chief executive officer of a State or a unit of general local government to undertake a Community Development Program in whole or in part.

AUTHORIZATION TO MAKE GRANTS

SEC. 103. (a) (1) The Secretary is authorized to make grants to States and units of general local government to help finance Community Development Programs approved in accordance with the provisions of this title. The Secretary is authorized to incur obligations on behalf of the United States in the form of grant agreements or otherwise in amounts aggregating such sum, not to exceed \$8,400,000,000, as may be approved in an appropriation Act. The amount so approved shall become available for obligation on January 1, 1975, and shall remain available until obligated. There are authorized to be appropriated for liquidation of the obligations incurred under this subsection not to exceed \$2,500,000,000 prior to the close of the fiscal year 1975, which amount may be increased to not to exceed an aggregate of \$5,450,000,000 prior to the close of the fiscal year 1976, and to not to exceed an aggregate of \$8,400,000,000 prior to the close of the fiscal year 1977. Subject to the limitations contained in the preceding sentence, appropriations for—

(A) grants under title VII of the Housing Act of 1961;

(B) grants under sections 702 and 703 of the Housing and Urban Development Act of 1965; and

(C) supplemental grants under title I of the Demonstration Cities and Metropolitan Development Act of 1966,

may be used, to the extent not otherwise obligated prior to January 1, 1975, for the liquidation of contracts entered into pursuant to this section.

(2) Of the amounts approved in appropriation Acts pursuant to paragraph (1), \$50,000,000 for each of the fiscal years 1975 and 1976 shall be added to the amount available for allocation under section 106(d) and shall not be subject to the provisions of section 107.

(b) In addition to the amounts made available under subsection (a), and for the purpose of facilitating an orderly transition to the program authorized under this title, there are authorized to be appropriated not to exceed \$50,000,000 for each of the fiscal years 1975 and 1976, and not to exceed \$100,000,000 for the fiscal year 1977, for grants under this title to units of general local government having urgent community development needs which cannot be met through the operation of the allocation provisions of section 106.

(c) Sums appropriated pursuant to this section shall remain available until expended.

(d) To assure program continuity and orderly planning, the Secretary shall submit to the Congress timely requests for additional authorizations for the fiscal years 1978 through 1980.

Community Development Programs.
42 USC 5303.

42 USC 1500.

42 USC 3102, 3103.

42 USC 3301.

APPLICATION AND REVIEW REQUIREMENTS

42 USC 5304.

SEC. 104. (a) No grant may be made pursuant to section 106 unless an application shall have been submitted to the Secretary in which the applicant—

(1) sets forth a summary of a three-year community development plan which identifies community development needs, demonstrates a comprehensive strategy for meeting those needs, and specifies both short- and long-term community development objectives which have been developed in accordance with area-wide development planning and national urban growth policies;

(2) formulates a program which (A) includes the activities to be undertaken to meet its community development needs and objectives, together with the estimated costs and general location of such activities, (B) indicates resources other than those provided under this title which are expected to be made available toward meeting its identified needs and objectives, and (C) takes into account appropriate environmental factors;

(3) describes a program designed to—

(A) eliminate or prevent slums, blight, and deterioration where such conditions or needs exist; and

(B) provide improved community facilities and public improvements, including the provision of supporting health, social, and similar services where necessary and appropriate;

(4) submits a housing assistance plan which—

(A) accurately surveys the condition of the housing stock in the community and assesses the housing assistance needs of lower-income persons (including elderly and handicapped persons, large families, and persons displaced or to be displaced) residing in or expected to reside in the community,

(B) specifies a realistic annual goal for the number of dwelling units or persons to be assisted, including (i) the relative proportion of new, rehabilitated, and existing dwelling units, and (ii) the sizes and types of housing projects and assistance best suited to the needs of lower-income persons in the community, and

(C) indicates the general locations of proposed housing for lower-income persons, with the objective of (i) furthering the revitalization of the community, including the restoration and rehabilitation of stable neighborhoods to the maximum extent possible, (ii) promoting greater choice of housing opportunities and avoiding undue concentrations of assisted persons in areas containing a high proportion of low-income persons, and (iii) assuring the availability of public facilities and services adequate to serve proposed housing projects;

(5) provides satisfactory assurances that the program will be conducted and administered in conformity with Public Law 88-352 and Public Law 90-284; and

(6) provides satisfactory assurances that, prior to submission of its application, it has (A) provided citizens with adequate information concerning the amount of funds available for proposed community development and housing activities, the range of activities that may be undertaken, and other important program requirements, (B) held public hearings to obtain the views of citizens on community development and housing needs, and (C) provided citizens an adequate opportunity to participate in the development of the application; but no part of this paragraph shall be construed to restrict the responsibility and author-

42 USC 2000a
note.
18 USC 245.

ity of the applicant for the development of the application and the execution of its Community Development Program.

(b) (1) Not more than 10 per centum of the estimated costs referred to in subsection (a) (2) which are to be incurred during any contract period may be designated for unspecified local option activities which are eligible for assistance under section 105(a) or for a contingency account for activities designated by the applicant pursuant to subsection (a) (2).

(2) Any grant under this title shall be made only on condition that the applicant certify to the satisfaction of the Secretary that its Community Development Program has been developed so as to give maximum feasible priority to activities which will benefit low- or moderate-income families or aid in the prevention or elimination of slums or blight. The Secretary may also approve an application describing activities which the applicant certifies and the Secretary determines are designed to meet other community development needs having a particular urgency as specifically described in the application.

(3) The Secretary may waive all or part of the requirements contained in paragraphs (1), (2), and (3) of subsection (a) if (A) the application for assistance is in behalf of a locality having a population of less than 25,000 according to the most recent data compiled by the Bureau of the Census which is located either (i) outside a standard metropolitan statistical area, or (ii) inside such an area but outside an "urbanized area" as defined by the Bureau of the Census (or as such definition is modified by the Secretary for purposes of this title), (B) the application relates to the first community development activity to be carried out by such locality with assistance under this title, (C) the assistance requested is for a single development activity under this title of a type eligible for assistance under title VII of the Housing Act of 1961 or title VII of the Housing and Urban Development Act of 1965, and (D) the Secretary determines that, having regard to the nature of the activity to be carried out, such waiver is not inconsistent with the purposes of this title.

Waiver.

Urbanized area.

42 USC 1500.

42 USC 3101.

(4) The Secretary may accept a certification from the applicant that it has complied with the requirements of paragraphs (5) and (6) of subsection (a).

(c) The Secretary shall approve an application for an amount which does not exceed the amount determined in accordance with section 106(a) unless—

(1) on the basis of significant facts and data, generally available and pertaining to community and housing needs and objectives, the Secretary determines that the applicant's description of such needs and objectives is plainly inconsistent with such facts or data; or

(2) on the basis of the application, the Secretary determines that the activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant pursuant to subsection (a); or

(3) the Secretary determines that the application does not comply with the requirements of this title or other applicable law or proposes activities which are ineligible under this title.

(d) Prior to the beginning of fiscal year 1977 and each fiscal year thereafter, each grantee shall submit to the Secretary a performance report concerning the activities carried out pursuant to this title, together with an assessment by the grantee of the relationship of those activities to the objectives of this title and the needs and objectives identified in the grantee's statement submitted pursuant to subsection (a). The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine

Performance report, submitted to Secretary.

Audits and reviews.

whether the grantee has carried out a program substantially as described in its application, whether that program conformed to the requirements of this title and other applicable laws, and whether the applicant has a continuing capacity to carry out in a timely manner the approved Community Development Program. The Secretary may make appropriate adjustments in the amount of the annual grants in accordance with his findings pursuant to this subsection.

(e) No grant may be made under this title unless the application therefor has been submitted for review and comment to an areawide agency under procedures established by the President pursuant to title II of the Demonstration Cities and Metropolitan Development Act of 1966 and title IV of the Intergovernmental Cooperation Act of 1968.

42 USC 3331.

42 USC 4231.

Approval date.

(f) An application subject to subsection (c), if submitted after any date established by the Secretary for consideration of applications, shall be deemed approved within 75 days after receipt unless the Secretary informs the applicant of specific reasons for disapproval. Subsequent to approval of the application, the amount of the grant may be adjusted in accordance with the provisions of this title.

GAO audit.

(g) Insofar as they relate to funds provided under this title, the financial transactions of recipients of such funds may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

Environmental
protection.
42 USC 4321
note.

(h)(1) In order to assure that the policies of the National Environmental Policy Act of 1969 are most effectively implemented in connection with the expenditure of funds under this title, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to applicants who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act that would apply to the Secretary were he to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality.

(2) The Secretary shall approve the release of funds for projects subject to the procedures authorized by this subsection only if, at least fifteen days prior to such approval and prior to any commitment of funds to such projects other than for purposes authorized by section 105(a)(12) or for environmental studies, the applicant has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of paragraph (3). The Secretary's approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act insofar as those responsibilities relate to the applications and releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(3) A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary,

(B) be executed by the chief executive officer or other officer of the applicant qualified under regulations of the Secretary,

(C) specify that the applicant has fully carried out its responsibilities as described under paragraph (1) of this subsection, and

(D) specify that the certifying officer (i) consents to assume

the status of a responsible Federal official under the National Environmental Policy Act of 1969 insofar as the provisions of such Act apply pursuant to paragraph (1) of this subsection, and (ii) is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

42 USC 4321
note.

COMMUNITY DEVELOPMENT PROGRAM ACTIVITIES ELIGIBLE FOR
ASSISTANCE

SEC. 105. (a) A Community Development Program assisted under this title may include only—

42 USC 5305.

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this title; or (E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements—including neighborhood facilities, senior centers, historic properties, utilities, streets, street lights, water and sewer facilities, foundations and platforms for air rights sites, pedestrian malls and walkways, and parks, playgrounds, and recreation facilities, flood and drainage facilities in cases where assistance for such facilities under other Federal laws or programs is determined to be unavailable, and parking facilities, solid waste disposal facilities, and fire protection services and facilities which are located in or which serve designated community development areas;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public improvements and services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, and rehabilitation of buildings and improvements (including interim assistance and financing rehabilitation of privately owned properties when incidental to other activities);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by program activities under this title;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this title or its retention for public purposes;

(8) provision of public services not otherwise available in areas where other activities assisted under this title are being carried out in a concentrated manner, if such services are determined to be necessary or appropriate to support such other activities and if assistance in providing or securing such services under other applicable Federal laws or programs has been applied for and

denied or not made available within a reasonable period of time, and if such services are directed toward (A) improving the community's public services and facilities, including those concerned with the employment, economic development, crime prevention, child care, health, drug abuse, education, welfare, or recreation needs of persons residing in such areas, and (B) coordinating public and private development programs;

(9) payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of the Community Development Program;

(10) payment of the cost of completing a project funded under title I of the Housing Act of 1949;

(11) relocation payments and assistance for individuals, families, businesses, organizations, and farm operations displaced by activities assisted under this title;

(12) activities necessary (A) to develop a comprehensive community development plan, and (B) to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation; and

(13) payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities.

(b) Upon the request of the recipient of a grant under this title, the Secretary may agree to perform administrative services on a reimbursable basis on behalf of such recipient in connection with loans or grants for the rehabilitation of properties as authorized under subsection (a) (4).

ALLOCATION AND DISTRIBUTION OF FUNDS

42 USC 5306.

SEC. 106. (a) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a) (2) and 107), 80 per centum shall be allocated by the Secretary to metropolitan areas. Except as provided in subsections (c) and (e), each metropolitan city and urban county shall, subject to the provisions of section 104 and except as otherwise specifically authorized, be entitled to annual grants from such allocation in an aggregate amount not exceeding the greater of its basic amount computed pursuant to paragraph (2) or (3) of subsection (b) or its hold-harmless amount computed pursuant to subsection (g).

(b) (1) The Secretary shall determine the amount to be allocated to all metropolitan cities which shall be an amount that bears the same ratio to the allocation for all metropolitan areas as the average of the ratios between—

(A) the population of all metropolitan cities and the population of all metropolitan areas;

(B) the extent of poverty in all metropolitan cities and the extent of poverty in all metropolitan areas; and

(C) the extent of housing overcrowding in all metropolitan cities and the extent of housing overcrowding in all metropolitan areas.

42 USC 1441
note.

Basic grant
amount.

(2) From the amount allocated to all metropolitan cities the Secretary shall determine for each metropolitan city a basic grant amount which shall equal an amount that bears the same ratio to the allocation for all metropolitan cities as the average of the ratios between—

(A) the population of that city and the population of all metropolitan cities;

(B) the extent of poverty in that city and the extent of poverty in all metropolitan cities; and

(C) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan cities.

(3) The Secretary shall determine the basic grant amount of each urban county by—

(A) calculating the total amount that would have been allocated to metropolitan cities and urban counties together under paragraph (1) of this subsection if data pertaining to the population, extent of poverty, and extent of housing overcrowding in all urban counties were included in the numerator of each of the fractions described in such paragraph; and

(B) determining for each county the amount which bears the same ratio to the total amount calculated under subparagraph (A) of this paragraph as the average of the ratios between—

(i) the population of that urban county and the population of all metropolitan cities and urban counties;

(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan cities and urban counties; and

(iii) the extent of housing overcrowding in that urban county and the extent of housing overcrowding in all metropolitan cities and urban counties.

(4) In determining the average of ratios under paragraphs (1), (2), and (3), the ratio involving the extent of poverty shall be counted twice.

(5) In computing amounts or exclusions under this section with respect to any urban county there shall be excluded units of general local government located in the county (A) which receive hold-harmless grants pursuant to subsection (h), or (B) the populations of which are not counted in determining the eligibility of the urban county to receive a grant under this subsection.

(c) During the first three years for which funds are approved for distribution to a metropolitan city or urban county under this section, the basic grant amount of such city or county as computed under subsection (b) shall be adjusted as provided in this subsection if the amount so computed for the first such year exceeds the city's or county's hold-harmless amount as determined under subsection (g). Such adjustment shall be made so that—

(1) the amount for the first year does not exceed one-third of the full basic grant amount computed under subsection (b), or the hold-harmless amount, whichever is the greater,

(2) the amount for the second year does not exceed two-thirds of the full basic grant amount computed under subsection (b), or the hold-harmless amount, or the amount allowed under paragraph (1) of this subsection, whichever is the greatest, and

(3) the amount for the third year does not exceed the full basic grant amount computed under subsection (b).

(d) Any portion of the amount allocated to metropolitan areas under the first sentence of subsection (a) which remains after the allocation of grants to metropolitan cities and urban counties in accordance with subsections (b) and (c) and any amounts added in

accordance with the provisions of section 103(a)(2) shall be allocated by the Secretary—

(1) first, for grants to metropolitan cities, urban counties, and other units of general local government within metropolitan areas to meet their hold-harmless needs as determined under subsections (g) and (h); and

(2) second, for grants to units of general local government (other than metropolitan cities and urban counties) and States for use in metropolitan areas, allocating for each such metropolitan area an amount which bears the same ratio to the allocation for all metropolitan areas available under this paragraph as the average of the ratios between—

(A) the population of that metropolitan area and the population of all metropolitan areas,

(B) the extent of poverty in that metropolitan area and the extent of poverty in all metropolitan areas, and

(C) the extent of housing overcrowding in that metropolitan area and the extent of housing overcrowding in all metropolitan areas.

In determining the average of ratios under paragraph (2), the ratio involving the extent of poverty shall be counted twice; and in computing amounts under such paragraph there shall be excluded any metropolitan cities, urban counties, and units of general local government which receive hold-harmless grants pursuant to subsection (h).

Reallocation.

(e) Any amounts allocated to a metropolitan city or urban county pursuant to the preceding provisions of this section which are not applied for during a program period or which are not approved by the Secretary, and any other amounts allocated to a metropolitan area which the Secretary determines, on the basis of the applications and other evidence available, are not likely to be fully obligated during such program period, shall be reallocated during the same period for use by States, metropolitan cities, urban counties, or units of general local government, first, in any metropolitan area in the same State, and second, in any other metropolitan area. The Secretary shall review determinations under this subsection from time to time as appropriate with a view of assuring maximum use of all available funds in the period for which such funds were appropriated.

(f)(1) Of the amount approved in an appropriation Act under section 103(a) for grants in any year (excluding the amount provided for use in accordance with sections 103(a)(2) and 107), 20 per centum shall be allocated by the Secretary—

(A) first, for grants to units of general local government outside of metropolitan areas to meet their hold-harmless needs as determined under subsection (h); and

(B) second, for grants to units of general local government outside of metropolitan areas and States for use outside of metropolitan areas, allocating for the nonmetropolitan areas of each State an amount which bears the same ratio to the allocation available under this subparagraph for the nonmetropolitan areas of all States as the average of the ratios between—

(i) the population of the nonmetropolitan areas of that State and the population of the nonmetropolitan areas of all the States,

(ii) the extent of poverty in the nonmetropolitan areas of that State and the extent of poverty in the nonmetropolitan areas of all the States, and

(iii) the extent of housing overcrowding in the nonmetropolitan areas of that State and the extent of housing overcrowding in the nonmetropolitan areas of all the States.

In determining the average of ratios under subparagraph (B), the ratio involving the extent of poverty shall be counted twice; and in computing amounts under such subparagraph there shall be excluded units of general local government which receive hold-harmless grants pursuant to subsection (h).

(2) Any amounts allocated to a unit of general local government under paragraph (1) which are not applied for during a program period or which are not approved by the Secretary, and any amounts allocated to the nonmetropolitan areas of a State under paragraph (1)(B) which the Secretary determines, on the basis of applications and other evidence available, are not likely to be fully obligated during such period, shall be reallocated as soon as practicable during the same period to the nonmetropolitan areas of other States. The Secretary shall review determinations under this paragraph from time to time with a view to assuring maximum use of all available funds in the program period for which such funds were appropriated.

(g)(1) The full hold-harmless amount of each metropolitan city or urban county shall be the sum of (i) the sum of the average during the five fiscal years ending prior to July 1, 1972, of (1) commitments for grants (as determined by the Secretary) pursuant to part A of title I of the Housing Act of 1949; (2) loans pursuant to section 312 of the Housing Act of 1964; (3) grants pursuant to sections 702 and 703 of the Housing and Urban Development Act of 1965; (4) loans pursuant to title II of the Housing Amendments of 1955; and (5) grants pursuant to title VII of the Housing Act of 1961; and (ii) the average annual grant, as determined by the Secretary, made in accordance with part B of title I of the Housing Act of 1949 during the fiscal years ending prior to July 1, 1972, or during the fiscal year 1973 in the case of a metropolitan city or urban county which first received a grant under part B of such title in such fiscal year. In the case of a metropolitan city or urban county which has participated in the program authorized under section 105 of the Demonstration Cities and Metropolitan Development Act of 1966 and which has been funded or extended in the fiscal year 1973 for a period ending after June 30, 1973, determinations of the hold-harmless amount of such metropolitan city or urban county for the following specified years shall be made so as to include, in addition to the amounts specified in clauses (i) and (ii) of the preceding sentence, the following percentages of the average annual grant, as determined by the Secretary made in accordance with such section during fiscal years ending prior to July 1, 1972—

Hold-harmless
amount.

42 USC 1450.

42 USC 1452b.

42 USC 3102,
3103.

42 USC 1491.

42 USC 1500.

42 USC 1469.

42 USC 3305.

(A) 100 per centum for each of a number of years which, when added to the number of funding years for which the city or county received grants under such section 105, equals five;

(B) 80 per centum for the year immediately following year five as determined pursuant to clause (A),

(C) 60 per centum for the year immediately following the year provided for in clause (B); and

(D) 40 per centum for the year immediately following the year provided for in clause (C).

For the purposes of this paragraph the average annual grant under part B of title I of the Housing Act of 1949 or under section 105 of the Demonstration Cities and Metropolitan Development Act of 1966 shall be established by dividing the total amount of grants made to a participant under the program by the number of months of program activity for which funds were authorized and multiplying the result by twelve.

(2) During the fiscal years 1975, 1976, and 1977, the hold-harmless amount of any metropolitan city or urban county shall be the full amount computed for the city or county in accordance with paragraph (1). In the fiscal years 1978, 1979, and 1980, if such amount is greater than the basic grant amount of the metropolitan city or urban county for that year, as computed under subsection (b) (2) or (3), it shall be reduced so that—

(i) in the fiscal year 1978, the excess of the hold-harmless amount over the basic grant amount shall equal two-thirds of the difference between the amount computed under paragraph (1) and the basic grant amount for such year,

(ii) in the fiscal year 1979, the excess of the hold-harmless amount over the basic grant amount shall equal one-third of the difference between the amount computed under paragraph (1) and the basic grant amount for such year, and

(iii) in the fiscal year 1980, there shall be no excess of the hold-harmless amount over the basic grant amount.

(h) (1) Any unit of general local government which is not a metropolitan city or urban county shall, subject to the provisions of section 104 and except as otherwise specifically authorized, be entitled to grants under this title for any year in an aggregate amount at least equal to a hold-harmless amount as computed under the provisions of subsection (g) (1) if, during the five-fiscal-year period specified in the first sentence of subsection (g) (1) (or during the fiscal year 1973 in the case of a locality which first received a grant for a neighborhood development program in that year), one or more urban renewal projects, code enforcement programs, neighborhood development programs, or model cities programs were being carried out by such unit of general local government pursuant to commitments for assistance entered into during such period under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966.

(2) In the fiscal years 1978, 1979, and 1980, in determining the hold-harmless amount of units of general local government qualifying under this subsection, the second sentence of subsection (g) (2) shall be applied as though such units were metropolitan cities or urban counties with basic grant amounts of zero.

(i) In excluding the population, poverty, and housing overcrowding data of units of general local government which receive a hold-harmless grant pursuant to subsection (h) from the computations described in subsections (b) (5), (d), and (f) of this section, the Secretary shall exclude only two-thirds of such data for the fiscal year 1978 and one-third of such data for the fiscal year 1979.

(j) Any unit of general local government eligible for a hold-harmless grant pursuant to subsection (h) may, not later than thirty days prior to the beginning of any program period, irrevocably waive its eligibility under such subsection. In the case of such a waiver the unit of general local government shall not be excluded from the computations described in subsections (b) (5), (d), and (f) of this section.

(k) The Secretary may fix such qualification or submission dates as he determines are necessary to permit the computations and determinations required by this section to be made in a timely manner, and all such computations and determinations shall be final and conclusive.

(l) Not later than March 31, 1977, the Secretary shall make a report to the Congress setting forth such recommendations as he deems advisable, in furtherance of the purposes and policy of this title, for modifying or expanding the provisions of this section relating to the method of funding and the allocation of funds and the determination

42 USC 1450.

42 USC 3301.

Waiver of
eligibility.

Report to
Congress.

of the basic grant entitlement, and for the application of such provisions in the further distribution of funds under this title. In making this report, the Secretary shall conduct a study to determine how funds authorized under this title can be distributed in accordance with community development needs, objectives, and capacities, measured to the maximum extent feasible by objective standards.

Study.

DISCRETIONARY FUND

SEC. 107. (a) Of the total amount of authority to enter into contracts approved in appropriation Acts under section 103(a)(1) for each of the fiscal years 1975, 1976, and 1977, an amount equal to 2 per centum thereof shall be reserved and set aside in a special discretionary fund for use by the Secretary in making grants (in addition to any other grants which may be made under this title to the same entities or for the same purposes) —

42 USC 5307.

(1) in behalf of new communities assisted under title VII of the Housing and Urban Development Act of 1970 or title IV of the Housing and Urban Development Act of 1968;

42 USC 4501
note.
42 USC 3901
note.

(2) to States and units of general local government which join in carrying out housing and community development programs that are areawide in scope;

(3) in Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands;

(4) to States and units of general local government for the purpose of demonstrating innovative community development projects;

(5) to States and units of general local government for the purpose of meeting emergency community development needs caused by federally recognized disasters; and

(6) to States and units of general local government where the Secretary deems it necessary to correct inequities resulting from the allocation provisions of section 106.

(b) Not more than one-fourth of the total amount reserved and set aside in the special discretionary fund under subsection (a) for each year may be used for grants to meet emergency disaster needs under subsection (a)(5).

(c) Amounts reserved and set aside in the special discretionary fund under subsection (a) in any fiscal year but not used in such year shall remain available for use in accordance with subsections (a) and (b) in subsequent fiscal years.

GUARANTEE OF LOANS FOR ACQUISITION OF PROPERTY

SEC. 108. (a) The Secretary is authorized, upon such terms and conditions as he may prescribe, to guarantee and make commitments to guarantee the notes or other obligations issued by units of general local government, or by public agencies designated by such units of general local government, for the purpose of financing the acquisition or assembly of real property (including such expenses related thereto as the Secretary may permit by regulation) to serve or be used in carrying out activities which are eligible for assistance under section 105 and are identified in the application under section 104, and with respect to which grants have been or are to be made under section 103, but no such guarantee shall be issued in behalf of any agency designed to benefit, in or by the flotation of any issue, a private individual or corporation.

42 USC 5308.

(b) No guarantee or commitment to guarantee shall be made with

respect to any unit of general local government or public agency designated by any such unit of general local government unless—

(1) the Secretary, from sums approved in appropriation Acts and allocated for obligation to the unit of general local government pursuant to sections 106 and 107, shall have reserved and withheld, for the purpose of paying the guaranteed obligations (including interest), an amount which is at least equal to 110 per centum of the difference between the cost of acquiring the land and related expenses and the estimated proceeds to be derived from the sale or other disposition of the land, as determined or approved by the Secretary, which amount may subsequently be increased by the Secretary to the extent he determines such increase is necessary or appropriate because of any unanticipated, major reduction in such estimated disposition proceeds;

(2) the unit of general local government shall have given to the Secretary, in a form acceptable to him, a pledge of its full faith and credit, or a pledge of revenues approved by the Secretary, for the repayment of so much of any amount required to be paid by the United States pursuant to any guarantee under this section as is equal to the difference between the principal amount of the guaranteed obligations and interest thereon and the amount which is to be reserved and withheld under paragraph (1); and

(3) the unit of general local government has pledged to the repayment of any amounts which are required to be paid by the United States pursuant to its guarantee under this section, and which are not otherwise fully repaid when due pursuant to paragraph (1) and (2), the proceeds of any grants for which such unit of general local government may become eligible under this title.

(c) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

(d) The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out his obligations under guarantees authorized by this section. The obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which such securities may be issued under such Act are extended to include the purchases of the Secretary's obligations hereunder.

(e) Obligations guaranteed under this section may, at the option of the issuing unit of general local government or designated agency, be subject to Federal taxation as provided in subsection (g). In the event that taxable obligations are issued and guaranteed, the Secretary is authorized to make, and to contract to make, grants to or on behalf of the issuing unit of general local government or public agency to cover not to exceed 30 per centum of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing unit or agency of such obligations.

(f) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding at the end thereof a new paragraph as follows:

“(22) For payments required from time to time under contracts entered into pursuant to section 108 of the Housing and Community Development Act of 1974 for payment of interest costs on obligations guaranteed by the Secretary of Housing and Urban Development under that section.”

(g) With respect to any obligation issued by a unit of general local government or designated agency which such unit or agency has elected to issue as a taxable obligation pursuant to subsection (e) of this section, the interest paid on such obligation shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954.

42 USC 5308.

26 USC 1 *et seq.*

NONDISCRIMINATION

SEC. 109. (a) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

42 USC 5309.

(b) Whenever the Secretary determines that a State or unit of general local government which is a recipient of assistance under this title has failed to comply with subsection (a) or an applicable regulation, he shall notify the Governor of such State or the chief executive officer of such unit of local government of the noncompliance and shall request the Governor or the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed sixty days, the Governor or the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); (3) exercise the powers and functions provided for in section 111(a) of this Act; or (4) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of general local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

LABOR STANDARDS

SEC. 110. All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with grants received under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5): *Provided*, That this section shall apply to the rehabilitation of residential property only if such property is designed for residential use for eight or more families. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276 (c)).

42 USC 5310.

5 USC app.

40 USC 276c.

REMEDIES FOR NONCOMPLIANCE

42 USC 5311.
Notice and
hearing.

SEC. 111. (a) If the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary, until he is satisfied that there is no longer any such failure to comply, shall—

- (1) terminate payments to the recipient under this title, or
- (2) reduce payments to the recipient under this title by an amount equal to the amount of such payments which were not expended in accordance with this title, or
- (3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply.

(b) (1) In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) Upon such a referral the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

Judicial review.

(c) (1) Any recipient which receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within sixty days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) The Secretary shall file in the court record of the proceeding on which he based his action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendation, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

USE OF GRANTS TO SETTLE OUTSTANDING URBAN RENEWAL LOANS

42 USC 5312.

SEC. 112. (a) The Secretary is authorized, notwithstanding any other provision of this title, to apply a portion of the grants, not to

exceed 20 per centum thereof without the request of the recipient, made or to be made under section 103(a) in any fiscal year pursuant to an allocation under section 106 to any unit of general local government toward payment of the principal of, and accrued interest on, any temporary loan made in connection with urban renewal projects under title I of the Housing Act of 1949 being carried out within the jurisdiction of such unit of general local government if—

42 USC 1450.

(1) the Secretary determines, after consultation with the local public agency carrying out the project and the chief executive of such unit of general local government, that the project cannot be completed without additional capital grants, or

(2) the local public agency carrying out the project submits to the Secretary an appropriate request which is concurred in by the governing body of such unit of general local government.

In determining the amounts to be applied to the payment of temporary loans, the Secretary shall make an accounting for each project taking into consideration the costs incurred or to be incurred, the estimated proceeds upon any sale or disposition of property, and the capital grants approved for the project.

(b) Upon application by any local public agency carrying out an urban renewal project under title I of the Housing Act of 1949, which application is approved by the governing body of the unit of general local government in which the project is located, the Secretary may approve a financial settlement of such project if he finds that a surplus of capital grant funds after full repayment of temporary loan indebtedness will result and may authorize the unit of general local government to use such surplus funds, without deduction or offset, in accordance with the provisions of this title.

REPORTING REQUIREMENTS

SEC. 113. (a) Not later than 180 days after the close of each fiscal year in which assistance under this title is furnished, the Secretary shall submit to the Congress a report which shall contain—

Report to
Congress.
42 USC 5313.

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds as approved by the Secretary during the preceding fiscal year.

(b) The Secretary is authorized to require recipients of assistance under this title to submit to him such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

CONSULTATION

SEC. 114. In carrying out the provisions of this title including the issuance of regulations, the Secretary shall consult with other Federal departments and agencies administering Federal grant-in-aid programs.

42 USC 5314.

INTERSTATE AGREEMENTS

SEC. 115. The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative effort and mutual assistance in support of community development planning and programs carried out under this title as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

42 USC 5315.

TRANSITION PROVISIONS

42 USC 5316.

SEC. 116. (a) Except with respect to projects and programs for which funds have been previously committed, no new grants or loans shall be made after January 1, 1975, under (1) title I of the Demonstration Cities and Metropolitan Development Act of 1966, (2) title I of the Housing Act of 1949, (3) section 702 or section 703 of the Housing and Urban Development Act of 1965, (4) title II of the Housing Amendments of 1955, or (5) title VII of the Housing Act of 1961.

42 USC 3301.

42 USC 1450.

42 USC 3102,

3103,

42 USC 1491,

1500.

(b) To the extent that grants under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966 are payable from appropriations made for the fiscal year 1975, and are made with respect to a project or program being carried on in any unit of general local government which is eligible to receive a grant for such fiscal year under section 106 (a) or (h) of this Act, the amount of such grants made under title I of the Housing Act of 1949 or title I of the Demonstration Cities and Metropolitan Development Act of 1966 shall be deducted from the amount of grants which such unit of general local government is eligible to receive for the fiscal year 1975 under such section 106 (a) or (h). The deduction required by the preceding sentence shall be disregarded in determining the amount of grants made to any unit of general local government that may be applied, pursuant to section 112 of this Act, to payment of temporary loans in connection with urban renewal projects under title I of the Housing Act of 1949. The amount of any appropriations made for the fiscal year 1975 which is used for grants so as to be subject to the provisions of this subsection relating to deductions shall be deemed to have been appropriated for grants pursuant to section 103(a) of this Act for such fiscal year for purposes of calculations under sections 106 and 107 of this Act.

42 USC 1453.

(c) The first sentence of section 103(b) of the Housing Act of 1949 is amended by inserting before the period at the end thereof the following: “, and by such sums as may be necessary thereafter”.

42 USC 3311.

(d) (1) Section 111(b) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended by inserting immediately after the first sentence the following new sentence: “In addition, there are authorized to be appropriated for such purpose such sums as may be necessary for the fiscal year ending June 30, 1975.”

(2) Section 111(c) of such Act is amended by striking out “July 1, 1974” and inserting in lieu thereof “July 1, 1975”.

42 USC 1452b.

(e) (1) Section 312(h) of the Housing Act of 1964 is amended (A) by striking out “after October 1, 1974” and inserting in lieu thereof “after the close of the one-year period beginning on the date of the enactment of the Housing and Community Development Act of 1974”, and (B) by striking out “that date” and inserting in lieu thereof “the close of that period”.

(2) Section 312(a)(1) of such Act is amended by inserting “or” at the end of subparagraph (C), and by adding after subparagraph (C) the following new subparagraph:

“(D) the rehabilitation is a part of, or is necessary or appropriate to the execution of, an approved community development program under title I of the Housing and Community Development Act of 1974 or an approved urban homestead program under section 809 of such Act;”.

Post, p. 729.

42 USC 5316.

(f) With respect to the program period beginning January 1, 1975, the Secretary may, without regard to the requirements of section 104, advance to any metropolitan city, urban county or other unit of general local government, out of the amount allocated to such entity pursuant to section 106 (a) or (h), an amount not to exceed 10 per centum of the

amount so allocated which shall be available only for use (1) to continue projects or programs referred to in clauses (1) and (2) of subsection (a) of this section, or (2) to plan and prepare for the implementation of activities to be assisted under this title.

(g) In the case of funds available for any fiscal year, the Secretary shall not consider any application from a metropolitan city or urban county for a grant pursuant to section 106(a) or from a unit of general local government for a grant pursuant to section 106(h) unless such application is submitted on or prior to such date (in that fiscal year) as the Secretary shall establish as the final date for submission of applications for such grants in that year.

LIQUIDATION OF SUPERSEDED PROGRAMS

SEC. 117. (a) Section 3689 of the Revised Statutes, as amended (31 U.S.C. 711), is amended by adding after paragraph (22) (as added by section 108(f) of this Act) the following new paragraph:

“(23) For payments required from time to time under contracts entered into pursuant to section 103(b) of the Housing Act of 1949 with respect to projects or programs for which funds have been committed on or before December 31, 1974, and for which funds have not previously been appropriated.”

42 USC 1453.

(b) The Secretary is authorized to transfer the assets and liabilities of any program which is superseded or inactive by reason of this title to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act of 1965 (Public Law 81-428; 68 Stat. 272, 295).

42 USC 5317.

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS

SEC. 118. Section 3 of the Housing and Urban Development Act of 1968 is amended by inserting “, including community development block grants under title I of the Housing and Community Development Act of 1974,” immediately after “direct financial assistance”.

12 USC 1701u.

TITLE II—ASSISTED HOUSING

AMENDMENT TO THE UNITED STATES HOUSING ACT OF 1937

SEC. 201. (a) The United States Housing Act of 1937 is amended to read as follows:

42 USC 1430.

“SHORT TITLE

“SECTION 1. This Act may be cited as the ‘United States Housing Act of 1937’.

42 USC 1437
note.

“DECLARATION OF POLICY

“SEC. 2. It is the policy of the United States to promote the general welfare of the Nation by employing its funds and credit, as provided in this Act, to assist the several States and their political subdivisions to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of low income and, consistent with the objectives of this Act, to vest in local public housing agencies the maximum amount of responsibility in the administration of their housing programs. No person should be barred from serving on the board of directors or similar governing body of a local public housing agency because of his tenancy in a low-income housing project.

42 USC 1437.

"DEFINITIONS

42 USC 1437a.

"SEC. 3. When used in this Act—

"(1) The term, 'low-income housing' means decent, safe, and sanitary dwellings within the financial reach of families of low income, and embraces all necessary appurtenances thereto. Except as otherwise provided in this section, income limits for occupancy and rents shall be fixed by the public housing agency and approved by the Secretary. The rental for any dwelling unit shall not exceed one-fourth of the family's income as defined by the Secretary. Notwithstanding the preceding sentence, the rental for any dwelling unit shall not be less than the higher of (A) 5 per centum of the gross income of the family occupying the dwelling unit, and (B) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated. At least 20 per centum of the dwelling units in any project placed under annual contributions contracts in any fiscal year beginning after the effective date of this section shall be occupied by very low-income families. In defining the income of any family for the purpose of this Act, the Secretary shall consider income from all sources of each member of the family residing in the household, except that there shall be excluded—

"(A) the income of any family member (other than the head of the household or his spouse) who is under eighteen years of age or is a full-time student;

"(B) the first \$300 of the income of a secondary wage earner who is the spouse of the head of the household;

"(C) an amount equal to \$300 for each member of the family residing in the household (other than the head of the household or his spouse) who is under eighteen years of age or who is eighteen years of age or older and is disabled or handicapped or a full-time student;

"(D) nonrecurring income, as determined by the Secretary;

"(E) 5 per centum of the family's gross income (10 per centum in the case of elderly families);

"(F) such extraordinary medical or other expenses as the Secretary approves for exclusion; and

"(G) an amount equal to the sums received by the head of the household or his spouse from, or under the direction of, any public or private nonprofit child placing agency for the care and maintenance of one or more persons who are under eighteen years of age and were placed in the household by such agency.

"(2) The term 'low-income families' means families of low income who cannot afford to pay enough to cause private enterprise in their locality or metropolitan area to build an adequate supply of decent, safe, and sanitary dwellings for their use. The term 'very low-income families' means families whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families. The term 'families' includes families consisting of a single person in the case of (A) a person who is at least sixty-two years of age or is under a disability as defined in section 223 of the Social Security Act or in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1970, or is handicapped, (B) a displaced person, and (C) the remaining member of a tenant family; and the term 'elderly families' means families whose heads (or their spouses), or whose sole members, are persons described in clause (A).

42 USC 423.

42 USC 2691.

A person shall be considered handicapped if such person is determined, pursuant to regulations issued by the Secretary, to have an impairment which (i) is expected to be of long-continued and indefinite duration, (ii) substantially impedes his ability to live independently, and (iii) is of such a nature that such ability could be improved by more suitable housing conditions. The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws. Notwithstanding the preceding provisions of this paragraph, the term 'elderly families' includes two or more elderly, disabled, or handicapped individuals living together, or one or more such individuals living with another person who is determined under regulations of the Secretary to be a person essential to their care or well being.

"(3) The term 'development' means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-income housing project. The term 'development cost' comprises the cost incurred by a public housing agency in such undertakings and their necessary financing (including the payment of carrying charges), and in otherwise carrying out the development of such project. Construction activity in connection with a low-income housing project may be confined to the reconstruction, remodeling, or repair of existing buildings.

"(4) The term 'operation' means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a low-income housing project. The term also means the financing of tenant programs and services for families residing in low-income housing projects, particularly where there is maximum feasible participation of the tenants in the development and operation of such tenant programs and services. As used in this paragraph, the term 'tenant programs and services' includes the development and maintenance of tenant organizations which participate in the management of low-income housing projects; the training of tenants to manage and operate such projects and the utilization of their services in project management and operation; counseling on household management, housekeeping, budgeting, money management, child care, and similar matters; advice as to resources for job training and placement, education, welfare, health, and other community services; services which are directly related to meeting tenant needs and providing a wholesome living environment; and referral to appropriate agencies when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

"(5) The term 'acquisition cost' means the amount prudently required to be expended by a public housing agency in acquiring a low-income housing project.

"(6) The term 'public housing agency' means any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of low-income housing.

"(7) The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, the Trust Territory of the Pacific Islands, and Indian tribes, bands, groups, and Nations, including Alaska Indians, Aleuts, and Eskimos, of the United States.

"(8) The term 'Secretary' means the Secretary of Housing and Urban Development.

“(9) The term ‘low-income housing project’ or ‘project’ means (A) any low-income housing developed, acquired, or assisted by a public housing agency under this Act, and (B) the improvement of any such housing.

“LOANS FOR LOW-INCOME HOUSING PROJECTS

42 USC 1437b.

“SEC. 4. (a) The Secretary may make loans or commitments to make loans to public housing agencies to help finance or refinance the development, acquisition, or operation of low-income housing projects by such agencies. Any contract for such loans and any amendment to a contract for such loans shall provide that such loans shall bear interest at a rate specified by the Secretary which shall not be less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus one-eighth of 1 per centum. Such loans shall be secured in such manner and shall be repaid within such period not exceeding forty years, or not exceeding forty years from the date of the bonds evidencing the loan, as the Secretary may determine. The Secretary may require loans or commitments to make loans under this section to be pledged as security for obligations issued by a public housing agency in connection with a low-income housing project.

“(b) The Secretary may issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of the Treasury in an amount which will not, unless authorized by the President, exceed \$1,500,000,000. For the purpose of determining obligations incurred to make loans pursuant to this Act against any limitation otherwise applicable with respect to such loans, the Secretary shall estimate the maximum amount to be loaned at any one time pursuant to loan agreements then outstanding with public housing agencies. Such notes or other obligations shall be in such forms and denominations and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. The notes or other obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations of the Secretary issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

31 USC 774.

“ANNUAL CONTRIBUTIONS FOR LOW-INCOME HOUSING PROJECTS

42 USC 1437c.

“SEC. 5. (a) The Secretary may make annual contributions to public housing agencies to assist in achieving and maintaining the low-income character of their projects. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment. The contribution payable annually under this section shall in no case exceed a sum equal to the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the low-income project involved.

The amount of annual contributions which would be established for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency which would provide housing for the comparable number, sizes, and kinds of families through the acquisition and rehabilitation, or use under lease, of structures which are suitable for low-income housing use and obtained in the local market. Annual contributions payable under this section shall be pledged, if the Secretary so requires, as security for obligations issued by a public housing agency to assist the development or acquisition of the project to which annual contributions relate and shall be paid over a period not to exceed forty years.

“(b) The Secretary may prescribe regulations fixing the maximum contributions available under different circumstances, giving consideration to cost, location, size, rent-paying ability of prospective tenants, or other factors bearing upon the amounts and periods of assistance needed to achieve and maintain low rentals. Such regulations may provide for rates of contribution based upon development, acquisition, or operation costs, number of dwelling units, number of persons housed, interest charges, or other appropriate factors.

Regulations.

“(c) The Secretary is authorized to enter into contracts for annual contributions aggregating not more than \$1,199,250,000 per annum, which limit shall be increased by \$225,000,000 on July 1, 1971, by \$150,000,000 on July 1, 1972, by \$400,000,000 on July 1, 1973, and by \$965,000,000 on July 1, 1974. Of the aggregate amount of contracts for annual contributions authorized to be entered into on or after July 1, 1974, the Secretary shall enter into contracts for annual contributions aggregating at least \$150,000,000 per annum to assist in financing the development or acquisition cost of low-income housing projects to be owned by public housing agencies. Not more than 50 per centum of the dwelling units placed under contract pursuant to the preceding sentence may be constructed or substantially rehabilitated for ownership by public housing agencies under section 8 of this Act. In addition to the amount of contracts for annual contributions required to be entered into by the Secretary under the second sentence of this subsection, the Secretary shall enter into contracts for annual contributions, out of the aggregate amount of contracts for annual contributions authorized under this section to be entered into on or after July 1, 1974, aggregating at least \$15,000,000 per annum, which amount shall be increased by not less than \$15,000,000 per annum, on July 1, 1975, to assist in financing the development or acquisition cost of low-income housing for families who are members of any Indian tribe, band, pueblo, group, or community of Indians or Alaska Natives which is recognized by the Federal Government as eligible for service from the Bureau of Indian Affairs, or who are wards of any State government, except that none of the funds made available under this sentence shall be available for use under section 8. For the purpose of the preceding sentence, the annual contributions for a project shall, notwithstanding any other provision of this Act, be equal to the difference between the sum of the total debt service payment plus approved operating costs, and the rental payments that tenants are required to make under section 3(1) of this Act. The Secretary shall enter into only such new contracts for preliminary loans as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into. The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section, and there are hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to

Contract authority.

Ante, p. 654.

Ante, p. 656.

provide for such payments. All payments of annual contributions pursuant to this section shall be made out of any funds available for purposes of this Act when such payments are due, except that funds obtained through the issuance of obligations pursuant to section 4(b) (including repayments or other realizations of the principal of loans made out of such funds) shall not be available for the payment of such annual contributions.

“(d) Any contract for loans or annual contributions, or both, entered into by the Secretary with a public housing agency, may cover one or more than one low-income housing project owned by such public housing agency; in the event the contract covers two or more projects, such projects may, for any of the purposes of this Act and of such contract (including, but not limited to, the determination of the amount of the loan, annual contributions, or payments in lieu of taxes, specified in such contract), be treated collectively as one project.

“(e) In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise—

“(1) the Secretary shall not make any contract with a public housing agency for preliminary loans (all of which shall be repaid out of any moneys which become available to such agency for the development of the projects involved) for surveys and planning in respect to any low-income housing projects (i) unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and (ii) unless the public housing agency has demonstrated to the satisfaction of the Secretary that there is need for such low-income housing which is not being met by private enterprise; and

“(2) the Secretary shall not make any contract for loans (other than preliminary loans) or for annual contributions pursuant to this Act unless the governing body of the locality involved has entered into an agreement with the public housing agency providing for the local cooperation required by the Secretary pursuant to this Act.

“(f) Subject to the specific limitations or standards in this Act governing the terms of sales, rentals, leases, loans, contracts for annual contributions, or other agreements, the Secretary may, whenever he deems it necessary or desirable in the fulfillment of the purposes of this Act, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of annual contribution, or any other term, of any contract or agreement of any kind to which the Secretary is a party. When the Secretary finds that it would promote economy or be in the financial interest of the Federal Government or is necessary to assure or maintain the low-income character of the project or projects involved, any contract heretofore or hereafter made for annual contributions, loans, or both, may be amended or superseded by a contract entered into by mutual agreement between the public housing agency and the Secretary. Contracts may not be amended or superseded in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged. Any rule of law contrary to this provision shall be deemed inapplicable.

“(g) In addition to the authority of the Secretary under subsection (a) to pledge annual contributions as security for obligations issued by a public housing agency, the Secretary is authorized to pledge annual contributions as a guarantee of payment by a public housing agency of all principal and interest on obligations issued by it to assist the

development or acquisition of the project to which the annual contributions relate, except that no obligation shall be guaranteed under this subsection if the income thereon is exempt from Federal taxation.

“(h) Notwithstanding any other provision of law, a public housing agency may sell a low-income housing project to its low-income tenants, on such terms and conditions as the agency may determine, without affecting the Secretary’s commitment to pay annual contributions with respect to that project, but such contributions shall not exceed the maximum contributions authorized under subsection (a) of this section.

“CONTRACT PROVISIONS AND REQUIREMENTS

“SEC. 6. (a) Secretary may include in any contract for loans, annual contributions, sale, lease, mortgage, or any other agreement or instrument made pursuant to this Act, such covenants, conditions, or provisions as he may deem necessary in order to insure the low-income character of the project involved. Any such contract may contain a condition requiring the maintenance of an open space or playground in connection with the housing project involved if deemed necessary by the Secretary for the safety or health of children. Any such contract shall require that, except in the case of housing predominantly for the elderly, high-rise elevator projects shall not be provided for families with children unless the Secretary makes a determination that there is no practical alternative.

42 USC 1437d.

“(b) Every contract made pursuant to this Act for loans (other than preliminary loans) or annual contributions shall provide that the cost of construction and equipment of the project (excluding land, demolition, and nondwelling facilities) on which the computation of any annual contributions under this Act may be based shall not exceed by more than 10 per centum the appropriate prototype cost for the area. The prototype costs shall be determined at least annually by the Secretary on the basis of his estimate of the construction costs of new dwelling units of various types and sizes in the area suitable for occupancy by persons assisted under this Act. In making his determination the Secretary shall take into account (1) the extra durability required for safety and security and economical maintenance of such housing, (2) the provision of amenities designed to guarantee a safe and healthy family life and neighborhood environment, (3) the application of good design as an essential component of such housing for safety and security as well as other purposes, (4) the maintenance of quality in architecture to reflect the standards of the neighborhood and community, (5) the need for maximizing the conservation of energy for heating, lighting, and other purposes, (6) the effectiveness of existing cost limits in the area, and (7) the advice and recommendations of local housing producers. The prototype costs for any area shall become effective upon the date of publication in the Federal Register.

Publication in
Federal Register.

“(c) Every contract for annual contributions shall provide that—

“(1) the Secretary may require the public housing agency to review and revise its maximum income limits if the Secretary determines that changed conditions in the locality make such revision necessary in achieving the purposes of this Act;

“(2) the public housing agency shall determine, and so certify to the Secretary, that each family in the project was admitted in accordance with duly adopted regulations and approved income limits; and the public housing agency shall review the incomes of families living in the project at intervals of two years (or at shorter intervals where the Secretary deems it desirable);

Ineligible applicants, notice and informal hearing.

“(3) the public housing agency shall promptly notify (i) any applicant determined to be ineligible for admission to the project of the basis for such determination and provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination, and (ii) any applicant determined to be eligible for admission to the project of the approximate date of occupancy insofar as such date can be reasonably determined; and

“(4) the public housing agency shall comply with such procedures and requirements as the Secretary may prescribe to assure that sound management practices will be followed in the operation of the project, including requirements pertaining to—

“(A) the establishment of tenant selection criteria designed to assure that, within a reasonable period of time, the project will include families with a broad range of incomes and will avoid concentrations of low-income and deprived families with serious social problems, but this shall not permit maintenance of vacancies to await higher income tenants where lower income tenants are available;

“(B) the establishment of satisfactory procedures designed to assure the prompt payment and collection of rents and the prompt processing of evictions in the case of nonpayment of rent;

“(C) the establishment of effective tenant-management relationships designed to assure that satisfactory standards of tenant security and project maintenance are formulated and that the public housing agency (together with tenant councils where they exist) enforces those standards fully and effectively; and

“(D) the development by local housing authority management of viable homeownership opportunity programs for low-income families capable of assuming the responsibilities of homeownership.

“(d) Every contract for annual contributions with respect to a low-income housing project shall provide that no annual contributions by the Secretary shall be made available for such project unless such project (exclusive of any portion thereof which is not assisted by annual contributions under this Act) is exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and such contract shall require the public housing agency to make payments in lieu of taxes equal to 10 per centum of the sum of the annual shelter rents charged in such project, or such lesser amount as (i) is prescribed by State law, or (ii) is agreed to by the local governing body in its agreement for local cooperation with the public housing agency required under section 5(e) (2) of this Act, or (iii) is due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement. If any such project is not exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision, such contract shall provide, in lieu of the requirement for tax exemption and payments in lieu of taxes, that no annual contributions by the Secretary shall be made available for such project unless and until the State, city, county, or other political subdivision in which such project is situated shall contribute, in the form of cash or tax remission, the amount by which the taxes paid with respect to the project exceed 10 per centum of the annual shelter rents charged in such project.

“(e) Every contract for annual contributions shall provide that whenever in any year the receipts of a public housing agency in connection with a low-income housing project exceed its expenditures (including debt service, operation, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes which, in the determination of the Secretary, will effect a reduction in the amount of subsequent annual contributions.

“(f) Every contract for annual contributions shall provide that when the public housing agency and the Secretary mutually agree that a housing project is obsolete as to physical condition, or location, or other factors, making it unusable for housing purposes, a program of modifications or closeout shall be prepared. If it is mutually determined that such project can be returned to useful life, then the Secretary is authorized to utilize such annual contributions as are necessary to enable the local public housing agency to undertake an agreed-upon program of modifications. If it is mutually determined that no program of modifications is feasible or that such a program would not return the housing to a useful life, then the Secretary is authorized to prepare a closeout program, utilizing such annual contributions as are necessary to accommodate the outstanding indebtedness on the project, the cost of demolition (if the physical improvements are not to be sold), and the cost of relocating displaced families into satisfactory replacement housing. The net closeout cost to the Federal Government shall take into consideration any receipts from the sale of physical improvements, land, or other assets, pursuant to the provisions of the annual contributions contract.

“(g) Every contract for annual contributions (including contracts which amend or supersede contracts previously made) may provide that—

“(1) upon the occurrence of a substantial default in respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated at the option of the Secretary either to convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act, or to deliver to the Secretary possession of the project, as then constituted, to which such contract relates; and

“(2) the Secretary shall be obligated to reconvey or redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable (i) after the Secretary is satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligation to make annual contributions available unless there are any obligations or covenants of the public housing agency to the Secretary which are then in default. Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Secretary pursuant to subparagraph (1) upon the subsequent occurrence of a substantial default.

Whenever such a contract for annual contributions includes provisions which the Secretary in such contract determines are in accordance with this subsection, and the portion of the annual contribution payable for debt service requirements pursuant to such contract has been pledged by the public housing agency as security for the payment of the principal and interest on any of its obligations, the Secretary (notwithstanding any other provisions of this Act) shall continue to make such annual contributions available for the project so long as any of such obligations remain outstanding, and may covenant in such contract that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding twelve months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security. In no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

"CONGREGATE HOUSING

42 USC 1437e.

"SEC. 7. The Secretary shall encourage public housing agencies, in providing housing predominantly for displaced or elderly families, to design, develop, or otherwise acquire such housing to meet the special needs of the occupants and, wherever practicable, for use in whole or in part as congregate housing: *Provided*, That not more than 10 per centum of the total amount of contracts for annual contributions entered into any fiscal year pursuant to the new authority granted under section 202 of the Housing and Urban Development Act of 1970 or under any law subsequently enacted shall be entered into with respect to units in congregate housing. As used in this section the term 'congregate housing' means low-income housing (A) in which some or all of the dwelling units do not have kitchen facilities, and (B) connected with which there is a central dining facility to provide wholesome and economical meals for elderly and displaced families under terms and conditions prescribed by the public housing agency to permit a generally self-supporting operation. Expenditures incurred by a public agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered one of the costs of operation of the project.

42 USC 1410.

"LOWER-INCOME HOUSING ASSISTANCE

42 USC 1437f.

"SEC. 8. (a) For the purpose of aiding lower-income families in obtaining a decent place to live and of promoting economically mixed housing, assistance payments may be made with respect to existing, newly constructed, and substantially rehabilitated housing in accordance with the provisions of this section.

"(b) (1) The Secretary is authorized to enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into contracts to make assistance payments to owners of existing dwelling units in accordance with this section. In areas where no public housing agency has been organized or where the Secretary determines that a public housing agency is unable to implement the provisions of this section, the Secretary is authorized to enter into such contracts and to perform the other functions assigned to a public housing agency by this section.

“(2) To the extent of annual contributions authorizations under section 5(c) of this Act, the Secretary is authorized to make assistance payments pursuant to contracts with owners or prospective owners who agree to construct or substantially rehabilitate housing in which some or all of the units shall be available for occupancy by lower-income families in accordance with the provisions of this section. The Secretary may also enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into contracts to make assistance payments to such owners or prospective owners.

Ante, p. 656.

“(c) (1) An assistance contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) which the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 per centum the fair market rental established by the Secretary periodically but not less than annually for existing or newly constructed rental dwelling units of various sizes and types in the market area suitable for occupancy by persons assisted under this section, except that the maximum monthly rent may exceed the fair market rental by more than 10 but not more than 20 per centum where the Secretary determines that special circumstances warrant such higher maximum rent or that such higher rent is necessary to the implementation of a local housing assistance plan as defined in section 213(a) (5) of the Housing and Community Development Act of 1974. Proposed fair market rentals for an area shall be published in the Federal Register with reasonable time for public comment, and shall become effective upon the date of publication in final form in the Federal Register.

Maximum
monthly rent.

Limitation.

Post, p. 674.
Proposed fair
market rentals,
publication in
Federal Register.

“(2) (A) The assistance contract shall provide for adjustment annually or more frequently in the maximum monthly rents for units covered by the contract to reflect changes in the fair market rentals established in the housing area for similar types and sizes of dwelling units or, if the Secretary determines, on the basis of a reasonable formula.

Adjustments.

“(B) The contract shall further provide for the Secretary to make additional adjustments in the maximum monthly rent for units under contract to the extent he determines such adjustments are necessary to reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs which are not adequately compensated for by the adjustment in the maximum monthly rent authorized by subparagraph (A).

“(C) Adjustments in the maximum rents as hereinbefore provided shall not result in material differences between the rents charged for assisted and comparable unassisted units, as determined by the Secretary.

“(3) The amount of the monthly assistance payment with respect to any dwelling unit, in the case of a large very low-income family, a very large lower income family, or a family with exceptional medical or other expenses, as determined by the Secretary, shall be the difference between 15 per centum of one-twelfth of the annual income of the family occupying the dwelling unit and the maximum monthly rent which the contract provides that the owner is to receive for the unit. In the case of other families, the Secretary shall establish the amount of the assistance payment as the difference between not less than 15 per centum nor more than 25 per centum of the family's income and the maximum rent, taking into consideration the income of the family, the

number of minor children in the household, and the extent of medical or other unusual expenses incurred by the family. Reviews of family income shall be made no less frequently than annually (except that such reviews may be made at intervals no longer than two years in the case of families who are elderly families).

"(4) The assistance contract shall provide that assistance payments may be made only with respect to a dwelling unit under lease for occupancy by a family determined to be a lower income family at the time it initially occupied such dwelling unit, except that such payments may be made with respect to unoccupied units for a period not exceeding sixty days (A) in the event that a family vacates a dwelling unit before the expiration date of the lease for occupancy or (B) where a good faith effort is being made to fill an unoccupied unit.

"(5) Assistance payments may be made with respect to up to 100 per centum of the dwelling units in any structure upon the application of the owner or prospective owner. Within the category of projects containing more than fifty units and designed for use primarily by nonelderly and nonhandicapped persons, the Secretary may give preference to applications for assistance involving not more than 20 per centum of the dwelling units in a project. In according any such preference, the Secretary shall compare applications received during distinct time periods not exceeding sixty days in duration.

"(6) The Secretary shall take such steps as may be necessary, including the making of contracts for assistance payments in amounts in excess of the amounts required at the time of the initial renting of dwelling units, the reservation of annual contributions authority for the purpose of amending housing assistance contracts, or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts, to assure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes.

"(7) At least 30 per centum of the families assisted under this section with annual allocations of contract authority shall be very low-income families at the time of the initial renting of dwelling units.

"(8) To the extent authorized in contracts entered into by the Secretary with a public housing agency, such agency may purchase any structure containing one or more dwelling units assisted under this section for the purpose of reselling the structure to the tenant or tenants occupying units aggregating in value at least 80 per centum of the structure's total value. Any such resale may be made on the terms and conditions prescribed under section 5(h) and subject to the limitation contained in such section.

"(d)(1) Contracts to make assistance payments entered into by a public housing agency with an owner of existing housing units shall provide (with respect to any unit) that—

"(A) the selection of tenants for such unit shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency;

"(B) the agency shall have the sole right to give notice to vacate, with the owner having the right to make representation to the agency for termination of tenancy;

"(C) maintenance and replacement (including redecoration) shall be in accordance with the standard practice for the building concerned as established by the owner and agreed to by the agency; and

"(D) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them.

“(2) Each contract for an existing structure entered into under this section shall be for a term of not less than one month nor more than one hundred and eighty months.

“(e) (1) The Secretary shall not contract to make assistance payments with respect to a newly constructed or substantially rehabilitated dwelling unit for a term of less than one month or more than two hundred and forty months. In the case of a project owned by, or financed by a loan or loan guarantee from, a State or local agency, the term may not exceed four hundred and eighty months.

Restriction.

“(2) The contract between the Secretary and the owner with respect to newly constructed or substantially rehabilitated dwelling units shall provide that all ownership, management, and maintenance responsibilities, including the selection of tenants and the termination of tenancy, shall be assumed by the owner (or any entity, including a public housing agency, approved by the Secretary, with which the owner may contract for the performance of such responsibilities).

“(3) The construction or substantial rehabilitation of dwelling units to be assisted under this section shall be eligible for financing with mortgages insured under the National Housing Act. Assistance with respect to such dwelling units shall not be withheld or made subject to preferences by reason of the availability of mortgage insurance pursuant to section 244 of such Act or by reason of the tax-exempt status of the bonds or other obligations to be used to finance such construction or rehabilitation.

12 USC 1701
note.

Post, p. 679.

“(4) Nothing in this Act shall be deemed to prohibit an owner from pledging, or offering as security for any loan or obligation, a contract for assistance payments entered into pursuant to this section: *Provided*, That such security is in connection with a project constructed or rehabilitated pursuant to authority granted in this section, and the terms of the financing or any refinancing have been approved by the Secretary.

“(f) As used in this section—

Definitions.

“(1) the term ‘lower income families’ means those families whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of his findings that such variations are necessary because of prevailing levels of construction costs, unusually high or low family incomes, or other factors;

“(2) the term ‘very low-income families’ means those families whose incomes do not exceed 50 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families;

“(3) the term ‘income’ means income from all sources of each member of the household, as determined in accordance with criteria prescribed by the Secretary;

“(4) the term ‘owner’ means any private person or entity, including a cooperative, or a public housing agency, having the legal right to lease or sublease newly constructed or substantially rehabilitated dwelling units as described in this section; and

“(5) the terms ‘rent’ or ‘rental’ mean, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

“(g) Notwithstanding any other provision of this Act, assistance payments under this section may be provided, in accordance with regulations prescribed by the Secretary, with respect to some or all of the units in any project approved pursuant to section 202 of the Housing Act of 1959.

12 USC 1701q.

Ante, pp. 654,
656, 659.

“(h) The provisions of sections 3(1), 5(e), and 6, and any other provisions of this Act, which are inconsistent with the provisions of this section shall not apply to contracts for assistance entered into under this section.

“ANNUAL CONTRIBUTIONS FOR OPERATION OF LOW-INCOME
HOUSING PROJECTS

42 USC 1437g.

“SEC. 9. (a) In addition to the contributions authorized to be made for the purposes specified in section 5 of this Act, the Secretary may make annual contributions to public housing agencies for the operation of low-income housing projects. The contributions payable annually under this section shall not exceed the amounts which the Secretary determines are required (1) to assure the low-income character of the projects involved, and (2) to achieve and maintain adequate operating services and reserve funds. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment subject to the availability of funds. For purposes of making payments under this section, the Secretary shall establish standards for costs of operation and reasonable projections of income, taking into account the character and location of the project and characteristics of the families served, or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed project.

“(b) The aggregate rentals required to be paid in any year by families residing in the dwelling units administered by a public housing agency receiving annual contributions under this section shall not be less than an amount equal to one-fifth of the sum of the incomes of all such families.

“(c) Of the aggregate amount of contracts for annual contributions authorized in section 5(c) of this Act to be entered into on or after July 1, 1974, the Secretary is authorized to enter into contracts for annual contributions under this section aggregating not more than \$500,000,000 per annum, which amount shall be increased by \$60,000,000 on July 1, 1975.

“GENERAL PROVISIONS

42 USC 1437h.

“SEC. 10. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Secretary, notwithstanding the provisions of any other law, shall—

“(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended; and

“(2) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required.

“(b) All receipts and assets of the Secretary under this Act shall be available for the purposes of this Act until expended.

“(c) The Federal Reserve banks are authorized and directed to act as depositories, custodians, and fiscal agents for the Secretary in the general exercise of his powers under this Act, and the Secretary may reimburse any such bank for its services in such manner as may be agreed upon.

31 USC 841
note.
GAO audit.

"FINANCING LOW-INCOME HOUSING PROJECTS

"SEC. 11. (a) Obligations issued by a public housing agency in connection with low-income housing projects which (1) are secured (A) by a pledge of a loan under any agreement between such public housing agency and the Secretary, or (B) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Secretary, or (C) by a pledge of both annual contributions under an annual contributions contract and a loan under an agreement between such public housing agency and the Secretary, and (2) bear, or are accompanied by, a certificate of the Secretary that such obligations are so secured, shall be incontestable in the hands of a bearer and the full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid by the Secretary as security for such obligations.

42 USC 1437i.

"(b) Except as provided in section 5(g), obligations, including interest thereon, issued by public housing agencies in connection with low-income housing projects shall be exempt from all taxation now or hereafter imposed by the United States whether paid by such agencies or by the Secretary. The income derived by such agencies from such projects shall be exempt from all taxation now or hereafter imposed by the United States.

Tax exemption.
Ante, p. 656.

"LABOR STANDARDS

"SEC. 12. Any contract for loans, annual contributions, sale, or lease pursuant to this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and all maintenance laborers and mechanics employed in the operation, of the low-income housing project involved; and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (49 Stat. 1011), shall be paid to all laborers and mechanics employed in the development of the project involved (including a project with nine or more units assisted under section 8 of this Act, where the public housing agency or the Secretary and the builder or sponsor enter into an agreement for such use before construction or rehabilitation is commenced), and the Secretary shall require certification as to compliance with the provisions of this section prior to making any payment under such contract."

42 USC 1437j.

(b) The provisions of subsection (a) of this section shall be effective on such date or dates as the Secretary of Housing and Urban Development shall prescribe, but not later than eighteen months after the date of the enactment of this Act; except that (1) all of the provisions of section 3(1) of the United States Housing Act of 1937, as amended by subsection (a) of this section, shall become effective on the same date, (2) all of the provisions of sections 5 and 9(c) of such Act as so amended shall become effective on the same date, and (3) section 8 of such Act as so amended shall be effective not later than January 1, 1975.

40 USC 276a
note.Effective date.
42 USC 1437
note.*Ante*, p. 654.*Ante*, p. 656.*Ante*, p. 662.

APPLICABILITY OF RENTAL REQUIREMENTS

SEC. 202. To the extent that section 3(1) of the United States Housing Act of 1937, as amended by section 201(a) of this Act, would require the establishment of an increased monthly rental charge for any family which occupies a low-income housing unit as of the effec-

42 USC 1437a
note.

Ante, p. 654.

tive date of such section 3(1) (other than by reason of the provisions relating to welfare assistance payments), the required adjustment shall be made, in accordance with regulations of the Secretary, as follows: (A) the first adjustment shall not exceed \$5 and shall become effective as of the month following the month of the first review of the family's income pursuant to section 6(c)(2) of such Act which occurs at least six months after the effective date of such section 3(1), and (B) subsequent adjustments, each of which shall not exceed \$5, shall be made at six-month intervals over whatever period is necessary to effect the full required increase in the family's rental charge.

Ante, p. 659.

EXEMPTIONS OF CERTAIN PROJECTS FROM RENTAL FORMULA

42 USC 1437f
note.

SEC. 203. The rental or income contribution provisions of the United States Housing Act of 1937, as amended by section 201 of this Act, shall not preclude the use of special schedules of required payments as approved by the Secretary for participants in mutual help housing projects who contribute labor, land, or materials to the development of such projects.

REPEAL OF SPECIFICATION REQUIREMENTS IN CONSTRUCTION CONTRACTS

Repeal.
42 USC 1411d,
1455a.

SEC. 204. Section 815 of the Housing Act of 1954 is repealed.

RETROACTIVE EFFECT OF REPEAL OF SECTION 10(j)

42 USC 1410
note.

SEC. 205. Section 206(c) of the Housing Act of 1961 (Public Law 87-70, approved June 30, 1961, 75 Stat. 165) is amended by adding at the end thereof the following sentence: "The Secretary of Housing and Urban Development is authorized to agree with a public housing agency to the amendment of any annual contributions contract containing the provision prescribed in section 10(j) of the United States Housing Act of 1937 (as in effect prior to the enactment of the Housing and Community Development Act of 1974), so as to delete such provision and waive any rights of the United States that are accrued or may accrue under such provision."

42 USC 1410.

AMENDMENT TO NATIONAL BANK ACT

SEC. 206. The sixth sentence of paragraph "Seventh" of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended—

Ante, p. 659.

(1) by striking out "1421a(b) of title 42" wherever it appears and inserting in lieu thereof "6(g) of the United States Housing Act of 1937";

(2) by striking out "either" before clause (1);

(3) by striking out "(which obligations shall have a maturity of not more than eighteen months)" in clause (1);

(4) by striking out "or" before clause (2); and

(5) by inserting before the colon before the first proviso the following: "or (3) by a pledge of both annual contributions under an annual contributions contract containing the covenant by the Secretary which is authorized by section 6(g) of the United States Housing Act of 1937, and a loan under an agreement between the local public housing agency and the Secretary in which the public housing agency agrees to borrow from the Secretary, and the Secretary agrees to lend to the public housing agency, prior to the maturity of the obligations involved, moneys in an amount which (together with any other moneys irrevocably committed under the annual contributions contract to the payment of principal and interest on such obligations) will suffice to pro-

vide for the payment when due of all installments of principal and interest on such obligations, which moneys under the terms of the agreement are required to be used for the purpose of paying the principal and interest on such obligations at their maturity”.

AMENDMENTS TO LANHAM ACT

SEC. 207. (a) Section 606 of the Act of October 14, 1940, as amended (42 U.S.C. 1586), is amended by striking out that part of the first sentence in subsection (b) which follows the parenthetical phrase and inserting in lieu thereof a period, and by striking out all of the second sentence.

(b) Section 606(c)(1) of such Act is amended by inserting before the semicolon at the end thereof the following: “, or, with the Secretary’s approval, used to finance the repair or rehabilitation of a project or part thereof conveyed to the public housing agency under this section”.

LEASED HOUSING

SEC. 208. Nothing in this title or any other provision of law authorizes the Secretary of Housing and Urban Development to apply any policy or procedure established by him with respect to the rights of an owner under a lease entered into under section 23 of the United States Housing Act of 1937 if such lease was entered into prior to the effective date of such policy or procedure.

42 USC 1421b
note.

42 USC 1421b.

LOW-INCOME HOUSING FOR THE ELDERLY OR HANDICAPPED

SEC. 209. The Secretary shall consult with the Secretary of Health, Education, and Welfare to insure that special projects for the elderly or the handicapped authorized pursuant to United States Housing Act of 1937 shall meet acceptable standards of design and shall provide quality services and management consistent with the needs of the occupants. Such projects shall be specifically designed and equipped with such “related facilities” (as defined in section 202(d)(8) of the Housing Act of 1959) as may be necessary to accommodate the special environmental needs of the intended occupants and shall be in support of and supported by the applicable State plans for comprehensive services pursuant to section 134 of the Mental Retardation Facilities and Community Mental Health Center Construction Act of 1963 or State and area plans pursuant to title III of the Older Americans Act of 1965.

42 USC 1438.

Ante, p. 653.

Post, p. 671.

42 USC 2674.

42 USC 3021.

REVISION OF SECTION 202 PROGRAM FOR ELDERLY AND HANDICAPPED

SEC. 210. (a) Section 202(a)(3) of the Housing Act of 1959 is amended by striking out all that follows “and shall bear interest at a rate” and inserting in lieu thereof “which is not more than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus an allowance adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program.”

12 USC 1701q.

(b) Section 202(d)(4) of such Act is amended—

(1) by striking out “a physical” in the second sentence and inserting in lieu thereof “an”; and

(2) by inserting after the second sentence the following new sentence: "A person shall also be considered handicapped if such person is a developmentally disabled individual as defined in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1950."

12 USC 1701q.

(c) Section 202 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) In carrying out the provisions of this section, the Secretary shall seek to assure, pursuant to applicable regulations, that housing and related facilities assisted under this section will be in appropriate support of, and supported by, applicable State and local plans which respond to Federal program requirements by providing an assured range of necessary services for individuals occupying such housing (which services may include, among others, health, continuing education, welfare, informational, recreational, homemaker, counseling, and referral services, transportation where necessary to facilitate access to social services, and services designed to encourage and assist recipients to use the services and facilities available to them), including plans approved by the Secretary of Health, Education, and Welfare pursuant to section 134 of the Mental Retardation Facilities and Community Mental Health Center Construction Act of 1963 or pursuant to title III of the Older Americans Act of 1965."

42 USC 2674.

42 USC 3021.

(d) Section 202(a) (4) of such Act is amended—

(1) by inserting "(A)" immediately after "(4)";

(2) by inserting "and the proceeds from notes or other obligations issued under subparagraph (B)," after "Amounts so appropriated"; and

(3) by adding at the end thereof the following new subparagraphs:

"(B) (i) To carry out the purposes of this section, the Secretary is authorized to issue to the Secretary of the Treasury notes or other obligations in an aggregate amount not to exceed \$800,000,000, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act; and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

Interest rate.

31 USC 774.

"(ii) The receipts and disbursements of the fund shall not be included in the total of the Budget of the United States Government and shall be exempt from any limitation on annual expenditure or net lending.

"(C) Amounts in the fund shall be available to the Secretary for the purpose of making loans under this section and for paying interest on obligations issued under subparagraph (B). The aggregate loans made under this section in any fiscal year shall not exceed the

limits on such lending authority established for such year in appropriation Acts.”

(e) Section 202(a) of such Act is amended by adding at the end thereof the following new paragraph:

12 USC 1701q.

“(5) To the maximum extent practicable, the Secretary shall use the services and facilities of the private mortgage industry in servicing mortgage loans made under this section.”

(f) Section 202(d) (8) of such Act is amended by inserting immediately after “families” the following: “residing in the project or in the area”.

(g) (1) In determining the feasibility and marketability of a project under section 202 of the Housing Act of 1959, the Secretary shall consider the availability of monthly assistance payments pursuant to section 8 of the United States Housing Act of 1937 with respect to such a project.

12 USC 1701q
note.*Ante*, p. 662.

(2) The Secretary shall insure that with the original approval of a project authorized pursuant to section 202 of the Housing Act of 1959, and thereafter at each annual revision of the assistance contract under section 8 of the United States Housing Act of 1937 with respect to units in such project, the project will serve both low- and moderate-income families in a mix which he determines to be appropriate for the area and for viable operation of the project; except that the Secretary shall not permit maintenance of vacancies to await tenants of one income level where tenants of another income level are available.

SINGLE-FAMILY MORTGAGE ASSISTANCE

SEC. 211. (a) Section 235 of the National Housing Act is amended—

12 USC 1715z.

(1) by striking out “and by \$200,000,000 on July 1, 1971” in subsection (h) (1) and inserting in lieu thereof “by \$200,000,000 on July 1, 1971, and by such sums as may be approved in appropriation Acts after June 30, 1974, and prior to July 1, 1976”;

(2) by adding at the end of subsection (h) (1) the following: “Upon the expiration of one year following the date of enactment of the Housing and Community Development Act of 1974, the Secretary shall not enter into new contracts for assistance payments under this section utilizing authority approved in appropriation Acts prior to July 1, 1974.”;

(3) by striking out paragraph (2) of subsection (h) and inserting in lieu thereof the following:

“(2) Assistance payments under this section may be made only with respect to a family whose income at the time of initial occupancy does not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of his findings that such variations are necessary because of prevailing levels of construction costs, unusually high or low median family incomes, or other factors.”;

(4) by striking out “prior to July 1, 1972” in subsection (h) (3) (B) and inserting in lieu thereof “on or after July 1, 1969”;

(5) by inserting after “mortgage” in the first sentence of subsection (i) (1) the following: “(including advances with respect to property construction or rehabilitation pursuant to a self-help program)”;

(6) by striking out paragraph (3) (C) of subsection (i) and inserting in lieu thereof the following:

“(C) be executed by a mortgagor who shall have paid in cash or its equivalent, on account of the property, at least an

amount equal to 3 per centum of the Secretary's estimate of the cost of acquisition."; and

(7) by striking out "October 1, 1974" in subsection (m) and inserting in lieu thereof "June 30, 1976".

12 USC 1715z.

(b) Section 235(a) of such Act is amended by inserting after "this section" at the end of the second sentence the following: "or which mortgages are assisted under a State or local program providing assistance through loans, loan insurance or tax abatement".

(c) (1) The last proviso in section 235(b) (2) of such Act is amended by striking out "\$18,000", "\$21,000", "\$21,000", and "\$24,000" and inserting in lieu thereof "\$21,600", "\$25,200", "\$25,200", and "\$28,800", respectively.

(2) Section 235(i) (3) (B) of such Act is amended by striking out "\$18,000", "\$21,000", "\$21,000", and "\$24,000" and inserting in lieu thereof "21,600", "25,200", "25,200", and "28,800", respectively.

MULTIFAMILY MORTGAGE ASSISTANCE

12 USC 1715z-1.

SEC. 212. Section 236 of the National Housing Act is amended—

(1) by inserting "(1)" after "(f)" at the beginning of subsection (f), and by redesignating clauses (1) and (2) of such subsection as clauses (A) and (B), respectively;

(2) by adding at the end of subsection (f) (1) the following: "With respect to those projects which the Secretary determines have separate utility metering for some or all dwelling units, the Secretary is authorized—

"(i) to permit the basic rental charge and the fair market rental charge to be determined on the basis of operating the project without the payment of the cost of utility services used by such dwelling units; and

"(ii) to permit the charging of a rental for such dwelling units at such an amount less than 25 per centum of a tenant's income as the Secretary determines represents a proportionate decrease for the utility charges to be paid by such tenant, but in no case shall such rental be lower than 20 per centum of a tenant's income.

"(2) With respect to 20 per centum of the dwelling units in any project made subject to a contract under this section after the date of enactment of the Housing and Community Development Act of 1974, the Secretary shall make, and contract to make, additional assistance payments to the project owner on behalf of tenants whose incomes are too low for them to afford the basic rentals with 25 per centum of their income or such lower per centum as may be established pursuant to the provisions of clause (ii) of the last sentence of paragraph (1). The additional assistance payments authorized by this paragraph with respect to any dwelling unit shall be the amount required to reduce the rental payment by the tenant to 25 per centum of the tenant's income or such lower per centum as may be established pursuant to the provisions of clause (ii) of the last sentence of paragraph (1). In no case shall such rental payment be reduced below an amount equal to utility costs attributable to the unit occupied by the tenant, unless the Secretary determines that the application of this requirement in any area would result in undue hardship because of unusually high utility costs prevailing seasonally or otherwise in such area. Notwithstanding the foregoing provisions of this paragraph, the Secretary may—

"(A) reduce such 20 per centum requirement in the case of any project if he determines that such action is necessary to assure the economic viability of the project; or

"(B) increase such 20 per centum requirement in the case of any project if he determines that such action is necessary and feasible

in order to assure, insofar as is practicable, that there is in the project a reasonable range in the income levels of tenants, or that such action is to be taken to meet the housing needs of elderly or handicapped families.

“(3) For each project there shall be established an initial operating expense level, which shall be the sum of the cost of utilities and local property taxes payable by the project owner at the time the Secretary determines the property to be fully occupied, taking into account anticipated and customary vacancy rates. At any time subsequent to the establishment of an initial operating expense level, the Secretary is authorized to make, and contract to make, additional assistance payments to the project owner in an amount up to the amount by which the sum of the cost of utilities and local property taxes exceeds the initial operating expense level, but not to exceed the amount required to maintain the basic rentals of any units at levels not in excess of 30 per centum, or such lower per centum not less than 25 per centum as shall reflect the reduction permitted in clause (ii) of the last sentence of paragraph (1), of the income of tenants occupying such units. Any contract to make additional assistance payments may be amended periodically to provide for appropriate adjustments in the amount of the assistance payments. Additional assistance payments shall be made pursuant to this paragraph only if the Secretary finds that the increase in the cost of utilities or local property taxes, is reasonable and is comparable to cost increases affecting other rental projects in the community.”;

(3) by striking out subsection (g) and inserting in lieu thereof the following:

12 USC 1715z-1.

“(g) The project owner shall, as required by the Secretary, accumulate, safeguard, and periodically pay to the Secretary all rental charges collected in excess of the basic rental charges. Such excess charges shall be credited to a reserve fund to be used by the Secretary to make additional assistance payments as provided in paragraph (3) of subsection (f). During any period that the Secretary determines that the balance in the reserve fund is adequate to meet the estimated additional assistance payments, such excess charges shall be credited to the appropriation authorized by subsection (i) and shall be available until the end of the next fiscal year for the purpose of making assistance payments with respect to rental housing projects receiving assistance under this section. For the purpose of this subsection and paragraph (3) of subsection (f), the initial operating expense level for any project assisted under a contract entered into prior to the date of enactment of the Housing and Community Development Act of 1974 shall be established by the Secretary not later than 180 days after the date of enactment of such Act.”;

(4) by striking out “and by \$200,000,000 on July 1, 1971” in subsection (i) (1) and inserting in lieu thereof “by \$200,000,000 on July 1, 1971, and by \$75,000,000 on July 1, 1974”;

(5) by striking out paragraphs (2) and (3) of subsection (i) and inserting in lieu thereof the following:

“(2) Contracts for assistance payments under this section may be entered into only with respect to tenants whose incomes do not exceed 80 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of his findings that such variations are necessary because of prevailing levels of construction costs, unusually high or low family incomes, or other factors.

“(3) Not less than 10 per centum of the total amount of contracts for assistance payments authorized by appropriation Acts to be made after June 30, 1974, shall be available for use only with respect to dwellings, or dwelling units in projects, which are approved by the Secretary prior to rehabilitation.

“(4) At least 20 per centum of the total amount of contracts for assistance payments authorized in appropriation Acts to be made after June 30, 1974, shall be available for use only with respect to projects which are planned in whole or in part for occupancy by elderly or handicapped families. As used in this paragraph, the term ‘elderly families’ means families which consist of two or more persons the head of which (or his spouse) is sixty-two years of age or over or is handicapped. Such term also means a single person who is sixty-two years of age or over or is handicapped. A person shall be considered handicapped if such person is determined, pursuant to regulations issued by the Secretary, to have an impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions.”;

12 USC 1715z-1.

(6) by striking out “October 1, 1974” in subsection (n) and inserting in lieu thereof “June 30, 1976”; and

(7) by adding at the end thereof the following:

“(p) The Secretary is authorized to enter into contracts with State or local agencies approved by him to provide for the monitoring and supervision by such agencies of the management by private sponsors of projects assisted under this section. Such contracts shall require that such agencies promptly report to the Secretary any deficiencies in the management of such projects in order to enable the Secretary to take corrective action at the earliest practicable time.”

LOCAL HOUSING ASSISTANCE PLANS; ALLOCATION OF HOUSING FUNDS

42 USC 1439.

Ante, p. 653.

12 USC 1715z,
1715z-1.

12 USC 1701s

note.

12 USC 1701q.

SEC. 213. (a) (1) The Secretary of Housing and Urban Development, upon receiving an application for housing assistance under the United States Housing Act of 1937, section 235 or 236 of the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, or section 202 of the Housing Act of 1959, if the unit of general local government in which the proposed assistance is to be provided has an approved housing assistance plan, shall—

(A) not later than ten days after receipt of the application, notify the chief executive officer of such unit of general local government that such application is under consideration; and

(B) afford such unit of general local government the opportunity, during the thirty-day period beginning on the date of such notification, to object to the approval of the application on the grounds that the application is inconsistent with its housing assistance plan.

(2) If the unit of general local government objects to the application on the grounds that it is inconsistent with its housing assistance plan, the Secretary may not approve the application unless he determines that the application is consistent with such housing assistance plan. If the Secretary determines, that such application is consistent with the housing assistance plan, he shall notify the chief executive officer of the unit of general local government of his determination and the reasons therefor in writing. If the Secretary concurs with the objection of the unit of local government, he shall notify the applicant stating the reasons therefor in writing.

(3) If the Secretary does not receive an objection by the close of the period referred to in paragraph (1)(B), he may approve the application unless he finds it inconsistent with the housing assistance plan. If the Secretary determines that an application is inconsistent with a housing assistance plan, he shall notify the applicant stating the reasons therefor in writing.

(4) The Secretary shall make the determinations referred to in paragraphs (2) and (3) within thirty days after he receives an objection pursuant to paragraph (1)(B) or within thirty days after the close of the period referred to in paragraph (1)(B), whichever is earlier.

(5) As used in this section, the term "housing assistance plan" means a housing assistance plan submitted and approved under section 104 of this Act or, in the case of a unit of general local government not participating under title I of this Act, a housing plan approved by the Secretary as meeting the requirements of this section.

"Housing assistance plan."

(b) The provisions of subsection (a) shall not apply to—

(1) applications for assistance involving 12 or fewer units in a single project or development;

(2) applications for assistance with respect to housing in new community developments approved under title IV of the Housing and Urban Development Act of 1968 or title VII of the Housing and Urban Development Act of 1970 which the Secretary determines are necessary to meet the housing requirements under such title; or

42 USC 3901.

42 USC 4501.

(3) applications for assistance with respect to housing financed by loans or loan guarantees from a State or agency thereof, except that the provisions of subsection (a) shall apply where the unit of general local government in which the assistance is to be provided objects in its housing assistance plan to the exemption provided by this paragraph.

(c) For areas in which an approved local housing assistance plan is not applicable, the Secretary shall not approve an application for housing assistance unless he determines that there is a need for such assistance, taking into consideration any applicable State housing plans, and that there is or will be available in the area public facilities and services adequate to serve the housing proposed to be assisted. The Secretary shall afford the unit of general local government in which the assistance is to be provided an opportunity, during a 30-day period following receipt of an application by him, to provide comments or information relevant to the determination required to be made by the Secretary under this subsection.

(d) (1) In allocating financial assistance under the provisions of law specified in subsection (a) of this section, the Secretary, so far as practicable, shall consider the relative needs of different areas and communities as reflected in data as to population, poverty, housing overcrowding, housing vacancies, amount of substandard housing, or other objectively measurable conditions, subject to such adjustments as may be necessary to assist in carrying out activities designed to meet lower income housing needs as described in approved housing assistance plans submitted by units of general local government or combinations of such units assisted under section 107(a)(2) of this Act. The amount of assistance allocated to nonmetropolitan areas pursuant to this section in any fiscal year shall not be less than 20 nor more than 25 per centum of the total amount of such assistance.

(2) In order to facilitate the provision of, and long-range planning for, housing for persons of low- and moderate-income in new community developments approved under title IV of the Housing and Urban Development Act of 1968 and title VII of the Housing and Urban

42 USC 4501.

Development Act of 1970, the Secretary shall reserve such housing assistance funds as he deems necessary for use in connection with such new community developments.

(3) The Secretary may reserve such housing assistance funds as he deems appropriate for use by a State or agency thereof.

TITLE III—MORTGAGE CREDIT ASSISTANCE

INSURED ADVANCES

SEC. 301. Title V of the National Housing Act is amended by adding at the end thereof the following new section:

“ADVANCES

12 USC 1735f-3.

“SEC. 525. The Secretary is authorized to insure mortgage proceeds advanced during construction or rehabilitation or otherwise prior to final endorsement of a project mortgage for the purpose of (1) financing improvements to the property and the purchase of materials and building components delivered to the property, and (2) providing funds to cover the cost of building components where such components have been assembled and specifically identified for incorporation into the property but are located at a site other than the mortgaged property, with such security as the Secretary may require.”

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA ONE- TO FOUR-FAMILY MORTGAGE INSURANCE PROGRAMS

12 USC 1709.

SEC. 302. (a) Section 203(b)(2) of the National Housing Act is amended by striking out “\$33,000”, “\$35,750”, and “\$41,250” wherever they appear and inserting in lieu thereof “\$45,000”, “\$48,750”, and “\$56,000”, respectively.

12 USC 1715k.

(b) Section 220(d)(3)(A) of such Act is amended by striking out “\$33,000”, “\$35,750”, and “\$41,250” wherever they appear and inserting in lieu thereof “\$45,000”, “\$48,750”, and “\$56,000”, respectively.

12 USC 1715l.

(c) Section 221(d)(2)(A) of such Act is amended—

(1) by striking out “\$18,000”, “\$21,000”, “\$24,000”, “\$32,400”, and “\$39,600” in the matter preceding the first proviso and inserting in lieu thereof “\$21,600”, “\$25,200”, “28,000”, “\$38,880”, and “\$47,520”, respectively; and

(2) by striking out “\$21,000”, “\$24,000”, “\$30,000”, “\$38,400”, and “\$45,600” in the second proviso and inserting in lieu thereof “\$25,200”, “\$28,800”, “\$36,000”, “\$46,080”, and “\$54,720”, respectively.

12 USC 1715m.

(d) Section 222(b)(2) of such Act is amended by striking out “\$33,000” and inserting in lieu thereof “\$45,000”.

12 USC 1715y.

(e) Section 234(c) of such Act is amended by striking out “\$33,000” and inserting in lieu thereof \$45,000”.

INCREASE IN MAXIMUM MORTGAGE AMOUNTS UNDER FHA MULTIFAMILY MORTGAGE INSURANCE PROGRAMS

12 USC 1713.

SEC. 303. (a) (1) Section 207(c)(3) of the National Housing Act is amended by striking out “\$9,900”, “\$13,750”, “\$16,500”, “\$20,350”, “\$23,100”, and “\$2,500” in the matter preceding the first semicolon and inserting in lieu thereof “\$13,000”, “\$18,000”, “\$21,500”, “\$26,500”, “\$30,000”, and “\$3,250”, respectively.

(2) Section 207(c)(3) of such Act is further amended by striking out “\$11,550”, “\$16,500”, “\$19,800”, “\$24,750”, and “\$28,050” in the

matter following the first semicolon and inserting in lieu thereof “\$15,000”, “\$21,000”, “\$25,750”, “\$32,250”, and “\$36,465”, respectively.

(b) (1) Section 213(b) (2) of such Act is amended by striking out “\$9,900”, “\$13,750”, “\$16,500”, “\$20,350”, and “\$23,100” in the matter preceding the first proviso and inserting in lieu thereof “\$13,000”, “\$18,000”, “\$21,500”, “\$26,500”, and “\$30,000”, respectively.

12 USC 1715e.

(2) Section 213(b) (2) of such Act is further amended by striking out “\$11,550”, “\$16,500”, “\$19,800”, “\$24,750”, and “\$28,050” in the first proviso and inserting in lieu thereof “\$15,000”, “\$21,000”, “\$25,750”, “\$32,250”, and “\$36,465”, respectively.

(c) (1) Section 220(d) (3) (B) (iii) of such Act is amended by striking out “\$9,900”, “\$13,750”, “\$16,500”, “\$20,350”, and “\$23,100” in the matter preceding “except” where it first appears and inserting in lieu thereof “\$13,000”, “\$18,000”, “\$21,500”, “\$26,500”, and “\$30,000”, respectively.

12 USC 1715k.

(2) Section 220(d) (3) (B) (iii) of such Act is further amended by striking out “\$11,550”, “\$16,500”, “\$19,800”, “\$24,750”, and “\$28,050” in the matter following “except” where it first appears and inserting in lieu thereof “\$15,000”, “\$21,000”, “\$25,750”, “\$32,250” and “\$36,465”, respectively.

(d) Section 221(d) (3) (ii) of such Act is amended—

12 USC 1715l.

(A) by striking out “\$9,200”, “\$12,937.50”, “\$15,525”, “\$19,550”, and “\$22,137.50” and inserting in lieu thereof “\$11,240”, “\$15,540”, “\$18,630”, “\$23,460”, and “\$26,570”, respectively; and

(B) by striking out “\$10,925”, “\$13,500”, “\$18,400”, “\$23,000”, and “\$26,162.50” and inserting in lieu thereof “\$13,120”, “\$16,200”, “\$22,080”, “\$27,600”, and “\$32,000”, respectively.

(e) (1) Section 221(d) (4) (ii) of such Act is amended by striking out “\$9,200”, “\$12,937.50”, “\$15,525”, “\$19,550”, and “\$22,137.50” in the matter preceding the first semicolon and inserting in lieu thereof “\$12,300”, “\$17,188”, “\$20,525”, “\$24,700”, and “\$29,038”, respectively.

(2) Section 221(d) (4) (ii) of such Act is further amended by striking out “\$10,525”, “\$15,525”, “\$18,400”, “\$23,000”, and “\$26,162.50” in the matter following the first semicolon and inserting in lieu thereof “\$13,975”, “\$20,025”, “\$24,350”, “\$31,500”, and “\$34,578”, respectively.

(f) (1) Section 231(c) (2) of such Act is amended by striking out “\$8,800”, “\$12,375”, “\$14,850”, “\$18,700”, and “\$21,175” in the matter preceding the first semicolon and inserting in lieu thereof “\$12,300”, “\$17,188”, “\$20,525”, “\$24,700”, and “\$29,038”, respectively.

12 USC 1715v.

(2) Section 231(c) (2) of such Act is further amended by striking out “\$10,450”, “\$14,850”, “\$17,600”, “\$22,000”, and “\$25,025” in the matter following the first semicolon and inserting in lieu thereof “\$13,975”, “\$20,025”, “\$24,350”, “\$31,500”, and “\$34,578”, respectively.

(g) (1) Section 234(e) (3) of such Act is amended by striking out “\$9,900”, “\$13,750”, “\$16,500”, “\$20,350”, and “\$23,100” in the matter preceding the first proviso and inserting in lieu thereof “\$13,000”, “\$18,000”, “\$21,500”, “\$26,500”, and “\$30,000”, respectively.

12 USC 1715y.

(2) Section 234(e) (3) of such Act is further amended by striking out “\$11,550”, “\$16,500”, “\$19,800”, “\$24,750”, and “\$28,050” in the first proviso and inserting in lieu thereof “\$15,000”, “\$21,000”, “\$25,750”, “\$32,250”, and “\$36,465”, respectively.

ELIMINATION OF PROJECT MORTGAGE DOLLAR LIMITS

SEC. 304. (a) (1) Section 207(c) of the National Housing Act is amended by striking out paragraph (1).

12 USC 1713.

(2) Section 207(c) (3) of such Act is amended by striking out “or \$1,000,000 per mortgage for trailer courts or parks”.

- 12 USC 1715e. (b) Section 213(b) of such Act is amended by striking out paragraph (1).
- (c) Section 213(c) of such Act is amended by striking out “not to exceed \$12,500,000 and”.
- 12 USC 1715k. (d) Section 220(d)(3)(B) of such Act is amended by striking out clause (i).
- 12 USC 1715l. (e) Section 221(d) of such Act is amended—
 (1) by striking out clause (i) in paragraph (3); and
 (2) by striking out clause (i) in paragraph (4).
- 12 USC 1715v. (f) Section 231(c) of such Act is amended by striking out paragraph (1).
- 12 USC 1715w. (g) Section 232(d)(2) of such Act is amended by striking out “not to exceed \$12,500,000, and”.
- 12 USC 1715y. (h) Section 234(e) of such Act is amended by striking out paragraph (1).
- 12 USC 1715z-7. (i) Section 242(d)(2) of such Act is amended by striking out “not to exceed \$50,000,000, and”.
- 12 USC 1748h-2. (j) (1) Section 810(f) of such Act is amended by striking out “(1) not to exceed \$5,000,000 or (2)”.
- (2) Section 810(g) of such Act is amended by striking out “not to exceed \$5,000,000 and”.
- 12 USC 1749bb. (k) Section 1002(c) of such Act is amended by striking out the second sentence.
- 12 USC 1749aaa. (l) Section 1101(c) of such Act is amended by striking out paragraph (1).

ENERGY CONSERVATION

SEC. 305. Title V of the National Housing Act (as amended by section 301 of this Act) is amended by adding at the end thereof the following new section:

“ENERGY CONSERVATION

- 12 USC 1735f-4. “SEC. 526. To the maximum extent feasible, the Secretary of Housing and Urban Development shall promote the use of energy saving techniques through minimum property standards established by him for newly constructed residential housing subject to mortgages insured under this Act.”

COMPENSATION FOR DEFECTS

- 12 USC 1735b. SEC. 306. Section 518(b) of the National Housing Act is amended to read as follows:
- “(b) The Secretary is authorized to make expenditures to correct, or to reimburse the owner for the correction of, structural or other major defects which so seriously affect use and livability as to create a serious danger to the life or safety of inhabitants of any one or two family dwelling which is covered by a mortgage insured under section 235 of this Act or which is located in an older, declining urban area and is covered by a mortgage insured under section 203 or 221 on or after August 1, 1968, but prior to January 1, 1973, and which is more than one year old on the date of the issuance of the insurance commitment, if (1) the owner requests assistance from the Secretary not later than one year after the insurance of the mortgage, or, in the case of a dwelling covered by a mortgage insured under section 203 or 221 the insurance commitment for which was issued on or after August 1, 1968, but prior to January 1, 1973, not more than one year after the date of enactment of the Housing and Community Development Act of 1974, and (2) the defect is one that existed on the date of the issuance of the insurance commitment and is one that a proper inspection could reasonably be expected to disclose. The Secretary may require from the
- 12 USC 1709,
1715l.

seller of any such dwelling an agreement to reimburse him for any payments made pursuant to this subsection with respect to such dwelling. Expenditures pursuant to this subsection shall be the obligation of the Special Risk Insurance Fund."

CO-INSURANCE

SEC. 307. Title II of the National Housing Act is amended by adding at the end thereof the following new section:

"CO-INSURANCE

"SEC. 244. (a) In addition to providing insurance as otherwise authorized under this Act, and notwithstanding any other provision of this Act inconsistent with this section, the Secretary, upon request of any mortgagee and for such mortgage insurance premium as he may prescribe (which premium, or other charges to be paid by the mortgagor, shall not exceed the premium, or other charges, that would otherwise be applicable), may insure and make a commitment to insure under any provision of this title any mortgage, advance, or loan otherwise eligible under such provision, pursuant to a co-insurance contract providing that the mortgagee will—

12 USC 1715z-9.

"(1) assume a percentage of any loss on the insured mortgage, advance, or loan in direct proportion to the amount of the co-insurance, which co-insurance shall not be less than 10 per centum, subject to any reasonable limit or limits on the liability of the mortgagee that may be specified in the event of unusual or catastrophic losses that may be incurred by any one mortgagee; and

"(2) carry out (under a delegation or otherwise and with or without compensation but subject to audit, exception, or review requirements) such credit approval, appraisal, inspection, commitment, property disposition, or other functions as the Secretary, pursuant to regulations, shall approve as consistent with the purposes of this Act.

Any contract of co-insurance under this section shall contain such provisions relating to the sharing of premiums on a sound actuarial basis, establishment of mortgage reserves, manner of calculating insurance benefits, conditions with respect to foreclosure, handling and disposition of property prior to claim or settlement, rights of assignees (which may elect not to be subject to the loss sharing provisions), and other similar matters as the Secretary may prescribe pursuant to regulations.

"(b) No insurance shall be granted pursuant to this section with respect to dwellings or projects approved for insurance prior to the beginning of construction unless the inspection of such construction is conducted in accordance with at least the minimum standards and criteria used with respect to dwellings or projects approved for mortgage insurance pursuant to other provisions of this title.

"(c) No insurance shall be granted pursuant to this section unless the Secretary has, after due consultation with the mortgage lending industry, determined that the demonstration program of co-insurance authorized by this section will not disrupt the mortgage market or reduce the availability of mortgage credit to borrowers who depend upon mortgage insurance provided under this Act.

"(d) No mortgage, advance, or loan shall be insured pursuant to this section after June 30, 1977, except pursuant to a commitment to insure made before that date. The aggregate principal amount of mortgages and loans insured pursuant to this section in any fiscal year

beginning on or after July 1, 1974, and ending prior to October 1, 1977, shall not exceed 20 per centum of the aggregate principal amount of all mortgages and loans insured under this title during such fiscal year. The overall percentage limitation specified in the preceding sentence shall also apply separately within each of the following categories—

“(1) mortgages and loans covering one- to four-family dwellings; and

“(2) mortgages and loans covering projects with five or more dwelling units.

“(e) The Secretary shall not withdraw, deny, or delay insurance otherwise authorized under any other provision of this Act by reason of the availability of insurance pursuant to this section. The Secretary shall exercise his authority under this section only to the extent that he finds that the continued exercise of such authority will not adversely affect the flow of mortgage credit to older and declining neighborhoods and to the purchasers of older and lower cost housing.

Report to
Congress.

“(f) The Secretary shall submit to the Congress a report, not later than March 1, 1975, and annually thereafter, describing operations under this section, including the extent of mortgagee participation and any special problems encountered, particularly with respect to the flow of mortgage credit to older and declining neighborhoods and to purchasers of older and lower cost housing, and setting forth any recommendations he may deem appropriate with respect to the continuation or modification of the authority contained in this section. If the Secretary shall fail to submit any such report by the date due, his authority under this section shall terminate.”

EXPERIMENTAL FINANCING

SEC. 308. Title II of the National Housing Act (as amended by section 307 of this Act) is amended by adding at the end thereof the following new section:

“EXPERIMENTAL FINANCING

12 USC 1715z-10.

“SEC. 245. The Secretary may insure on an experimental basis under any provision of this title mortgages and loans with provisions of varying rates of amortization corresponding to anticipated variations in family income to the extent he determines such mortgages or loans (1) have promise for expanding housing opportunities or meet special needs, (2) can be developed to include any safeguards for mortgagors or purchasers that may be necessary to offset special risks of such mortgages, and (3) have a potential for acceptance in the private market. The outstanding aggregate principal amount of mortgages which are insured pursuant to this section may not exceed 1 per centum of the outstanding aggregate principal amount of mortgages and loans estimated to be insured during any fiscal year under this title. A mortgage or loan may not be insured pursuant to this section after June 30, 1976, except pursuant to a commitment entered into prior to such date.”

PROPERTY IMPROVEMENT AND MOBILE HOME LOANS

12 USC 1703.

SEC. 309. (a) Section 2(b) of the National Housing Act is amended—

(1) by striking out “\$5,000” in clause (1) and inserting in lieu thereof “\$10,000”;

(2) by striking out “if such obligation” in clause (2) and all that follows down through “the general economy, and” and inserting in lieu thereof the following: “if such obligation has a maturity in excess of twelve years and thirty-two days, except that”;

(3) by striking out "twelve years and thirty-two days (fifteen years and thirty-two days in the case of a mobile home composed of two or more modules)" in the proviso in clause (2) and inserting in lieu thereof "fifteen years and thirty-two days"; and

(4) by striking out "\$15,000", "\$2,500", and "seven years" in the third proviso in clause (3) and inserting in lieu thereof "\$25,000", "\$5,000", and "twelve years", respectively.

(b) (1) Section 2(a) of such Act is amended by adding at the end thereof the following new paragraph:

12 USC 1703.

"Alterations, repairs, and improvements upon or in connection with existing structures may include the provision of fire safety equipment, energy conserving improvements, or the installation of solar energy systems. As used in this section—

Definitions.

"(1) the term 'fire safety equipment' means any device or facility which is designed to reduce the risk of personal injury or property damage resulting from fire and is in conformity with such criteria and standards as shall be prescribed by the Secretary;

"(2) the term 'energy conserving improvements' means any addition, alteration, or improvement to an existing or new structure which is designed to reduce the total energy requirements of that structure, and which is in conformity with such criteria and standards as shall be prescribed by the Secretary in consultation with the National Bureau of Standards; and

"(3) the term 'solar energy system' means any addition, alteration, or improvement to an existing or new structure which is designed to utilize solar energy to reduce the energy requirements of that structure from other energy sources, and which is in conformity with such criteria and standards as shall be prescribed by the Secretary in consultation with the National Bureau of Standards."

(2) The first sentence of section 2(a) of such Act is amended by inserting before the period at the end thereof the following: "or financing the purchase of a lot on which to place such home and paying expenses reasonably necessary for the appropriate preparation of such lot, including the installation of utility connections, sanitary facilities, and paving, and the construction of a suitable pad, or financing only the acquisition of such a lot either with or without such preparation by an owner of a mobile home."

(3) Section 2(b) of such Act is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing limitations, any loan to finance fire safety equipment for a nursing home, extended health care facility, intermediate health care facility, or other comparable health care facility may involve such principal amount and have such maturity as the Secretary may prescribe."

(c) Clause (i) in the first paragraph of section 2(a) of such Act is amended by inserting "or mobile homes" immediately after "in connection with existing structures".

(d) Section 2(b) of such Act (as amended by subsection (b) (3) of this section) is amended by adding at the end thereof the following new paragraphs:

"Notwithstanding the limitations contained in the first proviso to clause (2) of the preceding sentence, a loan financing the purchase of a mobile home and an undeveloped lot on which to place the home shall—

"(A) involve an amount not exceeding (i) the maximum amount under clause (1) of the first paragraph of this subsection, and (ii) such amount not to exceed \$5,000 as may be necessary to cover the cost of purchasing the lot; and

“(B) have a maturity not exceeding fifteen years and thirty-two days (twenty years and thirty-two days in the case of a mobile home composed of two or more modules).

“A loan financing the purchase of a mobile home and a suitably developed lot on which to place the home shall—

“(A) involve an amount not exceeding (i) the maximum amount under clause (1) of the first paragraph of this subsection, and (ii) such amount not to exceed \$7,500 as may be necessary to cover the cost of purchasing the lot; and

“(B) have a maturity not exceeding fifteen years and thirty-two days (twenty years and thirty-two days in the case of a mobile home composed of two or more modules).

“A loan financing the purchase, by an owner of a mobile home which is the principal residence of that owner, of only a lot on which to place that mobile home shall—

“(A) involve such an amount as may be necessary to cover the cost of purchasing the lot but not exceeding (i) \$5,000 in the case of an undeveloped lot, or (ii) \$7,500 in the case of a developed lot; and

“(B) have a maturity not exceeding ten years and thirty-two days.

A mobile home lot loan may be made only if the owner certifies that he will place his mobile home on the lot acquired with such loan within six months after the date of such loan.”

(e) The last sentence of section 3(a) of the Act entitled “An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans’ home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes,” approved May 7, 1968, as amended (12 U.S.C. 1709-1), is amended by striking out “, and which represent loans and advances of credit made for the purpose of financing purchases of mobile homes,”.

38 USC 1801
et seq.

DOWNPAYMENT REQUIREMENTS FOR REGULAR FHA ONE- TO FOUR-FAMILY MORTGAGES

SEC. 310. (a) The first and second sentences of section 203(b) (2) of the National Housing Act are each amended—

(1) by striking out “\$15,000” in clause (i) and inserting in lieu thereof “\$25,000”;

(2) by striking out “\$15,000” and “\$25,000” in clause (ii) and inserting in lieu thereof “\$25,000” and “\$35,000”, respectively; and

(3) by striking out “\$25,000” in clause (iii) and inserting in lieu thereof “\$35,000”.

(b) Section 220(d) (3) (A) (i) of such Act is amended by—

(1) by striking out “\$15,000” in each clause numbered (1) and inserting in lieu thereof “\$25,000”;

(2) by striking out “\$15,000” and “\$25,000” in each clause numbered (2) and inserting in lieu thereof “\$25,000” and “\$35,000”, respectively; and

(3) by striking out “\$25,000” in each clause numbered (3) and inserting in lieu thereof “\$35,000”.

(c) Section 222(b) (3) of such Act is amended to read as follows:

“(3) have a principal obligation not in excess of the sum of (i) 97 per centum of \$25,000 of the appraised value of the property as of the date the mortgage is accepted for insurance, (ii) 90 per centum of such value in excess of \$25,000 but not in excess of \$35,000, and (iii) 80 per centum of such value in excess of \$35,000; and”.

12 USC 1709.

12 USC 1715k.

12 USC 1715m.

(d) That part of clause (A) of the third sentence of section 234(c) of such Act which begins "and not to exceed" is amended to read as follows "and not to exceed the sum of (i) 97 per centum of \$25,000 of the appraised value of the property as of the date the mortgage is accepted for insurance, (ii) 90 per centum of such value in excess of \$25,000 but not in excess of \$35,000, (iii) 80 per centum of such value in excess of \$35,000".

12 USC 1715y.

MULTIFAMILY MORTGAGES

SEC. 311. (a) Section 223 of the National Housing Act is amended by adding at the end thereof the following new subsections:

12 USC 1715n.

"(f) Notwithstanding any of the provisions of this Act, the Secretary is authorized, in his discretion, to insure under any section of this title a mortgage executed in connection with the purchase of refinancing of an existing multifamily housing project. In the case of refinancing under this subsection of property located in an older, declining urban area, the Secretary shall prescribe such terms and conditions as he deems necessary to assure that—

"(1) the refinancing is used to lower the monthly debt service only to the extent necessary to assure the continued economic viability of the project, taking into account any rent reductions to be implemented by the mortgagor; and

"(2) during the mortgage term no rental increases shall be made except those which are necessary to offset actual and reasonable operating expense increases or other necessary expense increases approved by the Secretary.

"(g) Notwithstanding any other provisions of this Act, the Secretary may, in his discretion, insure a mortgage covering a multifamily housing project including units which are not self-contained."

12 USC 1715e.

(b) Section 213(b)(2) of such Act is amended by striking out "97 per centum" and inserting in lieu thereof "98 per centum".

GROUP PRACTICE FACILITIES

SEC. 312. (a) Title XI of the National Housing Act is amended—

(1) by inserting after "unit or organization" in section 1101

12 USC 1749aaa.

(b) (1) the following: "or other mortgagor";

(2) by inserting after "group practice facility" in section 1101

(b) (3) the following: "or medical practice facility";

(3) by inserting after "group practice facility" in section 1101

(e) the following: "or medical practice facility";

(4) by inserting after "group practice facility" in section

1101 (f) the following: "or medical practice facility";

(5) by striking out in "(as defined in section 1106(1))" section 1105(a) and inserting in lieu thereof "or medical practice facility (as defined in section 1106)"; and

12 USC 1749aaa-4.

(6) by redesignating paragraphs (2) through (8) of section 1106 as paragraphs (3) through (9), respectively, and by inserting after paragraph (1) of such section the following:

12 USC 1749aaa-5.

"(2) The term 'medical practice facility' means an adequately equipped facility in which not more than four persons licensed to practice medicine in the State where the facility is located can provide, as may be appropriate, preventive, diagnostic, and treatment services, and which is situated in a rural area or small town, or in a low-income section of an urban area, in which there exists, as determined by the Secretary, a critical shortage of physicians. As used in this paragraph—

Definitions.

"(A) the term 'small town' means any town, village, or city having a population of not more than 10,000 inhabitants accord-

ing to the most recent available data compiled by the Bureau of the Census; and

“(B) the term ‘low-income section of an urban area’ means a section of a larger urban area in which the median family income is substantially lower, as determined by the Secretary, than the median family income for the area as a whole.”

12 USC 1749aaa-

5.

(b) Section 1106 of such Act is amended as follows:

(1) Paragraph (1) is amended by inserting “or osteopathy” after “practice medicine”, and by inserting after “State” where it last appears the following: “, or, in the case of podiatric care or treatment, is under the professional supervision of persons licensed to practice podiatry in the State”.

(2) Paragraph (2) (as redesignated by subsection (a) (6) of this section) is amended by inserting “, osteopathy,” after “practice medicine”, and by inserting after “dentistry in the State,” the following: “or of persons licensed to practice podiatry in the State.”

(3) Paragraph (3) (A) (as so redesignated) is amended by inserting “osteopathic care,” after “comprehensive medical care,” by striking out “or” after “optometric care,” and by inserting after “dental care,” the following: “or podiatric care.”

(4) Paragraph (3) (B) (as so redesignated) is amended by inserting “osteopathic,” after “medical,” by striking out “or” after “optometric,” and by inserting after “dental” the following: “or podiatric”.

SUPPLEMENTAL LOANS

12 USC 1715z-6.

SEC. 313. Section 241 of the National Housing Act is amended by adding at the end thereof the following new subsection:

“(d) Notwithstanding the foregoing, the Secretary may insure a loan for improvements or additions to a multifamily housing project, or a group practice or medical practice facility or hospital or other health facility approved by the Secretary, which is not covered by a mortgage insured under this Act, if he finds that such a loan would assist in preserving, expanding, or improving housing opportunities, or in providing protection against fire or other hazards. Such loans shall have a maturity satisfactory to the Secretary and shall meet such other conditions as the Secretary may prescribe. In no event shall such a loan be insured if it is for an amount in excess of the maximum amount which could be approved if the outstanding indebtedness, if any, covering the property were a mortgage insured under this Act.”

MORTGAGE INSURANCE FOR LAND DEVELOPMENT

12 USC 1749bb.

SEC. 314. The first sentence of section 1002(c) of the National Housing Act is amended to read as follows: “The principal obligation of the mortgage shall not exceed the sum of 80 per centum of the Secretary’s estimate of the value of the land before development and 90 per centum of his estimate of the cost of such development.”.

SALES TO COOPERATIVES

SEC. 315. Title II of the National Housing Act (as amended by sections 307 and 308 of this Act) is amended by adding at the end thereof the following:

“SALE OF ACQUIRED PROPERTY TO COOPERATIVES

12 USC 1715z-
11.

“SEC. 246. In any case in which the Secretary sells a multifamily housing project acquired as the result of a default on a mortgage which was insured under this Act to a cooperative which will operate

it on a nonprofit basis and restrict permanent occupancy of its dwellings to members, the Secretary may accept a purchase money mortgage in a principal amount equal to the sum of (1) the appraised value of the property at the time of purchase, which value shall be based upon a mortgage amount on which the debt service can be met from the income of the property when operated on a nonprofit basis after payment of all operating expenses, taxes, and required reserves, and (2) the amount of prepaid expenses and costs involved in achieving cooperative ownership. Prior to such disposition of a project, funds may be expended by the Secretary for necessary repairs and improvements."

EXTENSION OF REGULAR FHA INSURANCE PROGRAMS

SEC. 316. (a) Section 2(a) of the National Housing Act is amended by striking out "October 1, 1974" in the first sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1703.

(b) Section 217 of such Act is amended by striking out "October 1, 1974" and inserting in lieu thereof "June 30, 1977".

12 USC 1715h.

(c) Section 221(f) of such Act is amended by striking out "October 1, 1974" in the fifth sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1715l.

(d) Section 809(f) of such Act is amended by striking out "October 1, 1974" in the second sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1748h-1.

(e) Section 810(k) of such Act is amended by striking out "October 1, 1974" in the second sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1748h-2.

(f) Section 1002(a) of such Act is amended by striking out "October 1, 1974" in the second sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1749bb.

(g) Section 1101(a) of such Act is amended by striking out "October 1, 1974" in the second sentence and inserting in lieu thereof "June 30, 1977".

12 USC 1749aaa.

EXTENSION OF FLEXIBLE INTEREST RATE AUTHORITY

SEC. 317. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes", approved May 7, 1968, as amended (12 U.S.C. 1709-1), is amended by striking out "October 1, 1974" and inserting in lieu thereof "June 30, 1977".

38 USC 1801
et seq.

MORTGAGE INSURANCE IN MILITARY IMPACTED AREAS

SEC. 318. Section 238 of the National Housing Act is amended by adding at the end thereof the following new subsection:

12 USC 1715z-3.

"(c) The Special Risk Insurance Fund may be used by the Secretary for carrying out the mortgage insurance obligations of sections 203 and 207 to provide housing for military personnel, Federal civilian employees, and Federal contractor employees assigned to duty or employed at or in connection with any installation of the Armed Forces of the United States in federally impacted areas where, in the judgment of the Secretary (1) the residual housing requirements for persons not associated with such installations are insufficient to sustain the housing market in the event of substantial curtailment of employment of personnel assigned to such installations, and (2) the benefits to be derived from such use outweigh the risk of possible cost to the Government."

AMENDMENT TO MAKE PUBLIC HOUSING AGENCIES ELIGIBLE AS MORTGAGORS UNDER SECTION 221(d)(3) OF THE NATIONAL HOUSING ACT

12 USC 1715 *L.*

42 USC 1430.

42 USC 1408.

SEC. 319. (a) Section 221(d)(3) of the National Housing Act is amended by striking out “(and which certifies that it is not receiving financial assistance from the United States exclusively pursuant to the United States Housing Act of 1937)” and inserting in lieu thereof “(and, except with respect to a project assisted or to be assisted pursuant to section 8 of the United States Housing Act of 1937, which certifies that it is not receiving financial assistance from the United States exclusively pursuant to such Act)”.

12 USC 1715 *I*
note.

42 USC 1408.

26 USC 1 *et*
seq.

(b) With respect to any obligation secured by a mortgage which is insured under section 221(d)(3) of the National Housing Act and issued by a public agency as mortgagor in connection with the financing of a project assisted under section 8 of the United States Housing Act of 1937, the interest paid on such obligation shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1954.

TITLE IV—COMPREHENSIVE PLANNING

COMPREHENSIVE PLANNING

40 USC 461.

SEC. 401. (a) Section 701(a) of the Housing Act of 1954 is amended—

(1) by striking out “State planning agencies” in paragraph (1) and inserting in lieu thereof “States”;

(2) by striking out the numbered paragraphs following paragraph (1) and inserting in lieu thereof the following:

“(2) States for State, interstate, metropolitan, district, or regional activities which may be assisted under this section;

“(3) cities (including the District of Columbia) having populations of at least 50,000 according to the latest decennial census for local activities which may be assisted under this section;

Ante, p. 633.

“(4) urban counties as defined under title I of the Housing and Community Development Act of 1974;

“(5) the areawide organization in any metropolitan area which is formally charged with carrying out the provisions of section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 and section 401 of the Intergovernmental Cooperation Act of 1968: *Provided*, That any such areawide organization, to the extent practicable, shall be composed of or responsible to the elected officials of the unit or units of general local government for the jurisdictions of which they are empowered to carry out the provisions of such Acts;

42 USC 3334.

42 USC 4231.

“(6) Indian tribal groups or bodies; and

“(7) other governmental units or agencies having special planning needs related to the purposes of this section, including but not limited to interstate regional planning commissions, and units or agencies for disaster areas, federally impacted areas, and local development districts, to the extent these needs cannot otherwise be adequately met.”; and

(3) by striking out the part which follows the numbered paragraphs and inserting in lieu thereof the following:

“Activities assisted under this section shall, to the maximum extent feasible, cover entire areas having common or related development problems. The Secretary shall encourage cooperation in preparing and carrying out plans among all interested municipalities, political subdivisions, public agencies, and other parties in order to achieve coordinated development of entire areas. To the maximum extent feasible,

pertinent plans and studies already made for areas shall be utilized so as to avoid unnecessary repetition of effort and expense."

(b) Section 701 of such Act is further amended by striking out all that follows subsection (a) and inserting in lieu thereof the following:

40 USC 461.

"(b) Activities which may be assisted under this section include those necessary (1) to develop and carry out a comprehensive plan as part of an ongoing planning process, (2) to develop and improve the management capability to implement such plan or part thereof or related plans or planning, and (3) to develop a policy-planning-evaluation capacity so that the recipient may more rationally (A) determine its needs, (B) set long-term goals and short-term objectives, (C) devise programs and activities to meet these goals and objectives, and (D) evaluate the progress of such programs in accomplishing those goals and objectives. Activities assisted under this section shall be carried out by professionally competent persons.

"(c) Each recipient of assistance under this section shall carry out an ongoing comprehensive planning process which shall make provision for citizen participation pursuant to regulations of the Secretary where major plans, policies, priorities, or objectives are being determined. The process shall involve development and subsequent modifications of a comprehensive plan which shall be reviewed at least biennially for necessary or desirable amendments. Any such plan shall include, as a minimum, each of the following elements:

"(1) A housing element which shall take into account all available evidence of the assumptions and statistical bases upon which the projection of zoning, community facilities, and population growth is based, so that the housing needs of both the region and the local communities studied in the planning will be adequately covered in terms of existing and prospective population growth. The development and formulation of State and local goals pursuant to title XVI of the Housing and Urban Development Act of 1968 shall be a part of such a housing element.

42 USC 1441a.

"(2) A land-use element which shall include (A) studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth shall take place within the recipient's boundaries, and (B) as a guide for governmental policies and activities, general plans with respect to the pattern and intensity of land use for residential, commercial, industrial, and other activities.

Each of the elements set forth above shall specify (i) broad goals and annual objectives (in measurable terms wherever possible), (ii) programs designed to accomplish these objectives, and (iii) procedures, including criteria set forth in advance, for evaluating programs and activities to determine whether they are meeting objectives. Such elements shall be consistent with each other and consistent with stated national growth policy.

"(d) After an initial application for assistance under this section has been approved, the Secretary may make grants on an annual basis, if—

"(1) the applicant submits to the Secretary annually a description of its work program designed to meet objectives for the next succeeding one-year period and setting forth any changes the applicant intends to undertake to achieve better progress; and

"(2) the applicant submits to the Secretary biennially (A) an evaluation of the progress made by it during the previous two years in meeting objectives set forth in its plan, and (B) a description of any changes in the plan's goals or objectives.

The Secretary shall make no grant after three years from the date of enactment of the Housing and Community Development Act of 1974, to any applicant (other than an applicant described in paragraph (6) or (7) of subsection (a)), unless the Secretary is satisfied that the comprehensive planning being carried out by the applicant includes the elements specified in paragraphs (1) and (2) of subsection (c).

Grant, cost
limitation,
Appropriation.

“(e) A grant made under this section shall not exceed two-thirds of the estimated cost of the work for which the grant is made. There are authorized to be appropriated for the purposes of this section not to exceed \$130,000,000 for the fiscal year 1975, and not to exceed \$150,000,000 for the fiscal year 1976. Of the funds appropriated under this section, not to exceed an aggregate of \$10,000,000 plus 5 per centum of the funds so appropriated may be used by the Secretary for studies, research, and demonstration projects, undertaken independently or by contract, for the development and improvement of techniques and methods for comprehensive planning and for the advancement of the purposes of this section, and for grants to assist in the conduct of studies and research relating to needed revisions in State statutes which create, govern, or control local governments and local governmental operations.

“(f) It is the further intent of this section to encourage comprehensive planning on a unified basis for States, cities, counties, metropolitan areas, districts, regions, and Indian reservations and the establishment and development of the organizational units needed therefor. In extending financial assistance under this section, the Secretary may require such assurances as he deems adequate that the appropriate State and local agencies are making reasonable progress in the development of the elements of comprehensive planning. The Secretary is authorized by contract, grant, or otherwise to provide technical assistance to State and local governments, and interstate and regional combinations thereof, to Indian tribal bodies, and to governmental units or agencies described in subsection (a) (7), undertaking such planning and, by contract or otherwise, to make studies and publish information on comprehensive planning and related management problems.

“(g) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, cooperative effort and mutual assistance in the comprehensive planning for the growth and development of interstate, metropolitan, or other urban areas, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts.

“(h) In addition to the planning grants authorized by subsection (a), the Secretary is further authorized to make grants to organizations composed of public officials representative of the political jurisdictions within the metropolitan area, region, or district involved for the purpose of assisting such organizations to undertake studies, collect data, develop metropolitan, regional, and district plans and programs, and engage in such other activities, including implementation of such plans, as the Secretary finds necessary or desirable for the solution of the metropolitan, regional, or district problems in such areas, regions, or districts. To the maximum extent feasible, all grants under this subsection shall be for activities relating to all the developmental aspects of the total metropolitan area, region, or district including, but not limited to, land use, transportation, housing, economic development, natural resources development, community facilities, and the general improvement of living environments.

“(i) In addition to the other grants authorized by this section, the Secretary is authorized to make grants to assist any city, other municipality, or county in making a survey of the structures and sites in the locality which are determined by its appropriate authorities to be of historic or architectural value. Any such survey shall be designed to identify the historic structures and sites in the locality, determine the cost of their rehabilitation or restoration, and provide such other information as may be necessary or appropriate to serve as a foundation for a balanced and effective program of historic preservation in such locality. The aspects of any such survey which relate to the identification of historic and architectural values shall be conducted in accordance with criteria found by the Secretary to be comparable to those used in establishing the national register maintained by the Secretary of the Interior under other provisions of law; and the results of each such survey shall be made available to the Secretary of the Interior. A grant under this subsection shall be made to the appropriate agency or entity specified in paragraphs (1) through (6) of subsection (a) or, if there is no such agency or entity which is qualified and willing to receive the grant and provide for its utilization in accordance with this subsection, directly to the city, other municipality, or county involved.

“(j) Grants made under this section may be used, subject to regulations and conditions prescribed by the Secretary, for any activities made eligible by the provisions of this section; but such regulations shall provide that grant assistance shall not be used to defray the cost of the acquisition, construction, repair, or rehabilitation of, or the preparation of engineering drawings or similar detailed specifications for, specific housing, capital facilities, or public works projects.

“(k) The Secretary shall consult with the heads of other Federal departments and agencies having responsibilities related to the purposes of this section, including responsibilities connected with the economic development of rural and depressed areas and the protection and enhancement of the Nation's natural environment, with respect to (1) general standards, policies, and procedures to be followed in the administration of this section, and (2) particular grant actions or approvals which the Secretary believes to be of special interest or concern to one or more of such departments and agencies.

“(l) Funds made available under any Federal assistance program for projects or activities, approved as part of or in furtherance of a planning program or related management activities assisted under this section, may be used jointly with funds made available for such projects or activities under any other Federal assistance program, subject to regulations prescribed by the President. Such regulations may include provisions for common technical or administrative requirements where varying or conflicting provisions of law or regulations would otherwise apply, for establishing joint management funds and common non-Federal shares, and for special agreements or delegations of authority, among different Federal agencies in connection with the supervision or administration of assistance. Such regulations shall in any case include appropriate criteria and procedures to assure that any special authorities conferred, which are not otherwise provided for by law, shall be employed only as necessary to promote effective and efficient administration and in a manner consistent with the protection of the Federal interest and program purposes or statutory requirements of a substantive nature. For purposes of this subsection, the term ‘Federal assistance program’ has the same meaning as in the Intergovernmental Cooperation Act of 1968.

“Federal assistance program.”
42 USC 4201
note.

Definitions.

“(m) As used in this section—

“(1) The term ‘metropolitan area’ means a standard metropolitan statistical area, as established by the Office of Management and Budget, subject, however, to such modifications or extensions as the Secretary deems to be appropriate for the purposes of this section.

“(2) The term ‘region’ includes (A) all or part of the area of jurisdiction of one or more units of general local government, and (B) one or more metropolitan areas.

“(3) The term ‘district’ includes all or part of the area of jurisdiction of (A) one or more counties, and (B) one or more other units of general local government, but does not include any portion of a metropolitan area.

“(4) The term ‘comprehensive planning’ includes the following:

“(A) preparation, as a guide for governmental policies and action, of general plans with respect to (i) the pattern and intensity of land use, (ii) the provision of public facilities (including transportation facilities) and other government services, and (iii) the effective development and utilization of human and natural resources;

“(B) identification and evaluation of area needs (including housing, employment, education, and health) and formulation of specific programs for meeting the needs so identified;

“(C) surveys of structures and sites which are determined by the appropriate authorities to be of historic or architectural value;

“(D) long-range physical and fiscal plans for such action;

“(E) programing of capital improvements and other major expenditures, based on a determination of relative urgency, together with definite financing plans for such expenditures in the earlier years of the program;

“(F) coordination of all related plans and activities of the State and local governments and agencies concerned; and

“(G) preparation of regulatory and administrative measures in support of the foregoing.

Comprehensive planning for the purpose of districts shall not include planning for or assistance to establishments in relocating from one area to another or assist contractors or subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts theretofore customarily performed by them. The limitation set forth in the preceding sentence shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity, if the Secretary finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

“(n) In carrying out the provisions of this section relating to planning for States, regions, or other multijurisdictional areas whose development has significance for purposes of national growth and urban development objectives, the Secretary shall encourage the formulation of plans and programs which will include the studies, criteria, standards, and implementing procedures necessary for effectively guiding and controlling major decisions as to where growth should

take place within such States, regions, or areas. Such plans and programs shall take account of the availability of and need for conserving land and other irreplaceable natural resources; of projected changes in size, movement, and composition of population; of the necessity for expanding housing and employment opportunities; of the opportunities, requirements, and possible locations for new communities and large-scale projects for expanding or revitalizing existing communities; and of the need for methods of achieving modernization, simplification, and improvements in governmental structures, systems, and procedures related to growth objectives. If the Secretary determines that activities otherwise eligible for assistance under this section are necessary to the development or implementation of such plans and programs, he may make grants in support of such activities to any governmental agency or organization of public officials which he determines is capable of carrying out the planning work involved in an effective and efficient manner and may make such grants in an amount equal to not more than 80 per centum of the cost of such activities."

40 USC 460.

(c) Section 703 of such Act is amended by striking out "and" in clause (1), and by inserting ", and the Trust Territory of the Pacific Islands" immediately before the semicolon at the end of such clause.

TRAINING AND FELLOWSHIP PROGRAMS

SEC. 402. (a) Section 801(b) of the Housing and Urban Development Act of 1964 is amended to read as follows:

20 USC 801.

"(b) It is the purpose of this title to provide fellowships for the graduate training of professional city and regional planning, management, and housing specialists, and professionally trained personnel with a general capacity in urban affairs and problems: to make grants to and contracts with institutions of higher education (or combinations of such institutions) to assist them in planning, developing, strengthening, improving, or carrying out programs or projects for the preparation of graduate or professional students to enter the public service; and to assist and encourage the States and localities, in cooperation with public and private universities and colleges and urban centers and with business firms and associations, labor unions, and other interested associations and organizations, to (1) organize, initiate, develop, and expand programs which will provide special training in skills needed for economic and efficient community development to those technical, professional, and other persons with the capacity to master and employ such skills who are, or are training to be, employed by a governmental or public body which has responsibility for community development, or by a private nonprofit organization which is conducting or has responsibility for housing and community development programs, and (2) support State and local research that is needed in connection with housing programs and needs, public improvement programing, code problems, efficient land use, urban transportation, and similar community development problems."

20 USC 802.

(b) Section 802(a) of such Act is amended to read as follows:

"(a) The Secretary is authorized to provide fellowships for the graduate training of professional city planning, management, and housing specialists, and other persons who wish to develop a general capacity in urban affairs and problems as herein provided. Persons shall be selected for such fellowships solely on the basis of ability and upon the recommendation of the Urban Studies Fellowship Advisory Board established pursuant to subsection (b). Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engi-

neering, economics, municipal finance, public administration, urban affairs, and sociology) which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development.”

20 USC 801.

20 USC 804.

(c) Title VIII of such Act is further amended (1) by redesignating sections 804 through 807 as sections 805 through 808, respectively, and (2) by inserting after section 803 a new section as follows:

“PROJECT GRANTS AND CONTRACTS

20 USC 803a.

“SEC. 804. (a) The Secretary is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (1) for the preparation of graduate or professional students in the fields of city and regional planning and management, housing, and urban affairs, or (2) for research into, or development or demonstration of, improved methods of education for these professions. Such grants or contracts may include payment of all or part of the cost of programs or projects.

“(b) (1) A grant or contract authorized by this section shall be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

“(A) sets forth programs, activities, research, or development for which a grant is authorized under this section;

“(B) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this subsection; and

“(C) provides for making such reports, in such form and containing such information, as the Secretary may require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

“(2) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under paragraph (1), to pay part of the compensation of students employed in professions referred to in subsection (a) (1), except students employed in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this subsection.”

20 USC 806.

(d) Section 807 of such Act (as redesignated by subsection (c) of this section) is amended by inserting before the period at the end of the first sentence a comma and the following: “which amount shall be increased by \$3,500,000 on July 1, 1974, and by \$3,500,000 on July 1, 1975”.

TITLE V—RURAL HOUSING

INCLUSION OF UNITED STATES TERRITORIES AND TRUST TERRITORY OF THE PACIFIC ISLANDS

42 USC 1471.

SEC. 501. Section 501(a) (1) of the Housing Act of 1949 is amended by striking out “Puerto Rico and the Virgin Islands” and inserting in lieu thereof the following: “the Commonwealth of Puerto Rico, the Virgin Islands, the territories and possessions of the United States, and the Trust Territory of the Pacific Islands”.

REFINANCING OF INDEBTEDNESS FOR CERTAIN ELIGIBLE APPLICANTS

SEC. 502. Section 501(a)(4) of the Housing Act of 1949 is amended—

42 USC 1471.

(1) by adding after the comma at the end of clause (B) the following: “or, if combined with a loan for improvement, rehabilitation, or repairs and not refinanced, is likely to cause a hardship for the applicant, and”; and

(2) striking out clauses (C) and (D) and inserting in lieu thereof the following:

“(C) was incurred by the applicant at least five years prior to his applying for assistance under this title.”.

LOANS TO LEASEHOLD OWNERS UNDER ALL RURAL HOUSING PROGRAMS

SEC. 503. Section 501(b)(2) of the Housing Act of 1949 is amended by striking out “sections 502 and 504” and inserting in lieu thereof “this title”.

REHABILITATION LOANS AND GRANTS

SEC. 504. Section 504(a) of the Housing Act of 1949 is amended to read as follows:

42 USC 1474.

“(a) In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 502 and 503 and that repairs or improvements should be made to a rural dwelling occupied by him in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making similar repairs, additions, or improvements, including all preliminary and installation costs in obtaining central water and sewer service. No assistance shall be extended to any one individual under this subsection in the form of a loan, grant, or combined loan and grant in excess of \$5,000. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable within twenty years in accordance with the principles and conditions set forth in this title, except that a loan for less than \$2,500 need be evidenced only by a promissory note. Sums made available by grant may be made subject to the conditions set forth in this title for the protection of the Government with respect to contributions made on loans made by the Secretary.”.

ESCROW ACCOUNTS FOR TAXES, INSURANCE, AND OTHER EXPENSES

SEC. 505. (a) Section 501 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

42 USC 1471.

“(e) The Secretary may establish procedures whereby borrowers under this title may make periodic payments for the purpose of taxes, insurance, and such other necessary expenses as the Secretary may deem appropriate. Such payments shall be held in escrow by the Secretary and paid out by him at the appropriate time or times for the purposes for which such payments are made. The Secretary shall notify a borrower in writing when his loan payments are delinquent.”.

(b) The second sentence of section 502(a) of such Act is amended by inserting before the period at the end thereof the following: “and on the borrower prepaying to the Secretary as escrow agent, on terms and conditions prescribed by him, such taxes, insurance, and other

42 USC 1472.

expenses as the Secretary may require in accordance with section 501(e)".

42 USC 1487.

(c) Section 517 of such Act is amended—

(1) by striking out "as it becomes due" in the first sentence of subsection (d);

(2) by striking out "prepayment" and "prepayments" each place they appear in subsection (j)(1) and inserting in lieu thereof "payment" and "payments", respectively; and

(3) by inserting before the semicolon at the end of subsection (j)(1) the following: "or until the next agreed annual or semi-annual remittance date".

RESEARCH AND STUDY PROGRAMS

42 USC 1476.

SEC. 506. (a) Section 506(d) of the Housing Act of 1949 is amended to read as follows:

"(d) The Secretary may carry out the research and study programs authorized by subsections (b) and (c) through grants made by him, on such terms, conditions, and standards as he may prescribe, to land-grant colleges established pursuant to the Act of July 2, 1862 (7 U.S.C. 301-308), or (upon a finding by the Secretary that the research and study involved cannot feasibly be performed through the personnel and facilities of the Department of Agriculture or by land-grant colleges) to such other private or public organizations as he may select."

(b) Section 506(e) of such Act is amended by striking out "farm housing" each place it appears and inserting in lieu thereof "rural housing".

VETERANS PREFERENCE

42 USC 1477.

SEC. 507. Section 507 of the Housing Act of 1949 is amended—

(1) by inserting after "concurrent resolution of Congress" each place it appears a comma and the following: "or during the period beginning after January 31, 1955, and ending on August 4, 1964, or during the Vietnam era (as defined in section 101(29) of title 38, United States Code)," ; and

(2) by inserting "or era" before the period at the end of the third sentence.

UTILIZATION OF COUNTY COMMITTEES

42 USC 1478.

SEC. 508. Section 508(b) of the Housing Act of 1949 is amended to read as follows:

"(b) The committees utilized or appointed pursuant to this section may examine applications of persons desiring to obtain the benefits of section 501(a) (1) and (2) as they relate to the successful operation of a farm, and may submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive such benefits, whether by reason of his character, ability, and experience he is likely successfully to carry out undertakings required of him under a loan under such section, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan requested will carry out the purposes of this title. The committees may also certify to the Secretary with respect to the amount of any loan."

ASSISTANCE AUTHORIZATION

42 USC 1483.

42 USC 1474.

SEC. 509. (a) Clauses (b), (c), and (d) of section 513 of the Housing Act of 1949 are amended to read as follows: "(b) not to exceed \$80,000,000 for loans and grants pursuant to section 504 during the

period beginning July 1, 1956, and ending June 30, 1977; (c) not to exceed \$80,000,000 for financial assistance pursuant to section 516 for the period ending June 30, 1977; (d) not to exceed \$250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 506 during the period beginning July 1, 1961, and ending June 30, 1974, and not to exceed \$1,000,000 per year for such programs during the period beginning October 1, 1974, and ending June 30, 1977;".

42 USC 1486.

Ante, p. 694.

(b) Sections 515(b)(5) and 517(a)(1) of such Act are amended by striking out "October 1, 1974" and inserting in lieu thereof "June 30, 1977".

42 USC 1485, 1487.

**DIRECT AND INSURED LOANS TO PROVIDE HOUSING AND RELATED FACILITIES
FOR ELDERLY PERSONS AND LOWER INCOME FAMILIES IN RURAL AREAS**

SEC. 510. (a) Section 515(b)(1) of the Housing Act of 1949 is amended—

42 USC 1485.

(1) by striking out "\$750,000 or"; and

(2) by striking out "least" and inserting in lieu thereof "less".

(b) Section 515(d)(4) of such Act is amended to read as follows:

"(4) the term 'development cost' means the costs of constructing, purchasing, improving, altering, or repairing new or existing housing and related facilities and purchasing and improving the necessary land, including necessary and appropriate fees and charges, and initial operating expenses up to 2 per centum of the aforementioned costs, approved by the Secretary. Such fees and charges may include payments of qualified consulting organizations or foundations which operate on a nonprofit basis and which render services or assistance to nonprofit corporations or consumer cooperatives who provide housing and related facilities for low or moderate income families."

"Development cost."

DEFINITION OF RURAL AREA

SEC. 511. Section 520 of the Housing Act of 1949 is amended by inserting before the period at the end thereof a comma and the following: "or (3) has a population in excess of 10,000 but not in excess of 20,000, and (A) is not contained within a standard metropolitan statistical area, and (B) has a serious lack of mortgage credit, as determined by the Secretary and the Secretary of Housing and Urban Development".

42 USC 1490.

MUTUAL AND SELF-HELP HOUSING

SEC. 512. (a) Section 523(b)(1) of the Housing Act of 1949 is amended by inserting immediately before "; and" at the end thereof the following: " : *Provided*, That the Secretary may advance funds under this paragraph to organizations receiving assistance under clause (A) to enable them to establish revolving accounts for the purchase of land options and any such advances may bear interest at a rate determined by the Secretary and shall be repaid to the Secretary at the expiration of the period for which the grant to the organization involved was made".

42 USC 1490c.

(b) Section 523(f) of such Act is amended—

(1) by striking out "1974" each place it appears and inserting in lieu thereof "1977"; and

(2) by striking out "\$5,000,000" and inserting in lieu thereof "\$10,000,000".

(c) Section 523 of such Act is amended by adding at the end thereof the following new subsection:

Rules and
regulations.

“(h) The Secretary shall issue rules and regulations for the orderly processing and review of applications under this section and rules and regulations protecting the rights of grantees under this section in the event he determines to end grant assistance prior to the termination date of any grant agreement.”.

SITE LOANS

42 USC 1490d. SEC. 513. The first sentence of section 524(a) of the Housing Act of 1949 is amended to read as follows: “The Secretary may make loans, on such terms and conditions and in such amounts he deems necessary, to public or private nonprofit organizations for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, public agencies, and cooperatives eligible for assistance under any section of this title or under any other law which provides financial assistance for housing low- and moderate-income families.”

RENTAL ASSISTANCE

42 USC 1490a. SEC. 514. (a) Section 521(a) of the Housing Act of 1949 is amended by inserting “(1)” after “(a)”, and by adding at the end thereof the following new paragraph:

42 USC 1484,
1485, 1487. “(2) (A) The Secretary may make and insure loans under this section and sections 514, 515, and 517 to provide rental or cooperative housing and related facilities for persons and families of low income in multifamily housing projects, and may make, and contract to make, assistance payments to the owners of such rental housing in order to make available to low-income occupants of such housing rentals at rates commensurate to income and not exceeding 25 per centum of income. Such assistance payments shall be made on a unit basis and shall not be made for more than 20 per centum of the units in any one project, except that (i) when the project is financed by a loan under section 515 for elderly housing or by a loan under section 514 and a grant under section 516, such assistance may be made for up to 100 per centum of the units, and (ii) when the Secretary determines such action is necessary or feasible, he may make such payments with respect to more than 20 per centum of the units.

“(B) The owner of any project assisted under this paragraph shall be required to provide at least annually a budget of operating expenses and record of tenants’ income which shall be used to determine the amount of assistance for each project.

“(C) The project owner shall accumulate, safeguard, and periodically pay to the Secretary any rental charges collected in excess of basic rental charges as established by the Secretary in conformity with subparagraph (A). These funds may be credited to the appropriation and used by the Secretary for making such assistance payments through the end of the next fiscal year.”

(b) Section 521(c) of such Act is amended to read as follows:

“(c) There shall be reimbursed to the Rural Housing Insurance Fund by annual appropriations (1) the amounts by which nonprincipal payments made from the fund during each fiscal year to the holders of insured loans described in subsection (a) (1) exceed interest due from the borrowers during each year, and (2) the amount of assistance payments described in subsection (a) (2). The Secretary may from time to time issue notes to the Secretary of the Treasury under section 517(h) to obtain amounts equal to such unreimbursed payments, pending the annual reimbursement by appropriation.”

(c) Section 517(j) of such Act is amended—

(1) by striking out “and” at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof “; and”; and

(3) by adding at the end thereof the following new paragraph:

“(4) to make assistance payments authorized by section 521 (a) (2).”

Ante, p. 696.

TECHNICAL AND SUPERVISORY ASSISTANCE

SEC. 515. Title V of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

“PROGRAMS OF TECHNICAL AND SUPERVISORY ASSISTANCE FOR LOW-INCOME FAMILIES

“SEC. 525. (a) The Secretary may make grants to or enter into contracts with public or private nonprofit corporations, agencies, institutions, organizations, and other associations approved by him, to pay part or all of the cost of developing, conducting, administering or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and families in benefiting from Federal, State, and local housing programs in rural areas. In processing applications for such grants or contracts made by private nonprofit corporations, agencies, institutions, organizations, and other associations, the Secretary shall give preference to those which are sponsored (including assistance to the applicant in processing the application, implementing the technical assistance program, and carrying out the obligations of the grant or contract) by a State, county, municipality, or other governmental entity or public body.

42 USC 1490e.

“(b) The Secretary is authorized to make loans to public or private nonprofit corporations, agencies, institutions, organizations, and other associations approved by him for the necessary expenses, prior to construction, of planning, and obtaining financing for, the rehabilitation or construction of housing for low-income individuals or families under any Federal, State, or local housing program which is or could be used in rural areas. Such loans shall be made without interest and shall be for the reasonable costs expected to be incurred in planning, and in obtaining financing for, such housing prior to the availability of financing, including but not limited to preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, and construction loan fees and discounts. The Secretary shall require repayment of loans made under this subsection, under such terms and conditions as he may require, upon completion of the housing or sooner, and may cancel any part or all of such loan if he determines that it cannot be recovered from the proceeds of any permanent loan made to finance the rehabilitation or construction of the housing.

“(c) There are authorized to be appropriated for the fiscal years ending June 30, 1975, and June 30, 1976, not to exceed \$5,000,000 for the purposes of subsection (a) and not to exceed \$5,000,000 for the purposes of subsection (b). Any amounts so appropriated shall remain available until expended, and any amounts authorized for any fiscal year under this subsection but not appropriated may be appropriated for any succeeding fiscal year.

Appropriation.

“(d) All funds appropriated for the purpose of subsection (b) shall be deposited in a fund which shall be known as the low-income sponsor fund, and which shall be available without fiscal year limitation and be administered by the Secretary as a revolving fund for carrying out the purposes of that subsection. Sums received in repayment of loans made under subsection (b) shall be deposited in such fund.”

Low-income
sponsor fund.

CONDOMINIUM HOUSING

Ante, p. 697. SEC. 516. (a) Title V of the Housing Act of 1949 (as amended by section 515 of this Act) is amended by adding at the end thereof the following new section:

“CONDOMINIUM HOUSING

42 USC 1490f.

Ante, p. 693.

“SEC. 526. (a) The Secretary is authorized, in his discretion and upon such terms and conditions (substantially identical insofar as may be feasible with those specified in section 502) as he may prescribe, to make loans to persons and families of low or moderate income, and to insure and make commitments to insure loans made to persons and families of low or moderate income, to assist them in purchasing dwelling units in condominiums located in rural areas.

“(b) Any loan made or insured under subsection (a) shall cover a one-family dwelling unit in a condominium, and shall be subject to such provisions as the Secretary determines to be necessary for the maintenance of the common areas and facilities of the condominium project and to such additional requirements as the the Secretary deems appropriate for the protection of the consumer.

“(c) In addition to individual loans made or insured under subsection (a) the Secretary is authorized, in his discretion and upon such terms and conditions (substantially identical insofar as may be feasible with those specified in section 515) as he may prescribe, to make or insure blanket loans to a borrower who shall certify to the Secretary, as a condition of obtaining such loan or insurance, that upon completion of the multifamily project the ownership of the project will be committed to a plan of family unit ownership under which (1) each family unit will be eligible for a loan or insurance under subsection (a), and (2) the individual dwelling units in the project will be sold only on a condominium basis and only to purchasers eligible for a loan or insurance under subsection (a). The principal obligation of any blanket loan made or insured under this subsection shall in no case exceed the sum of the individual amounts of the loans which could be made or insured with respect to the individual dwelling units in the project under subsection (a).

“Condominium.”

“(d) As used in this section, the term ‘condominium’ means a multi-unit housing project which is subject to a plan of family unit ownership acceptable to the Secretary under which each dwelling unit is individually owned and each such owner holds an undivided interest in the common areas and facilities which serve the project.”

42 USC 1487.

42 USC 1490d.
Supra.*Ante*, p. 696.

42 USC 1485.

(b) Section 517(b) of such Act is amended by striking out “and 524” and inserting in lieu thereof “524, and 526”.

(c) (1) Section 521(a) (1) of such Act (as amended by section 514 (a) of this Act) is amended—

(A) by striking out “and loans under section 515” and inserting in lieu thereof “loans under section 515”; and

(B) by inserting after “elderly families,” the following: “and loans under section 526 to provide condominium housing for persons and families of low or moderate income.”

(2) Section 521(b) of such Act is amended—

(A) by striking out “or 517(a) (1)” and inserting in lieu thereof “517(a) (1), or 526(a)”; and

(B) by inserting “or 526(c)” after “under section 515”.

(3) Section 521(c) of such Act (as amended by section 514(b) of this Act) is amended by inserting “and section 526” after “section 517(h)”.

TRANSFER OF PRE-1965 INSURED HOUSING LOANS TO THE RURAL HOUSING
INSURANCE FUND

SEC. 517. Section 517(b) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentences: "The notes held in the Agricultural Credit Insurance Fund (7 U.S.C. 1929) which evidence loans made or insured by the Secretary under section 514 or 515(b), the rights and liabilities of that Fund under insurance contracts relating to such loans held by insured investors, the mortgages securing the obligations of the borrowers under such loans held in that Fund or by insured investors, and all rights to subsequent collections on and proceeds of such notes, contracts, and mortgages, are hereby transferred to the Rural Housing Insurance Fund and for the purposes of this title and any other Act shall be subject to the provisions of this section as if created pursuant thereto. The Rural Housing Insurance Fund shall compensate the Agricultural Credit Insurance Fund for the aggregate unpaid principal balance plus accrued interest of the notes so transferred."

Ante, p. 698.42 USC 1484;
Ante, p. 695.

MOBILE HOMES

SEC. 518. Title V of the Housing Act of 1949 (as amended by sections 515 and 516(a) of this Act) is amended by adding at the end thereof the following new section:

Ante, pp. 697,
698.

"MOBILE HOMES

"SEC. 527. (a) As used in this title, the term 'housing' shall, notwithstanding any other provision of this title and to the extent deemed practicable by the Secretary, include mobile homes and mobile home sites.

"Housing."
42 USC 1490g.

"(b) With respect to mobile homes and mobile home sites financed under this title, the Secretary shall—

"(1) prescribe minimum property standards to assure the livability and durability of the mobile home and the suitability of the site on which it is to be located, and

"(2) obtain assurances from the borrower that the mobile home will be placed on a site which complies with standards prescribed by the Secretary and with applicable local requirements.

Loans under this title for the purchase of mobile homes and sites shall be made on the same terms and conditions as are applicable under section 2 of the National Housing Act to obligations financing the purchase of mobile homes and lots on which to place such homes."

Ante, p. 685.

CONTRACT SERVICES AND FEES

SEC. 519. (a) Section 506(a) of the Housing Act of 1949 is amended by striking out "as may be required by the Secretary, by competent employees of the Secretary" and inserting in lieu thereof "as required by the Secretary".

42 USC 1476.

(b) Section 517(j)(3) of such Act is amended by inserting after "borrowers," the following: "and other services customary in the industry, construction inspections, commercial appraisals, servicing of loans, and other related program services and expenses,".

42 USC 1487.

STATE AND LOCAL AGENCIES

SEC. 520. Section 501(c) of the Housing Act of 1949 is amended by adding at the end thereof the following: "If an applicant is a State or local public agency—

42 USC 1471.

“(A) the provisions of clause (3) shall not apply to its application; and

“(B) the applicant shall be eligible to participate in any program under this title if the persons or families to be served by the applicant with the assistance being sought would be eligible to participate in such program.”

National Mobile
Home Construc-
tion and Safety
Standards Act of
1974.

TITLE VI—MOBILE HOME CONSTRUCTION AND SAFETY STANDARDS

SHORT TITLE

42 USC 5401
note.

SEC. 601. This title may be cited as the “National Mobile Home Construction and Safety Standards Act of 1974”.

STATEMENT OF PURPOSE

42 USC 5401.

SEC. 602. The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and the amount of insurance costs and property damage resulting from mobile home accidents and to improve the quality and durability of mobile homes. Therefore, the Congress determines that it is necessary to establish Federal construction and safety standards for mobile homes and to authorize mobile home safety research and development.

DEFINITIONS

42 USC 5402.

SEC. 603. As used in this title, the term—

(1) “mobile home construction” means all activities relating to the assembly and manufacture of a mobile home including but not limited to those relating to durability, quality, and safety;

(2) “dealer” means any person engaged in the sale, leasing, or distribution of new mobile homes primarily to persons who in good faith purchase or lease a mobile home for purposes other than resale;

(3) “defect” includes any defect in the performance, construction, components, or material of a mobile home that renders the home or any part thereof not fit for the ordinary use for which it was intended;

(4) “distributor” means any person engaged in the sale and distribution of mobile homes for resale;

(5) “manufacturer” means any person engaged in manufacturing or assembling mobile homes, including any person engaged in importing mobile homes for resale;

(6) “mobile home” means a structure, transportable in one or more sections, which is eight body feet or more in width and is thirty-two body feet or more in length, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein;

(7) “Federal mobile home construction and safety standard” means a reasonable standard for the construction, design, and performance of a mobile home which meets the needs of the public including the need for quality, durability, and safety;

(8) “mobile home safety” means the performance of a mobile home in such a manner that the public is protected against any unreasonable risk of the occurrence of accidents due to the design

or construction of such mobile home, or any unreasonable risk of death or injury to the user or to the public if such accidents do occur;

(9) "imminent safety hazard" means an imminent and unreasonable risk of death or severe personal injury;

(10) "purchaser" means the first person purchasing a mobile home in good faith for purposes other than resale;

(11) "Secretary" means the Secretary of Housing and Urban Development;

(12) "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa; and

(13) "United States district courts" means the Federal district courts of the United States and the United States courts of the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa.

FEDERAL MOBILE HOME CONSTRUCTION AND SAFETY STANDARDS

SEC. 604. (a) The Secretary, after consultation with the Consumer Product Safety Commission, shall establish by order appropriate Federal mobile home construction and safety standards. Each such Federal mobile home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to mobile home safety and construction.

42 USC 5403.

(b) All orders issued under this section shall be issued after notice and an opportunity for interested persons to participate are provided in accordance with the provisions of section 553 of title 5, United States Code.

Notice.

(c) Each order establishing a Federal mobile home construction and safety standard shall specify the date such standard is to take effect, which shall not be sooner than one hundred and eighty days or later than one year after the date such order is issued, unless the Secretary finds, for good cause shown, that an earlier or later effective date is in the public interest, and publishes his reasons for such finding.

Standards, effective date.

(d) Whenever a Federal mobile home construction and safety standard established under this title is in effect, no State or political subdivision of a State shall have any authority either to establish, or to continue in effect, with respect to any mobile home covered, any standard regarding construction or safety applicable to the same aspect of performance of such mobile home which is not identical to the Federal mobile home construction and safety standard.

(e) The Secretary may by order amend or revoke any Federal mobile home construction or safety standard established under this section. Such order shall specify the date on which such amendment or revocation is to take effect, which shall not be sooner than one hundred and eighty days or later than one year from the date the order is issued, unless the Secretary finds, for good cause shown, that an earlier or later date is in the public interest, and publishes his reasons for such finding.

Amendment or revocation, effective date.

(f) In establishing standards under this section, the Secretary shall—

(1) consider relevant available mobile home construction and safety data, including the results of the research, development, testing, and evaluation activities conducted pursuant to this title, and those activities conducted by private organizations and other governmental agencies to determine how to best protect the public;

(2) consult with such State or interstate agencies (including legislative committees) as he deems appropriate;

(3) consider whether any such proposed standard is reasonable for the particular type of mobile home or for the geographic region for which it is prescribed;

(4) consider the probable effect of such standard on the cost of the mobile home to the public; and

(5) consider the extent to which any such standard will contribute to carrying out the purposes of this title.

(g) The Secretary shall issue an order establishing initial Federal mobile home construction and safety standards not later than one year after the date of enactment of this Act.

NATIONAL MOBILE HOME ADVISORY COUNCIL

42 USC 5404.
Appointment;
membership.

SEC. 605. (a) The Secretary shall appoint a National Mobile Home Advisory Council with the following composition: eight members selected from among consumer organizations, community organizations, and recognized consumer leaders; eight members from the mobile home industry and related groups including at least one representative of small business; and eight members selected from government agencies including Federal, State, and local governments. Appointments under this subsection shall be made without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service, classification, and General Schedule pay rates. The Secretary shall publish the names of the members of the Council annually and shall designate which members represent the general public.

5 USC 101 et
seq.

Consultation.

(b) The Secretary shall, to the extent feasible, consult with the Advisory Council prior to establishing, amending, or revoking any mobile home construction or safety standard pursuant to the provisions of this title.

Compensation.

(c) Any member of the National Mobile Home Advisory Council who is appointed from outside the Federal Government may be compensated at a rate not to exceed \$100 per diem (including travel-time) when engaged in the actual duties of the Advisory Council. Such members, while away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

JUDICIAL REVIEW OF ORDERS

Petition, filing.
42 USC 5405.

SEC. 606. (a) (1) In a case of actual controversy as to the validity of any order under section 604, any person who may be adversely affected by such order when it is effective may at any time prior to the sixtieth day after such order is issued file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based his order, as provided in section 2112 of title 28, United States Code.

Additional
evidence.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced

upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to review the order in accordance with the provisions of sections 701 through 706 of title 5, United States Code, and to grant appropriate relief.

Jurisdiction.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(5) Any action instituted under this subsection shall survive, notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

Savings provision.

(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(b) A certified copy of the transcript of the record and proceedings under this section shall be furnished by the Secretary to any interested party at his request and payment of the costs thereof, and shall be admissible in any criminal, exclusion of imports, or other proceeding arising under or in respect of this title, irrespective of whether proceedings with respect to the order have previously been initiated or become final under subsection (a).

Transcript, copies.

PUBLIC INFORMATION

SEC. 607. (a) Whenever any manufacturer is opposed to any action of the Secretary under section 604 or under any other provision of this title on the grounds of increased cost or for other reasons, the manufacturer shall submit such cost and other information (in such detail as the Secretary may by rule or order prescribe) as may be necessary in order to properly evaluate the manufacturer's statement.

42 USC 5406.

(b) Such information shall be available to the public unless the manufacturer establishes that it contains a trade secret or that disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage. Notice of the availability of such information shall be published promptly in the Federal Register. If the Secretary determines that any portion of such information contains a trade secret or that the disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage, such portion may be disclosed to the public only in such manner as to preserve the confidentiality of such trade secret or in such combined or summary form so as not to disclose the identity of any individual manufacturer, except that any such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

Publication in Federal Register.

(c) If the Secretary proposes to establish, amend, or revoke a Federal mobile home construction and safety standard under section 604 on the basis of information submitted pursuant to subsection (a), he shall publish a notice of such proposed action, together with the reasons therefor, in the Federal Register at least thirty days in advance of making a final determination, in order to allow interested parties an opportunity to comment.

Safety standard, amendment or revocation; publication in Federal Register.

"Cost information."

(d) For purposes of this section, "cost information" means information with respect to alleged cost increases resulting from action by the Secretary, in such a form as to permit the public and the Secretary to make an informed judgment on the validity of the manufacturer's statements. Such term includes both the manufacturer's cost and the cost to retail purchasers.

(e) Nothing in this section shall be construed to restrict the authority of the Secretary to obtain or require submission of information under any other provision of this title.

RESEARCH, TESTING, DEVELOPMENT, AND TRAINING

42 USC 5407.

SEC. 608. (a) The Secretary shall conduct research, testing, development, and training necessary to carry out the purposes of this title, including, but not limited to—

(1) collecting data from any source for the purpose of determining the relationship between mobile home performance characteristics and (A) accidents involving mobile homes, and (B) the occurrence of death, personal injury, or damage resulting from such accidents;

(2) procuring (by negotiation or otherwise) experimental and other mobile homes for research and testing purposes; and

(3) selling or otherwise disposing of test mobile homes and reimbursing the proceeds of such sale or disposal into the current appropriation available for the purpose of carrying out this title.

Grants.

(b) The Secretary is authorized to conduct research, testing, development, and training as authorized to be carried out by subsection (a) of this section by contracting for or making grants for the conduct of such research, testing, development, and training to States, interstate agencies, and independent institutions.

COOPERATION WITH PUBLIC AND PRIVATE AGENCIES

42 USC 5408.

SEC. 609. The Secretary is authorized to advise, assist, and cooperate with other Federal agencies and with State and other interested public and private agencies, in the planning and development of—

(1) mobile home construction and safety standards; and

(2) methods for inspecting and testing to determine compliance with mobile home standards.

PROHIBITED ACTS

42 USC 5409.

SEC. 610. (a) No person shall—

(1) make use of any means of transportation or communication affecting interstate or foreign commerce or the mails to manufacture for sale, lease, sell, offer for sale or lease, or introduce or deliver, or import into the United States, any mobile home which is manufactured on or after the effective date of any applicable Federal mobile home construction and safety standard under this title and which does not comply with such standard, except as provided in subsection (b), where such manufacture, lease, sale, offer for sale or lease, introduction, delivery, or importation affects commerce;

(2) fail or refuse to permit access to or copying of records, or fail to make reports or provide information, or fail or refuse to permit entry or inspection, as required under section 614;

(3) fail to furnish notification of any defect as required by section 615;

(4) fail to issue a certification required by section 616, or issue a certification to the effect that a mobile home conforms to all

applicable Federal mobile home construction and safety standards, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect; or (5) fail to comply with a final order issued by the Secretary under this title.

(b) (1) Paragraph (1) of subsection (a) shall not apply to the sale, the offer for sale, or the introduction or delivery for introduction in interstate commerce of any mobile home after the first purchase of it in good faith for purposes other than resale.

(2) For purposes of section 611, paragraph (1) of subsection (a) shall not apply to any person who establishes that he did not have reason to know in the exercise of due care that such mobile home is not in conformity with applicable Federal mobile home construction and safety standards, or to any person who, prior to such first purchase, holds a certificate issued by the manufacturer or importer of such mobile home to the effect that such mobile home conforms to all applicable Federal mobile home construction and safety standards, unless such person knows that such mobile home does not so conform.

(3) A mobile home offered for importation in violation of paragraph (1) of subsection (a) shall be refused admission into the United States under joint regulations issued by the Secretary of the Treasury and the Secretary, except that the Secretary of the Treasury and the Secretary may, by such regulations, provide for authorizing the importation of such mobile home into the United States upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such mobile home will be brought into conformity with any applicable Federal mobile home construction or safety standard prescribed under this title, or will be exported from, or forfeited to, the United States.

Importation,
regulations.

(4) The Secretary of the Treasury and the Secretary may, by joint regulations, permit the importation of any mobile home after the first purchase of it in good faith for purposes other than resale.

(5) Paragraph (1) of subsection (a) shall not apply in the case of a mobile home intended solely for export, and so labeled or tagged on the mobile home itself and on the outside of the container, if any, in which it is to be exported.

(c) Compliance with any Federal mobile home construction or safety standard issued under this title does not exempt any person from any liability under common law.

CIVIL AND CRIMINAL PENALTY

SEC. 611. (a) Whoever violates any provision of section 610, or any regulation or final order issued thereunder, shall be liable to the United States for a civil penalty of not to exceed \$1,000 for each such violation. Each violation of a provision of section 610, or any regulation or order issued thereunder shall constitute, a separate violation with respect to each mobile home or with respect to each failure or refusal to allow or perform an act required thereby, except that the maximum civil penalty may not exceed \$1,000,000 for any related series of violations occurring within one year from the date of the first violation.

42 USC 5410.

(b) An individual or a director, officer, or agent of a corporation who knowingly and willfully violates section 610 in a manner which threatens the health or safety of any purchaser shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

JURISDICTION AND VENUE

SEC. 612. (a) The United States district courts shall have jurisdiction, for cause shown and subject to the provisions of rule 65 (a) and

42 USC 5411.

28 USC app.

Notice.

Trial by court
or jury.

18 USC app.

(b) of the Federal Rules of Civil Procedure, to restrain violations of this title, or to restrain the sale, offer for sale, or the importation into the United States, of any mobile home which is determined, prior to the first purchase of such mobile home in good faith for purposes other than resale, not to conform to applicable Federal mobile home construction and safety standards prescribed pursuant to this title or to contain a defect which constitutes an imminent safety hazard, upon petition by the appropriate United States attorney or the Attorney General on behalf of the United States. Whenever practicable, the Secretary shall give notice to any person against whom an action for injunctive relief is contemplated and afford him an opportunity to present his views and the failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

(b) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this title, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

(c) Actions under subsection (a) of this section and section 611 may be brought in the district wherein any act or transaction constituting the violation occurred, or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found.

(d) In any action brought by the United States under subsection (a) of this section or section 611, subpoenas by the United States for witnesses who are required to attend at United States district court may run into any other district.

(e) It shall be the duty of every manufacturer offering a mobile home for importation into the United States to designate in writing an agent upon whom service of all administrative and judicial processes, notices, orders, decisions, and requirements may be made for and on behalf of such manufacturer, and to file such designation with the Secretary, which designation may from time to time be changed by like writing, similarly filed. Service of all administrative and judicial processes, notices, orders, decisions, and requirements may be made upon such manufacturer by service upon such designated agent at his office or usual place of residence with like effect as if made personally upon such manufacturer, and in default of such designation of such agent, service of process or any notice, order, requirement, or decision in any proceeding before the Secretary or in any judicial proceeding pursuant to this title may be made by mailing such process, notice, order, requirement, or decision to the Secretary by registered or certified mail.

NONCOMPLIANCE WITH STANDARDS

42 USC 5412.

SEC. 613. (a) If the Secretary or a court of appropriate jurisdiction determines that any mobile home does not conform to applicable Federal mobile home construction and safety standards, or that it contains a defect which constitutes an imminent safety hazard, after the sale of such mobile home by a manufacturer to a distributor or a dealer and prior to the sale of such mobile home by such distributor or dealer to a purchaser—

(1) the manufacturer shall immediately repurchase such mobile home from such distributor or dealer at the price paid by such distributor or dealer, plus all transportation charges involved and a reasonable reimbursement of not less than 1 per centum per

month of such price paid prorated from the date of receipt by certified mail of notice of such nonconformance to the date of repurchase by the manufacturer; or

(2) the manufacturer, at his own expense, shall immediately furnish the purchasing distributor or dealer the required conforming part or parts or equipment for installation by the distributor or dealer on or in such mobile home, and for the installation involved the manufacturer shall reimburse such distributor or dealer for the reasonable value of such installation plus a reasonable reimbursement of not less than 1 per centum per month of the manufacturer's or distributor's selling price prorated from the date of receipt by certified mail of notice of such nonconformance to the date such vehicle is brought into conformance with applicable Federal standards, so long as the distributor or dealer proceeds with reasonable diligence with the installation after the required part or equipment is received.

Parts, replacement and reimbursement for installation.

The value of such reasonable reimbursements as specified in paragraphs (1) and (2) of this subsection shall be fixed by mutual agreement of the parties, or, failing such agreement, by the court pursuant to the provisions of subsection (b).

(b) If any manufacturer fails to comply with the requirements of subsection (a), then the distributor or dealer, as the case may be, to whom such mobile home has been sold may bring an action seeking a court injunction compelling compliance with such requirements on the part of such manufacturer. Such action may be brought in any district court in the United States in the district in which such manufacturer resides, or is found, or has an agent, without regard to the amount in controversy, and the person bringing the action shall also be entitled to recover any damage sustained by him, as well as all court costs plus reasonable attorneys' fees. Any action brought pursuant to this section shall be forever barred unless commenced within three years after the cause of action shall have accrued.

Noncompliance, court injunction.

Statute of limitations.

INSPECTION OF MOBILE HOMES AND RECORDS

SEC. 614. (a) The Secretary is authorized to conduct such inspections and investigations as may be necessary to promulgate or enforce Federal mobile home construction and safety standards established under this title or otherwise to carry out his duties under this title. He shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury any information obtained indicating non-compliance with such standards for appropriate action.

42 USC 5413.

(b)(1) For purposes of enforcement of this title, persons duly designated by the Secretary, upon presenting appropriate credentials to the owner, operator, or agent in charge, are authorized—

(A) to enter, at reasonable times and without advance notice, any factory, warehouse, or establishment in which mobile homes are manufactured, stored, or held for sale; and

(B) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, any such factory, warehouse, or establishment, and to inspect such books, papers, records, and documents as are set forth in subsection (c). Each such inspection shall be commenced and completed with reasonable promptness.

(2) The Secretary is authorized to contract with State and local governments and private inspection organizations to carry out his functions under this subsection.

(c) For the purpose of carrying out the provisions of this title, the Secretary is authorized—

(1) to hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by

Hearings.

Witness fees.

subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records, as the Secretary or such officer or employee deems advisable. Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States;

(2) to examine and copy any documentary evidence of any person having materials or information relevant to any function of the Secretary under this title;

(3) to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe;

(4) to request from any Federal agency any information he deems necessary to carry out his functions under this title, and each such agency is authorized and directed to cooperate with the Secretary and to furnish such information upon request made by the Secretary, and the head of any Federal agency is authorized to detail, on a reimbursable basis, any personnel of such agency to assist in carrying out the duties of the Secretary under this title; and

(5) to make available to the public any information which may indicate the existence of a defect which relates to mobile home construction or safety or of the failure of a mobile home to comply with applicable mobile home construction and safety standards. The Secretary shall disclose so much of other information obtained under this subsection to the public as he determines will assist in carrying out this title; but he shall not (under the authority of this sentence) make available or disclose to the public any information which contains or relates to a trade secret or any information the disclosure of which would put the person furnishing such information at a substantial competitive disadvantage, unless he determines that it is necessary to carry out the purpose of this title.

Violation,
penalty.

(d) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary issued under paragraph (1) or paragraph (3) of subsection (c) of this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Building plans,
submittal to
Secretary for ap-
proval.

(e) Each manufacturer of mobile homes shall submit the building plans for every model of such mobile homes to the Secretary or his designee for the purpose of inspection under this section. The manufacturer must certify that each such building plan meets the Federal construction and safety standards in force at that time before the model involved is produced.

Records and
reports, inspec-
tion.

(f) Each manufacturer, distributor, and dealer of mobile homes shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such manufacturer, distributor, or dealer has acted or is acting in compliance with this title and Federal mobile home construction and safety standards prescribed pursuant to this title and shall, upon request of a person duly designated by the Secretary, permit such person to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, distributor, or dealer has acted or is acting in compliance

with this title and mobile home construction and safety standards prescribed pursuant to this title.

(g) Each manufacturer of mobile homes shall provide to the Secretary such performance data and other technical data related to performance and safety as may be required to carry out the purposes of this title. These shall include records of tests and test results which the Secretary may require to be performed. The Secretary is authorized to require the manufacturer to give notification of such performance and technical data to—

Performance and technical data.

Notification to purchasers.

(1) each prospective purchaser of a mobile home before its first sale for purposes other than resale, at each location where any such manufacturer's mobile homes are offered for sale by a person with whom such manufacturer has a contractual, proprietary, or other legal relationship and in a manner determined by the Secretary to be appropriate, which may include, but is not limited to, printed matter (A) available for retention by such prospective purchaser, and (B) sent by mail to such prospective purchaser upon his request; and

(2) the first person who purchases a mobile home for purposes other than resale, at the time of such purchase or in printed matter placed in the mobile home.

(h) All information reported to or otherwise obtained by the Secretary or his representative pursuant to subsection (b), (c), (f), or (g) which contains or relates to a trade secret, or which, if disclosed, would put the person furnishing such information at a substantial competitive disadvantage, shall be considered confidential, except that such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

Information disclosure, exception.

NOTIFICATION AND CORRECTION OF DEFECTS

SEC. 615. (a) Every manufacturer of mobile homes shall furnish notification of any defect in any mobile home produced by such manufacturer which he determines, in good faith, relates to a Federal mobile home construction or safety standard or contains a defect which constitutes an imminent safety hazard to the purchaser of such mobile home, within a reasonable time after such manufacturer has discovered such defect.

42 USC 5414.

(b) The notification required by subsection (a) shall be accomplished—

(1) by mail to the first purchaser (not including any dealer or distributor of such manufacturer) of the mobile home containing the defect, and to any subsequent purchaser to whom any warranty on such mobile home has been transferred;

(2) by mail to any other person who is a registered owner of such mobile home and whose name and address has been ascertained pursuant to procedures established under subsection (f); and

(3) by mail or other more expeditious means to the dealer or dealers of such manufacturer to whom such mobile home was delivered.

(c) The notification required by subsection (a) shall contain a clear description of such defect or failure to comply, an evaluation of the risk to mobile home occupants' safety reasonably related to such defect, and a statement of the measures needed to repair the defect. The notification shall also inform the owner whether the defect is a construction or safety defect which the manufacturer will have corrected

Description.

at no cost to the owner of the mobile home under subsection (g) or otherwise, or is a defect which must be corrected at the expense of the owner.

Communica-
tions to dealers,
copies to Secre-
tary.

Information
disclosure, ex-
ception.

(d) Every manufacturer of mobile homes shall furnish to the Secretary a true or representative copy of all notices, bulletins, and other communications to the dealers of such manufacturer or purchasers of mobile homes of such manufacturer regarding any defect in any such mobile home produced by such manufacturer. The Secretary shall disclose to the public so much of the information contained in such notices or other information obtained under section 614 as he deems will assist in carrying out the purposes of this title, but he shall not disclose any information which contains or relates to a trade secret, or which, if disclosed, would put such manufacturer at a substantial competitive disadvantage, unless he determines that it is necessary to carry out the purposes of this title.

(e) If the Secretary determines that any mobile home—

(1) does not comply with an applicable Federal mobile home construction and safety standard prescribed pursuant to section 604; or

(2) contains a defect which constitutes an imminent safety hazard,

Notice.

then he shall immediately notify the manufacturer of such mobile home of such defect or failure to comply. The notice shall contain the findings of the Secretary and shall include all information upon which the findings are based. The Secretary shall afford such manufacturer an opportunity to present his views and evidence in support thereof, to establish that there is no failure of compliance. If after such presentation by the manufacturer the Secretary determines that such mobile home does not comply with applicable Federal mobile home construction or safety standards, or contains a defect which constitutes an imminent safety hazard, the Secretary shall direct the manufacturer to furnish the notification specified in subsections (a) and (b) of this section.

Opportunity to
present views.

Record of pur-
chasers.

(f) Every manufacturer of mobile homes shall maintain a record of the name and address of the first purchaser of each mobile home (for purposes other than resale), and, to the maximum extent feasible, shall maintain procedures for ascertaining the name and address of any subsequent purchaser thereof and shall maintain a record of names and addresses so ascertained. Such records shall be kept for each home produced by a manufacturer. The Secretary may establish by order procedures to be followed by manufacturers in establishing and maintaining such records, including procedures to be followed by distributors and dealers to assist manufacturers to secure the information required by this subsection. Such procedures shall be reasonable for the particular type of mobile home for which they are prescribed.

Notice of de-
fect.

(g) A manufacturer required to furnish notification of a defect under subsection (a) or (e) shall also bring the mobile home into compliance with applicable standards and correct the defect or have the defect corrected within a reasonable period of time at no expense to the owner, but only if—

(1) the defect presents an unreasonable risk of injury or death to occupants of the affected mobile home or homes;

(2) the defect can be related to an error in design or assembly of the mobile home by the manufacturer.

Opportunity to
present views.

The Secretary may direct the manufacturer to make such corrections after providing an opportunity for oral and written presentation of views by interested persons. Nothing in this section shall limit the rights of the purchaser or any other person under any contract or applicable law.

(h) The manufacturer shall submit his plan for notifying owners of the defect and for repairing such defect (if required under subsection (g)) to the Secretary for his approval before implementing such plan. Whenever a manufacturer is required under subsection (g) to correct a defect, the Secretary shall approve with or without modification, after consultation with the manufacturer of the mobile home involved, such manufacturer's remedy plan including the date when, and the method by which, the notification and remedy required pursuant to this section shall be effectuated. Such date shall be the earliest practicable one but shall not be more than sixty days after the date of discovery or determination of the defect or failure to comply, unless the Secretary grants an extension of such period for good cause shown and publishes a notice of such extension in the Federal Register. Such manufacturer is bound to implement such remedy plan as approved by the Secretary.

Publication in
Federal Register.

(i) Where a defect or failure to comply in a mobile home cannot be adequately repaired within sixty days from the date of discovery or determination of the defect, the Secretary may require that the mobile home be replaced with a new or equivalent home without charge, or that the purchase price be refunded in full, less a reasonable allowance for depreciation based on actual use if the home has been in the possession of the owner for more than one year.

CERTIFICATION OF CONFORMITY WITH CONSTRUCTION AND SAFETY STANDARDS

SEC. 616. Every manufacturer of mobile homes shall furnish to the distributor or dealer at the time of delivery of each such mobile home produced by such manufacturer certification that such mobile home conforms to all applicable Federal construction and safety standards. Such certification shall be in the form of a label or tag permanently affixed to each such mobile home.

42 USC 5415.

CONSUMER INFORMATION

SEC. 617. The Secretary shall develop guidelines for a consumer's manual to be provided to mobile home purchasers by the manufacturer. These manuals should identify and explain the purchasers' responsibilities for operation, maintenance, and repair of their mobile homes.

Consumer's
manual.
42 USC 5416.

EFFECT UPON ANTITRUST LAWS

SEC. 618. Nothing contained in this title shall be deemed to exempt from the antitrust laws of the United States any conduct that would otherwise be unlawful under such laws, or to prohibit under the antitrust laws of the United States any conduct that would be lawful under such laws. As used in this section, the term "antitrust laws" includes, but is not limited to, the Act of July 2, 1890, as amended; the Act of October 14, 1914, as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.); and sections 73 and 74 of the Act of August 27, 1894, as amended.

42 USC 5417.

"Antitrust
laws."
15 USC 1.
15 USC 12.

15 USC 8, 9.

USE OF RESEARCH AND TESTING FACILITIES OF PUBLIC AGENCIES

SEC. 619. The Secretary, in exercising the authority under this title, shall utilize the services, research and testing facilities of public agencies and independent testing laboratories to the maximum extent practicable in order to avoid duplication.

42 USC 5418.

INSPECTION FEES

42 USC 5419.

SEC. 620. In carrying out the inspections required under this title, the Secretary may establish and impose on mobile home manufacturers, distributors, and dealers such reasonable fees as may be necessary to offset the expenses incurred by him in conducting such inspections, except that this section shall not apply in any State which has in effect a State plan under section 623.

PENALTIES ON INSPECTIONS

42 USC 5420.

SEC. 621. Any person, other than an officer or employee of the United States, or a person exercising inspection functions under a State plan pursuant to section 623, who knowingly and willfully fails to report a violation of any construction or safety standard established under section 604 may be fined up to \$1,000 or imprisoned for up to one year, or both.

PROHIBITION ON WAIVER OF RIGHTS

42 USC 5421.

SEC. 622. The rights afforded mobile home purchasers under this title may not be waived, and any provision of a contract or agreement entered into after the enactment of this title to the contrary shall be void.

STATE JURISDICTION; STATE PLANS

42 USC 5422.

SEC. 623. (a) Nothing in this title shall prevent any State agency or court from asserting jurisdiction under State law over any mobile home construction or safety issue with respect to which no Federal mobile home construction and safety standard has been established pursuant to the provisions of section 604.

Enforcement
standards plan,
submittal to Sec-
retary.

(b) Any State which, at any time, desires to assume responsibility for enforcement of mobile home safety and construction standards relating to any issue with respect to which a Federal standard has been established under section 604, shall submit to the Secretary a State plan for enforcement of such standards.

Approval.

(c) The Secretary shall approve the plan submitted by a State under subsection (b), or any modification thereof, if such plan in his judgment—

(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

(2) provides for the enforcement of mobile home safety and construction standards promulgated under section 604;

(3) provides for a right of entry and inspection of all factories, warehouses, or establishments in such State in which mobile homes are manufactured and for the review of plans, in a manner which is identical to that provided in section 614;

(4) provides for the imposition of the civil and criminal penalties under section 611;

(5) provides for the notification and correction procedures under section 615;

(6) provides for the payment of inspection fees by manufacturers in amounts adequate to cover the costs of inspections;

(7) contains satisfactory assurances that the State agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards;

(8) give satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards;

(9) requires manufacturers, distributors, and dealers in such State to make reports to the Secretary in the same manner and to the same extent as if the State plan were not in effect;

(10) provides that the State agency or agencies will make such reports to the Secretary in such form and containing such information as the Secretary shall from time to time require; and

(11) complies with such other requirements as the Secretary may by regulation prescribe for the enforcement of this title.

(d) If the Secretary rejects a plan submitted under subsection (b), he shall afford the State submitting the plan due notice and opportunity for a hearing before so doing. Notice and hearing.

(e) After the Secretary approves a State plan submitted under subsection (b), he may, but shall not be required to, exercise his authority under this title with respect to enforcement of mobile home construction and safety standards in the State involved.

(f) The Secretary shall, on the basis of reports submitted by the designated State agency and his own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Such evaluation shall be made by the Secretary at least annually for each State, and the results of such evaluation and the inspection reports on which it is based shall be promptly submitted to the appropriate committees of the Congress. Evaluation, submittal to congressional committees.

Whenever the Secretary finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan or that the State plan has become inadequate, he shall notify the State agency or agencies of his withdrawal of approval of such plan. Upon receipt of such notice by such State agency or agencies such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce mobile home standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan. Notice and hearing.

GRANTS TO STATES

SEC. 624. (a) The Secretary is authorized to make grants to the States which have designated a State agency under section 623 to assist them—

42 USC 5423.

(1) in identifying their needs and responsibilities in the area of mobile home construction and safety standards; or

(2) in developing State plans under section 623.

(b) The Governor of each State shall designate the appropriate State agency for receipt of any grant made by the Secretary under this section.

(c) Any State agency designated by the Governor of a State desiring a grant under this section shall submit an application therefor to the Secretary. The Secretary shall review and either accept or reject such application. Application.

(d) The Federal share for each State grant under subsection (a) of this section may not exceed 90 per centum of the total cost to the State in identifying its needs and developing its plan. In the event the Federal share for all States under such subsection is not the same, the differences among the States shall be established on the basis of objective criteria.

RULES AND REGULATIONS

SEC. 625. The Secretary is authorized to issue, amend, and revoke such rules and regulations as he deems necessary to carry out this title.

42 USC 5424.

ANNUAL REPORT TO CONGRESS

Submittal to
President.
42 USC 5425.

Contents.

SEC. 626. (a) The Secretary shall prepare and submit to the President for transmittal to the Congress on March 1 of each year a comprehensive report on the administration of this title for the preceding calendar year. Such report shall include but not be restricted to (1) a thorough statistical compilation of the accidents, injuries, deaths, and property losses occurring in or involving mobile homes in such year; (2) a list of Federal mobile home construction and safety standards prescribed or in effect in such year; (3) the level of compliance with all applicable Federal mobile home standards; (4) a summary of all current research grants and contracts together with a description of the problems to be studied in such research; (5) an analysis and evaluation, including relevant policy recommendations, of research activities completed and technological progress achieved during such year; (6) a statement of enforcement actions including judicial decisions, settlements, defect notifications, and pending litigation commenced during the year; and (7) the extent to which technical information was disseminated to the scientific community and consumer-oriented information was made available to mobile home owners and prospective buyers.

Recommendations for legislation.

(b) The report required by subsection (a) of this section shall contain such recommendations for additional or revised legislation as the Secretary deems necessary to promote the improvement of mobile home construction and safety and to strengthen the national mobile home program.

Study and investigation.

(c) In order to assure a continuing and effective national mobile home construction and safety program, it is the policy of Congress to encourage the adoption of State inspection of used mobile homes. Therefore, to that end the Secretary shall conduct a thorough study and investigation to determine the adequacy of mobile home construction and safety standards and mobile home inspection requirements and procedures applicable to used mobile homes in each State, and the effect of programs authorized by this title upon such standards, requirements, and procedures for used mobile homes, and report to Congress as soon as practicable, but not later than one year after the date of enactment of this Act, the results of such study, and recommendations for such additional legislation as he deems necessary to carry out the purposes of this title. Such report shall also include recommendations by the Secretary relating to the problems of disposal of used mobile homes.

AUTHORIZATION OF APPROPRIATIONS

42 USC 5426.

SEC. 627. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

EFFECTIVE DATE

42 USC 5401
note.

SEC. 628. The provisions of this title shall take effect upon the expiration of 180 days following the date of enactment of this title.

Consumer Home
Mortgage Assistance Act of 1974.

TITLE VII—CONSUMER HOME MORTGAGE ASSISTANCE

SHORT TITLE

12 USC 1464
note.

SEC. 701. This title may be cited as the "Consumer Home Mortgage Assistance Act of 1974".

PART A—LENDING AND INVESTMENT POWERS, FEDERAL SAVINGS AND
LOAN ASSOCIATIONS

CONSTRUCTION LOANS

SEC. 702. Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest an amount, not exceeding the greater of (A) the sum of its surplus, undivided profits, and reserves or (B) 3 per centum of its assets, in loans or in interests therein the principal purpose of which is to provide financing with respect to what is or is expected to become primarily residential real estate within one hundred miles of its home office or within the State in which such office is located, where (i) the association relies substantially for repayment on the borrower's general credit standing and forecast of income, with or without other security, or (ii) the association relies on other assurances for repayment, including but not limited to a guaranty or similar obligation of a third party, and, in either case described in clause (i) or (ii), regardless of whether or not the association takes security; and investments under this sentence shall not be included in any percentage of assets or other percentage referred to in this subsection."

SINGLE FAMILY DWELLING LIMITATIONS

SEC. 703. Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by striking out "\$45,000" immediately before "for each single family dwelling" and inserting in lieu thereof "\$55,000 (except that with respect to dwellings in Alaska, Guam, and Hawaii the foregoing limitation may, by regulation of the Board, be increased by not to exceed 50 per centum)".

LENDING AUTHORITY UNDER THE HOME OWNERS' LOAN ACT

SEC. 704. Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)), as amended by section 702 of this Act, is amended by adding at the end thereof the following new paragraph:

Supra.

"Subject to such prohibitions, limitations, and conditions as the Board may prescribe, any such association may invest in loans and advances of credit and interests therein upon the security of or respecting real property or interests therein used for primarily residential purposes (all of which may be defined by the Board) that do not comply with the limitations and restrictions in this subsection, but no investment shall be made by an association under this sentence if its aggregate outstanding investment under this sentence determined as prescribed by the Board, exclusive of any investment which is or at the time of its making was otherwise authorized, would thereupon exceed 5 per centum of its assets."

AMENDMENT TO THE HOME OWNERS' LOAN ACT OF 1933 CONCERNING
PROPERTY IMPROVEMENT LOANS

SEC. 705. The second and third undesignated paragraphs of section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) are amended by striking out "\$5,000" and inserting in lieu thereof "\$10,000".

ADVANCES FROM A STATE CHARTERED CENTRAL RESERVE INSTITUTION
INCLUDING MORTGAGE FINANCE AGENCIES*Ante*, p. 715.

SEC. 706. Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)), as amended by sections 702 and 704 of this Act, is amended by adding at the end thereof the following new paragraph:

"Subject to regulation by the Board but without regard to any other provision of this subsection, any such association whose general reserves, surplus, and undivided profits aggregate a sum in excess of 5 per centum of its withdrawable accounts is authorized to borrow funds from a State mortgage finance agency of the State in which the head office of such association is situated to the same extent as State law authorizes a savings and loan association organized under the laws of such State to borrow from the State mortgage finance agency, except that such an association may not make any loan of such funds at an interest rate which exceeds by more than $1\frac{3}{4}$ per centum per annum the interest rate paid to the State mortgage finance agency on the obligations issued to obtain the funds so borrowed."

PART B—NATIONAL BANKS

REAL ESTATE LOANS BY NATIONAL BANKS

SEC. 711. Section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended to read as follows:

"REAL ESTATE LOANS BY NATIONAL BANKS

"SEC. 24 (a) (1) Any national banking association may make real estate loans, secured by liens upon unimproved real estate, upon improved real estate, including improved farmland and improved business and residential properties, and upon real estate to be improved by a building or buildings to be constructed or in the process of construction, in an amount which when added to the amount unpaid upon prior mortgages, liens, encumbrances, if any, upon such real estate does not exceed the respective proportions of appraised value as provided in this section. A loan secured by real estate within the meaning of this section shall be in the form of an obligation or obligations secured by a mortgage, trust deed, or other instrument, which shall constitute a lien on real estate in fee or, under such rules and regulations as may be prescribed by the Comptroller of the Currency, on a leasehold under a lease which does not expire for at least ten years beyond the maturity date of the loan, and any national banking association may purchase or sell any obligations so secured in whole or in part. The amount of any such loan hereafter made shall not exceed $66\frac{2}{3}$ per centum of the appraised value if such real estate is unimproved, 75 per centum of the appraised value if such real estate is improved by offsite improvements such as streets, water, sewers, or other utilities, 75 per centum of the appraised value if such real estate is in the process of being improved by a building or buildings to be constructed or in the process of construction, or 90 per centum of the appraised value if such real estate is improved by a building or buildings. If any such loan exceeds 75 per centum of the appraised value of the real estate or if the real estate is improved with a one- to four-family dwelling, installment payments shall be required which are sufficient to amortize the entire principal of the loan within a period of not more than thirty years.

"(2) The limitations and restrictions set forth in paragraph (1) shall not prevent the renewal or extension of loans heretofore made and shall not apply to real estate loans (A) which are insured under

the provisions of the National Housing Act, (B) which are insured by the Secretary of Agriculture pursuant to title I of the Bankhead-Jones Farm Tenant Act, or the Act of August 28, 1937, as amended, or title V of the Housing Act of 1949, as amended, or (C) which are guaranteed by the Secretary of Housing and Urban Development, for the payment of the obligations of which the full faith and credit of the United States is pledged, and such limitations and restrictions shall not apply to real estate loans which are fully guaranteed or insured by a State, or any agency or instrumentality thereof, or by a State authority for the payment of the obligations of which the faith and credit of the State is pledged, if under the terms of the guaranty or insurance agreement the association will be assured of repayment in accordance with the terms of the loan, or to any loan at least 20 per centum of which is guaranteed under chapter 37 of title 38, United States Code.

12 USC 1701
and note.
7 USC 1000
and note.
42 USC 1471.

38 USC 1801.

“(3) Loans which are guaranteed or insured as described in paragraph (2) shall not be taken into account in determining the amount of real estate loans which a national banking association may make in relation to its capital and surplus or its time and savings deposits or in determining the amount of real estate loans secured by other than first liens. Where the collateral for any loan consists partly of real estate security and partly of other security, including a guaranty or endorsement by or an obligation or commitment of a person other than the borrower, only the amount by which the loan exceeds the value as collateral of such other security shall be considered a loan upon the security of real estate, and in no event shall a loan be considered as a real estate loan where there is a valid and binding agreement which is entered into by a financially responsible lender or other party either directly with the association or which is for the benefit of or has been assigned to the association and pursuant to which agreement the lender or other party is required to advance to the association within sixty months from the date of the making of such loan the full amount of the loan to be made by the association upon the security of real estate. Except as otherwise provided, no such association shall make real estate loans in an aggregate sum in excess of the amount of the capital stock of such association paid in and unimpaired plus the amount of its unimpaired surplus fund, or in excess of the amount of its time and savings deposits, whichever is greater: *Provided*, That the amount unpaid upon real estate loans secured by other than first liens, when added to the amount unpaid upon prior mortgages, liens, and encumbrances, shall not exceed in an aggregate sum 20 per centum of the amount of the capital stock of such association paid in and unimpaired plus 20 per centum of the amount of its unimpaired surplus fund.

“(b) Any national banking association may make real estate loans secured by liens upon forest tracts which are properly managed in all respects. Such loans shall be in the form of an obligation or obligations secured by mortgage, trust deed, or other such instrument; and any national banking association may purchase or sell any obligations so secured in whole or in part. The amount of any such loan, when added to the amount unpaid upon prior mortgages, liens, and encumbrances, if any, shall not exceed 66⅔ per centum of the appraised fair market value of the growing timber, lands, and improvements thereon offered as security and the loan shall be made upon such terms and conditions as to assure that at no time shall the loan balance, when added to the amount unpaid upon prior mortgages, liens, and encumbrances, if any, exceed 66⅔ per centum of the original appraised total value of the property then remaining. No such loan shall be made for a longer term than three years; except that any such loan may be made for a term not longer than fifteen years

if the loan is secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which the installment payments are sufficient to amortize the principal of the loan within a period of not more than fifteen years and at a rate at least 6 $\frac{1}{2}$ per centum per annum. All such loans secured by liens upon forest tracts shall be included in the permissible aggregate of all real estate loans and, when secured by other than first liens, in the permissible aggregate of all real estate loans secured by other than first liens, prescribed in subsection (a), but no national banking association shall make forest tract loans in an aggregate sum in excess of 50 per centum of its capital stock paid in and unimpaired plus 50 per centum of its unimpaired surplus fund.

“(c) Loans made to finance the construction of a building or buildings and having maturities of not to exceed sixty months where there is a valid and binding agreement entered into by a financially responsible lender or other party to advance the full amount of the bank's loan upon completion of the building or buildings, and loans made to finance the construction of residential or farm buildings and having maturities of not to exceed sixty months, may be considered as real estate loans if the loans qualify under this section, or such loans may be classed as commercial loans whether or not secured by a mortgage or similar lien on the real estate upon which the building or buildings are being constructed, at the option of each national banking association that may have an interest in such loan: *Provided*, That no national banking association shall invest in, or be liable on, any such loans classed as commercial loans under this subsection in an aggregate amount in excess of 100 per centum of its actually paid-in and unimpaired capital plus 100 per centum of its unimpaired surplus fund.

“(d) Notes representing loans made under this section to finance the construction of residential or farm buildings and having maturities of not to exceed nine months shall be eligible for discount as commercial paper within the terms of the second paragraph of section 13 of this Act if accompanied by a valid and binding agreement to advance the full amount of the loan upon the completion of the building entered into by an individual, partnership, association, or corporation acceptable to the discounting bank.

“(e) Loans made to any borrower (i) where the association looks for repayment by relying primarily on the borrower's general credit standing and forecast of income, with or without other security, or (ii) secured by an assignment of rents under a lease, and where, in either case described in clause (i) or (ii) above, the association wishes to take a mortgage, deed of trust, or other instrument upon real estate (whether or not constituting a first lien) as a precaution against contingencies, and loans in which the Small Business Administration cooperates through agreements to participate on an immediate or deferred or guaranteed basis under the Small Business Act, shall not be considered as real estate loans within the meaning of this section but shall be classed as commercial loans.

“(f) Any national banking association may make loans upon the security of real estate that do not comply with the limitations and restrictions in this section, if the total unpaid amount loaned, exclusive of loans which subsequently comply with such limitations and restrictions, does not exceed 10 per centum of the amount that a national banking association may invest in real estate loans. The total unpaid amount so loaned shall be included in the aggregate sum that such association may invest in real estate loans.

“(g) Loans pursuant to this section shall be subject to such conditions and limitations as the Comptroller of the Currency may prescribe by rule or regulation.”

12 USC 343.

15 USC 631
note.

PART C—FEDERAL CREDIT UNIONS

LENDING AUTHORITY AND DEPOSITORY AUTHORITY

SEC. 721. (a) Paragraph (6) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757(6)) is amended to read as follows:

“(6) to make loans to its own directors and to members of its own supervisory credit committee provided that any such loan or aggregate of loans to one director or committee member which exceeds \$2,500 plus pledged shares must be approved by the board of directors, and to permit directors and members of its own supervisory or credit committee to act as guarantor or endorser of loans to other members, except that when such a loan standing alone or when added to any outstanding loan or loans of the guarantor exceeds \$2,500, approval by the board of directors is required;”.

(b) Paragraph (9) of such section is amended by inserting immediately before the semicolon at the end thereof the following: “, and for Federal credit unions or credit unions authorized by the Department of Defense operating suboffices on American military installations in foreign countries or trust territories of the United States to maintain demand deposit accounts in banks located in those countries or trust territories, subject to such regulations as may be issued by the Administrator and provided such banks are correspondents of banks described in this paragraph”.

FEES

SEC. 722. The first sentence of section 109 of the Federal Credit Union Act (12 U.S.C. 1759) is amended by striking out “the entrance fee” and inserting in lieu thereof “a uniform entrance fee if required by the board of directors”.

DIRECTORS

SEC. 723. (a) The third sentence of section 113 of the Federal Credit Union Act (12 U.S.C. 1761b) is amended by inserting “, except that the board may designate a committee of not less than two to act as an investment committee, such investment committee to have charge of making investments under rules and procedures established by the board of directors” immediately after “have charge of investments other than loans to members”.

(b) The fourth sentence of such section is amended by striking out “act for it in the purchase and sale of securities, the borrowing of funds, and making of loans to other credit unions” and inserting in lieu thereof “exercise such authority as may be delegated to it subject to such conditions and limitations as may be prescribed by the board”.

(c) The fifth sentence of such section is amended by striking out “a membership officer” and inserting in lieu thereof “one or more membership officers”.

(d) Such section is amended by adding at the end thereof the following new sentence: “If a membership application is denied, the reasons therefor shall be furnished in writing to the person whose application is denied, upon written request.”.

SUPERVISORY COMMITTEES

SEC. 724. Section 115 of the Federal Credit Union Act (12 U.S.C. 1761d) is amended by striking out “a semiannual” and inserting in lieu thereof “an annual”.

DIVIDENDS

SEC. 725. (a) The first sentence of section 117 of the Federal Credit Union Act (12 U.S.C. 1763) is amended by striking out "Annually, semiannually, or quarterly, as the bylaws may provide" and inserting in lieu thereof "At such intervals as the board of directors may authorize".

(b) The last sentence of such section is amended by striking out "for a month", and by striking out "which are or become fully paid up during the first ten days of that month" and inserting in lieu thereof "as authorized by the board of directors".

APPLICABILITY

SEC. 726. Section 126 of the Federal Credit Union Act (12 U.S.C. 1772) is amended by inserting immediately after "the several territories" the following: ", including the trust territories,".

DEFINITION OF MEMBERS ACCOUNTS

SEC. 727. Section 202(h) of the Federal Credit Union Act (12 U.S.C. 1782(h)) is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) the following new paragraph:

"(3) the term 'members accounts' when applied to the premium charge for insurance of the accounts of federally insured credit unions shall not include amounts in excess of the insured account limit set forth in section 207(c)."

12 USC 1787.

TERMINATION

SEC. 728. (a) Section 206(a) of the Federal Credit Union Act (12 U.S.C. 1786(a)) is amended to read as follows:

"(a) (1) Any insured credit union other than a Federal credit union may, upon not less than ninety days' written notice to the Administrator and upon the affirmative vote of a majority of its members within one year prior to the giving of such notice, terminate its status as an insured credit union.

"(2) Any insured credit union, other than a Federal credit union, which has obtained a new certificate of insurance from a corporation authorized and duly licensed to insure member accounts may upon not less than ninety days' written notice to the Administrator convert from status as an insured credit union under this Act: *Provided*, That at the time of giving notice to the Administrator the provisions of paragraph (b) (1) of this section are not being invoked against the credit union."

(b) The first sentence of section 206(c) of such Act is amended by inserting "(1)" immediately after "(a)".

(c) Section 206(d) of such Act is amended by inserting "(1)" immediately after "(d)", and by adding at the end thereof the following new paragraphs:

"(2) No credit union shall convert from status as an insured credit union under this Act as provided under subsection (a) (2) of this section until the proposition for such conversion has been approved by a majority of all the directors of the credit union, and by affirmative vote of a majority of the members of the credit union who vote on the proposition in a vote in which at least 20 per centum of the total membership

Supra.

of the credit union participates. Following approval by the directors, written notice of the proposition and of the date set for the membership vote shall be delivered in person to each member, or mailed to each member at the address for such member appearing on the records of the credit union, not more than thirty nor less than seven days prior to such date. The membership shall be given the opportunity to vote by mail ballot. If the proposition is approved by the membership, prompt and reasonable notice of insurance conversion shall be given to all members.

“(3) In the event of a conversion of a credit union from status as an insured credit union under this Act as provided under subsection (a) (2) of this section, premium charges payable under section 202(c) of this Act shall be reduced by an amount proportionate to the number of calendar months for which the converting credit union will no longer be insured under this Act. As long as a converting credit union remains insured under this Act, it shall remain subject to all of the provisions of chapter II of this Act.”

12 USC 1782.

LIQUIDATION

SEC. 729. Section 208(a)(1) of the Federal Credit Union Act (12 U.S.C. 1788(a)(1)) is amended to read as follows:

“(1) In order to reopen a closed insured credit union or in order to prevent the closing of an insured credit union which the Administrator has determined is in danger of closing or in order to assist in the voluntary liquidation of a solvent credit union, the Administrator, in his discretion, is authorized to make loans to, or purchase the assets of, or establish accounts in such insured credit union upon such terms and conditions as he may prescribe. Except with respect to the voluntary liquidation of a solvent credit union, such loans shall be made and such accounts shall be established only when, in the opinion of the Administrator, such action is necessary to protect the fund or the interests of the members of the credit union.”

TITLE VIII—MISCELLANEOUS

NATIONAL HOUSING GOAL

SEC. 801. Title XVI of the Housing and Urban Development Act of 1968 is amended—

(1) by inserting “(a)” before “The Congress” in the first sentence of section 1601;

(2) by adding at the end of section 1601 the following new subsections:

42 USC 1441a.

“(b) The Congress further finds that policies designed to contribute to the achievement of the national housing goal have not directed sufficient attention and resources to the preservation of existing housing and neighborhoods, that the deterioration and abandonment of housing for the Nation's lower income families has accelerated over the last decade, and that this acceleration has contributed to neighborhood disintegration and has partially negated the progress toward achieving the national housing goal which has been made primarily through new housing construction.

“(c) The Congress declares that if the national housing goal is to be achieved, a greater effort must be made to encourage the preservation of existing housing and neighborhoods through such measures as housing preservation, moderate rehabilitation, and improvements in housing management and maintenance, in conjunction with the provision of adequate municipal services. Such an effort should concentrate, to a greater extent than it has in the past, on housing and

neighborhoods where deterioration is evident but has not yet become acute.”; and

42 USC 1441c.

(3) by redesignating clauses (3) through (6) of section 1603 as clauses (4) through (7), respectively, and by inserting after clause (2) the following new clause:

“(3) provide an assessment of developments and progress during the preceding fiscal year with respect to the preservation of deteriorating housing and neighborhoods and indicate the efforts to be undertaken in future years to encourage such action;”.

STATE HOUSING FINANCE AND DEVELOPMENT AGENCIES

42 USC 1440.

SEC. 802. (a) It is the purpose of this section to encourage the formation and effective operation of State housing finance agencies and State development agencies which have authority to finance, to assist in carrying out, or to carry out activities designed to (1) provide housing and related facilities through land acquisition, construction, or rehabilitation, for persons and families of low, moderate, and middle income, (2) promote the sound growth and development of neighborhoods through the revitalization of slum and blighted areas, (3) increase and improve employment opportunities for the unemployed and underemployed through the development and redevelopment of industrial, manufacturing, and commercial facilities, or (4) implement the development aspects of State land use and preservation policies, including the advance acquisition of land where it is consistent with such policies. The Secretary of Housing and Urban Development shall encourage maximum participation by private and nonprofit developers in activities assisted under this section.

(b) (1) A State housing finance or State development agency is eligible for assistance under this section only if the Secretary determines that it is fully empowered and has adequate authority to at least carry out or assist in carrying out the purposes specified in clause (1) of subsection (a).

Definitions.

(2) for the purpose of this section—

(A) the term “State housing finance or State development agency” means any public body or agency, publicly sponsored corporation, or instrumentality of one or more States which is designated by the Governor (or Governors in the case of an interstate development agency) for purposes of this section;

(B) the term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States; and

(C) the term “Secretary” means the Secretary of Housing and Urban Development.

Guarantees.

(c) (1) The Secretary is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by State housing finance or State development agencies to finance development activities as determined by him to be in furtherance of the purpose of clause (1) or (2) of subsection (a), except that obligations issued to finance activities solely in furtherance of the purpose of clause (1) of subsection (a) may be guaranteed only if the activities are in connection with the revitalization of slum or blighted areas under title I of this Act or under any other program determined to be acceptable by the Secretary for this purpose.

Ante, p. 633.

Grants.

(2) The Secretary is authorized to make, and to contract to make, grants to or on behalf of a State housing finance or State development agency to cover not to exceed 33⅓ per centum of the interest payable on bonds, debentures, notes, and other obligations issued by such

agency to finance development activities in furtherance of the purposes of this section.

(3) No obligation shall be guaranteed or otherwise assisted under this section unless the interest income thereon is subject to Federal taxation as provided in subsection (h) (2), except that use of guarantees provided for in this subsection shall not be made a condition to nor preclude receipt of any other Federal assistance.

(4) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section with respect to principal, interest, and any redemption premiums. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation involved for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation.

(5) The Secretary is authorized to establish and collect such fees and charges for and in connection with guarantees made under this section as he considers reasonable.

Fees.

(6) There are authorized to be appropriated such sums as may be necessary to make payments as provided for in contracts entered into by the Secretary under paragraph (2) of this subsection, and payments pursuant to such contracts shall not exceed \$50,000,000 per annum prior to July 1, 1975, which maximum dollar amount shall be increased by \$60,000,000 on July 1, 1975. The aggregate principal amount of the obligations which may be guaranteed under this section and outstanding at any one time shall not exceed \$500,000,000.

Appropriation.

(d) The Secretary shall take such steps as he considers reasonable to assure that bonds, debentures, notes, and other obligations which are guaranteed under subsection (c) will—

(1) be issued only to investors approved by, or meeting requirements prescribed by, the Secretary, or, if an offering to the public is contemplated, be underwritten upon terms and conditions approved by the Secretary;

(2) bear interest at a rate satisfactory to the Secretary;

(3) contain or be subject to repayment, maturity, and other provisions satisfactory to the Secretary; and

(4) contain or be subject to provisions with respect to the protection of the security interests of the United States, including any provisions deemed appropriate by the Secretary relating to subrogation, liens, and releases of liens, payment of taxes, cost certification procedures, escrow or trusteeship requirements, or other matters.

(e) (1) The Secretary is authorized to establish a revolving fund to provide for the timely payment of any liabilities incurred as a result of guarantees under subsection (c) and for the payment of obligations issued to the Secretary of the Treasury under paragraph (2) of this subsection. Such revolving fund shall be comprised of (A) receipts from fees and charges; (B) recoveries under security, subrogation, and other rights; (C) repayments, interest income, and any other receipts obtained in connection with guarantees made under subsection (c); (D) proceeds of the obligations issued to the Secretary of the Treasury pursuant to paragraph (2) of this subsection; and (E) such sums, which are hereby authorized to be appropriated, as may be required for such purposes. Money in the revolving fund not currently needed for the purpose of this section shall be kept on hand or on deposit, or invested in obligations of the United States or guaranteed thereby, or in obligations, participations, or other instruments which are lawful investments for fiduciary, trust, or public funds.

Revolving fund, establishment.

(2) The Secretary may issue obligations to the Secretary of the Treasury in an amount sufficient to enable the Secretary to carry out his functions with respect to the guarantees authorized by subsection

Appropriation.

31 USC 774.

(c). The obligations issued under this paragraph shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations so issued, and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under that Act are extended to include purchases of the obligations hereunder.

Technical assistance.

(3) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real and other property by the United States, the Secretary shall have power, for the protection of the interests of the fund authorized under this subsection, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by him as a result of recoveries under security, subrogation, or other rights.

(f) The Secretary is authorized to provide, either directly or by contract or other arrangements, technical assistance to State housing finance or State development agencies to assist them in connection with planning and carrying out development activities in furtherance of the purpose of this section.

5 USC app.

(g) All laborers and mechanics employed by contractors or subcontractors in housing or development activities assisted under this section shall be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5): *Provided*, That this section shall apply to the construction of residential property only if such property is designed for residential use for eight or more families. No assistance shall be extended under this section with respect to any development activities without first obtaining adequate assurance that these labor standards will be maintained upon the work involved in such activities. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267), and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

(h) (1) In the performance of, and with respect to, the functions, powers, and duties rested in him by this section, the Secretary, in addition to any authority otherwise vested to him, shall—

(A) have the power, notwithstanding any other provision of law, in connection with any guarantee under this section, whether before or after default, to provide by contract for the extinguishment upon default of any redemption, equitable, legal, or other right, title, or interest of a State housing finance or State development agency in any mortgage, deed, trust, or other instrument held by or on behalf of the Secretary for the protection of the security interests of the United States; and

(B) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon him by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which he has provided a guarantee pursuant to this section. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in

connection with any security, subrogation, or other rights obtained by him in administering this section.

(2) With respect to any obligation issued by a State housing finance or State development agency for which the issuer has elected to receive the benefits of the assistance provided under this section, the interest paid on such obligation and received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 54.

(i) (1) Section 24(a) (2) of the Federal Reserve Act (as amended by section 711 of this Act) is amended by inserting the following before the period at the end thereof: “, or to obligations guaranteed under section 802 of the Housing and Community Development Act of 1974”.

(2) The twelfth paragraph of section 5(c) of the Homeowners' Loan Act of 1933 is amended by adding in the last sentence immediately after the words “or under part B of the Urban Growth and New Community Development Act of 1970” the following: “or under section 802 of the Housing and Community Development Act of 1974”.

26 USC 1 *et seq.*

Ante, p. 716.

12 USC 1464.

NEW COMMUNITY PROGRAM AMENDMENTS

SEC. 803. (a) (1) Part B of title VII of the Housing and Urban Development Act of 1970 is amended by striking out “Community Development Corporation” wherever it appears and inserting in lieu thereof “New Community Development Corporation”.

42 USC 4511.

(2) The heading of section 729 of such Act is amended by inserting “NEW” before “COMMUNITY”.

42 USC 4532.

(b) Section 729(b) of such Act is amended—

(1) by striking out “five members” in the matter preceding paragraph (1) and inserting in lieu thereof “seven members”; and

(2) by striking out “three persons” in paragraph (3) and inserting in lieu thereof “five persons”.

(c) The last sentence of section 713(a) of such Act is amended by striking out “in amounts” and all that follows and inserting in lieu thereof “in amounts equal to 30 per centum of the interest paid on such obligations.”

42 USC 4514.

(d) Section 718(c) of such Act is amended by inserting before the period at the end thereof the following: “, or a project or portion of a project consisting of the purchase, renovation, or construction of facilities, the purchase of land, or the acquisition of equipment or works of art assisted by contracts or grants under section 5 of the National Foundation on the Arts and the Humanities Act of 1965”.

42 USC 4519.

20 USC 954.

(e) Section 711(f) of such Act is amended—

42 USC 4512.

(1) by striking out “sewage disposal” in the first and second sentences and inserting in lieu thereof “sewage or waste disposal”;

(2) by inserting “community or neighborhood central heating or air-conditioning systems,” after “storm drainage facilities,” in the first sentence; and

(3) by inserting “, a community or neighborhood central heating or air-conditioning system,” after “disposal installation” in the second sentence.

EXPANSION OF EXPERIMENTAL HOUSING ALLOWANCE PROGRAM

SEC. 804. Section 504 of the Housing and Urban Development Act of 1970 is amended to read as follows:

12 USC 1701z-3.

“HOUSING ALLOWANCES

“SEC. 504. (a) The Secretary is authorized to undertake on an experimental basis programs to demonstrate the feasibility of providing housing allowance payments to assist families in meeting rental or homeownership expenses.

Time limitation.
Appropriation.

“(b) For the purpose of carrying out this section, the Secretary is authorized to make, and to contract to make, housing allowance payments to or on behalf of participating families. No housing allowance payments shall be made after July 1, 1985. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to make payments as provided for in contracts entered into under this section and such sums as may be necessary to cover administrative costs. The aggregate amount of contracts to make housing allowance payments shall not exceed amounts approved in appropriation Acts, and payments pursuant to such contracts shall not exceed \$40,000,000 per annum. After January 1, 1975, the Secretary shall not enter into contracts under the United States Housing Act of 1937 to carry out the purposes of this section. The Secretary may contract with public or private agencies for the performance of administrative functions in connection with the programs authorized by this section.

Ante, p. 653.

“(c) The Secretary shall report to the Congress on his findings pursuant to this section not later than eighteen months after the enactment of the Housing and Community Development Act of 1974.”

FEDERAL HOME LOAN MORTGAGE CORPORATION AMENDMENTS

12 USC 1454.

SEC. 805. (a) Section 305(a) (1) of the Federal Home Loan Mortgage Corporation Act is amended—

(1) by striking out “, and to hold” and inserting in lieu thereof the following: “The Corporation may hold”; and

(2) by striking out the period after “therein” and inserting in lieu thereof the following: “, and the servicing on any such mortgage may be performed by the seller or by a financial institution qualified as a seller under the provisions of the preceding sentence, or by a mortgagee approved by the Secretary of Housing and Urban Development for participation in any mortgage insurance program under the National Housing Act, with which institution or mortgagee the seller may contract.”

12 USC 1701
and note.

(b) Section 305(a) (2) of such Act is amended—

(1) by striking out “75 per centum” each place it appears in the first sentence and inserting in lieu thereof “80 per centum”;

(2) by striking out “private” in clause (C) of the first sentence;

(3) by striking out “10 per centum” in the third sentence and inserting in lieu thereof “20 per centum”; and

(4) by striking out “which are comparable to the limitations which would be applicable if the mortgage were insured by the Secretary of Housing and Urban Development under section 203 (b) or 207 of the National Housing Act” in the fourth sentence and inserting in lieu thereof the following: “, but such limitations shall not exceed the limitations contained in the first proviso to the first sentence of section 5(c) of the Home Owners’ Loan Act of 1933”.

12 USC 1709,
1713.

12 USC 1464.

12 USC 24.

(c) (1) Section 5136 of the Revised Statutes is amended by inserting immediately after “Government National Mortgage Association” in paragraph Seventh thereof the following: “, or mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or section 306 of the Federal Home Loan Mortgage Corporation Act”.

Supra.

(2) Section 11(h) of the Federal Home Loan Bank Act is amended by inserting immediately after "Government National Mortgage Association" the following: ", in mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or section 306 of the Federal Home Loan Mortgage Corporation Act".

12 USC 1431.

(3) Section 16 of the Federal Home Loan Bank Act is amended by inserting immediately after "Government National Mortgage Association" the following: ", in mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or section 306 of the Federal Home Loan Mortgage Corporation Act".

12 USC 1454,
1455.
12 USC 1436.

(4) Section 5(c) of the Home Owners' Loan Act of 1933 is amended by inserting immediately after "Federal Home Loan Bank" in the first paragraph the following: ", or in mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or 306 of the Federal Home Loan Mortgage Corporation Act".

12 USC 1464.

(5) Section 107(8) (E) of the Federal Credit Union Act is amended by inserting immediately after "Government National Mortgage Association" the following: "; or in mortgages, obligations, or other securities which are or ever have been sold by the Federal Home Loan Mortgage Corporation pursuant to section 305 or section 306 of the Federal Home Loan Mortgage Corporation Act;"

12 USC 1757.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AMENDMENTS

SEC. 806. (a) Section 302(a)(2) of the National Housing Act is amended—

12 USC 1717.

(1) by striking out "the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968" in the matter preceding subparagraph (A) and inserting in lieu thereof "September 1, 1968"; and

(2) by striking out "effective" in subparagraphs (A) and (B).

(b) The third sentence of section 302(a)(2)(B) of such Act is amended—

(1) by inserting "or the metropolitan area thereof" immediately after "District of Columbia";

(2) by inserting "jurisdiction and" immediately before "venue"; and

(3) by striking out "resident thereof" and inserting in lieu thereof "District of Columbia corporation".

(c) Section 302(b)(2) of such Act is amended by striking out "75 per centum" each place it appears and inserting in lieu thereof "80 per centum".

(d) Clause (C) of the second sentence of section 302(b)(2) of such Act is amended by striking out "private".

(e) The fourth sentence of section 302(b)(2) of such Act is amended by striking out "10 per centum" and inserting in lieu thereof "20 per centum".

(f) The last sentence of section 302(b)(2) of such Act is amended by striking out "which are comparable to the limitations which would be applicable if the mortgage were insured by the Secretary of Housing and Urban Development under section 203(b) or 207 of the National Housing Act" and inserting in lieu thereof the following: ", but such limitations shall not exceed the limitations contained in the first proviso of the first sentence of section 5(c) of the Home Owners Loan Act of 1933".

(g) Section 303(a) of such Act is amended—

12 USC 1718.

- (1) by striking out all of the first sentence which follows “directors” and inserting in lieu thereof a period; and
- (2) by striking out everything after the second sentence.
- 12 USC 1718. (h) Section 303(c) of such Act is amended—
- (1) by striking out “the effective date established pursuant to section 808 of the Housing and Urban Development Act of 1968” in the fourth sentence and inserting in lieu thereof “September 1, 1968,”; and
- (2) by striking out the proviso in the last sentence.
- Repeal. (i) Subsections (d) and (e) of section 303 of such Act are repealed.
- 12 USC 1719. (j) The last sentence of section 304(a)(1) of such Act is amended by striking out “section 502 of the Emergency Home Finance Act of 1970” and inserting in lieu thereof “section 243 of the National Housing Act”.
- 12 USC 1715z-8. (k) Except with respect to any person receiving an annuity on the date of the enactment of this Act, section 309(d)(2) of such Act is amended—
- (1) by striking out “the termination of the transitional period referred to in section 810(b) of the Housing and Urban Development Act of 1968” and inserting in lieu thereof “January 31, 1972,”;
- (2) by inserting “positions listed” immediately before “in section 5312”; and
- (3) by inserting before the period at the end of the next to last sentence the following: “: *Provided*, That with respect to any person whose employment is made subject to the civil service retirement law by section 806 of the Housing and Community Development Act of 1974, there shall not be considered for the purposes of such law that portion of his basic pay in any one year which exceeds the basic pay provided for positions listed in section 5316 of such title 5 on the last day of such year”.
- 12 USC 1723a note. (l) Subsections (b) and (c) of section 810 of the Housing and Urban Development Act of 1968 are repealed.
- Repeal. 12 USC 1716b note.

LIMITATION ON DOLLAR AMOUNT OF GNMA-PURCHASED MORTGAGES

- 12 USC 1717. SEC. 807. Clause (3) of the proviso in the first sentence of section 302(b)(1) of the National Housing Act is amended by striking out “\$22,000” and inserting in lieu thereof the following: “\$33,000 (or such higher amount not in excess of \$38,000 as the Secretary may by regulation specify in any geographical area where he finds that cost levels so require)”.

PROHIBITION AGAINST DISCRIMINATION ON ACCOUNT OF SEX IN EXTENSION OF MORTGAGE ASSISTANCE; FAIR HOUSING

- Ante, pp. 676, 678. SEC. 808. (a) Title V of the National Housing Act is (as amended by sections 301 and 305 of this Act) is amended by adding at the end thereof the following new section:

“PROHIBITION AGAINST DISCRIMINATION ON ACCOUNT OF SEX IN EXTENSION OF MORTGAGE ASSISTANCE

- 12 USC 1735f-5. “SEC. 527. No federally related mortgage loan, or Federal insurance, guaranty, or other assistance in connection therewith (under this or any other Act), shall be denied to any person on account of sex; and every person engaged in making mortgage loans secured by residential real property shall consider without prejudice the combined income of both husband and wife for the purpose of extending mort-

gage credit in the form of a federally related mortgage loan to a married couple or either member thereof.

“(b) For purposes of subsection (a), the term ‘federally related mortgage loan’ means any loan which—

“Federally related mortgage loan.”

“(1) is secured by residential real property designed principally for the occupancy of from one to four families; and

“(2) (A) is made in whole or in part by any lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is itself regulated by any agency of the Federal Government; or

“(B) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary of Housing and Urban Development or any other officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency; or

“(C) is eligible for purchase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

“(D) is made in whole or in part by any ‘creditor’, as defined in section 103(f) of the Consumer Credit Protection Act of 1968 (15 U.S.C. 1602(f)), who makes or invests in residential real estate loans aggregating more than \$1,000,000 per year.”

(b)(1) Subsections (a), (b), (c), (d), and (e) of section 804 of the Act entitled “An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes”, approved April 11, 1968 (42 U.S.C. 3604), are amended by inserting a comma and the word “sex” immediately after the word “religion” each time it appears.

(2) Section 805 of such Act is amended by inserting a comma and the word “sex” immediately after the word “religion”.

(3) Section 806 of such Act is amended by inserting a comma and the word “sex” immediately after the word “religion”.

(4) Subsection (a), paragraph (1) of subsection (b), and subsection (c) of section 901 of such Act are amended by inserting a comma and the word “sex” immediately after the word “religion” each time it appears.

42 USC 3605.

42 USC 3606.

42 USC 3631.

NATIONAL INSTITUTE OF BUILDING SCIENCES

SEC. 809. (a)(1) The Congress finds (A) that the lack of an authoritative national source to make findings and to advise both the public and private sectors of the economy with respect to the use of building science and technology in achieving nationally acceptable standards and other technical provision for use in Federal, State, and local housing and building regulations is an obstacle to efforts by and imposes severe burdens upon all those who procure, design, construct, use, operate, maintain, and retire physical facilities, and frequently results in the failure to take full advantage of new and useful developments in technology which could improve our living environment; (B) that the establishment of model buildings codes or of a single national building code will not completely resolve the problem because of the difficulty at all levels of government in updating their housing and building regulations to reflect new developments in technology, as well as the irregularities and inconsistencies which arise in applying such requirements to particular localities or special local conditions; (C) that the lack of uniform housing and building regulatory provisions increases the costs of construction and thereby reduces the amount

12 USC 1701j-2.

of housing and other community facilities which can be provided; and (D) that the existence of a single authoritative nationally recognized institution to provide for the evaluation of new technology could facilitate introduction of such innovations and their acceptance at the Federal, State, and local levels.

(2) The Congress further finds, however, that while an authoritative source of technical findings is needed, various private organizations and institutions, private industry, labor, and Federal and other governmental agencies and entities are presently engaged in building research, technology development, testing, and evaluation, standards and model code development and promulgation, and information dissemination. These existing activities should be encouraged and these capabilities effectively utilized wherever possible and appropriate to the purposes of this section.

(3) The Congress declares that an authoritative nongovernmental instrument needs to be created to address the problems and issues described in paragraph (1), that the creation of such an instrument should be initiated by the Government, with the advice and assistance of the National Academy of Sciences-National Academy of Engineering-National Research Council (hereinafter referred to as the "Academies-Research Council") and of the various sectors of the building community, including labor and management, technical experts in building science and technology, and the various levels of government.

(b)(1) There is authorized to be established, for the purposes described in subsection (a) (3), an appropriate nonprofit, nongovernmental instrument to be known as the National Institute of Building Sciences (hereinafter referred to as the "Institute"), which shall not be an agency or establishment of the United States Government. The Institute shall be subject to the provisions of this section and, to the extent consistent with this section, to a charter of the Congress if such a charter is requested and issued or to the District of Columbia Non-profit Corporation Act if that is deemed preferable.

(2) The Academies-Research Council, along with other agencies and organizations which are knowledgeable in the field of building technology, shall advise and assist in (A) the establishment of the Institute; (B) the development of an organizational framework to encourage and provide for the maximum feasible participation of public and private scientific, technical, and financial organizations, institutions, and agencies now engaged in activities pertinent to the development, promulgation, and maintenance of performance criteria, standards, and other technical provisions for building codes and other regulations; and (C) the promulgation of appropriate organizational rules and procedures including those for the selection and operation of a technical staff, such rules and procedures to be based upon the primary object of promoting the public interest and insuring that the widest possible variety of interests and experience essential to the functions of the Institute are represented in the Institute's operations. Recommendations of the Academies-Research Council shall be based upon consultations with and recommendations from various private organizations and institutions, labor, private industry, and governmental agencies entities operating in the field, and the Consultative Council as provided for under subsection (c) (8).

(3) Nothing in this section shall be construed as expressing the intent of the Congress that the Academies-Research Council itself be required to assume any function or operation vested in the Institute by or under this section.

(c)(1) The Institute shall have a Board of Directors (hereinafter referred to as the "Board") consisting of not less than fifteen nor more than twenty-one members, appointed by the President of the United

National Institute of Building Sciences.
Establishment.

D.C. Code 29-1001.

Board of Directors.

States by and with the advice and consent of the Senate. The Board shall be representative of the various segments of the building community, of the various regions of the country, and of the consumers who are or would be affected by actions taken in the exercise of the functions and responsibilities of the Institute, and shall include (A) representatives of the construction industry, including representatives of construction labor organizations, product manufacturers, and builders, housing management experts, and experts in building standards, codes, and fire safety, and (B) members representative of the public interest in such numbers as may be necessary to assure that a majority of the members of the Board represent the public interest and that there is adequate consideration by the Institute of consumer interests in the exercise of its functions and responsibilities. Those representing the public interest on the Board shall include architects, professional engineers, officials of Federal, State, and local agencies, and representatives of consumer organizations. Such members of the Board shall hold no financial interest or membership in, nor be employed by, or receive other compensation from, any company, association, or other group associated with the manufacture, distribution, installation, or maintenance of specialized building products, equipment, systems, subsystems, or other construction materials and techniques for which there are available substitutes.

(2) The members of the initial Board shall serve as incorporators and shall take whatever actions are necessary to establish the Institute as provided for under subsection (b) (1).

(3) The term of office of each member of the initial and succeeding Boards shall be three years; except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, one-third at the end of one year, one-third at the end of two years, and one-third at the end of three years. No member shall be eligible to serve in excess of three consecutive terms of three years each. Notwithstanding the preceding provisions of this subsection, a member whose term has expired may serve until his successor has qualified.

(4) Any vacancy in the initial and succeeding Boards shall not affect its power, but shall be filled in the manner in which the original appointments were made, or, after the first five years of operation, as provided for by the organizational rules and procedures of the Institute.

(5) The President shall designate one of the members appointed to the initial Board as Chairman; thereafter, the members of the initial and succeeding Boards shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of their Members as Vice Chairman. Terms of the Chairman and Vice Chairman shall be for one year and no individual shall serve as Chairman or Vice Chairman for more than two consecutive terms.

(6) The members of the initial or succeeding Boards shall not, by reason of such membership, be deemed to be employees of the United States Government. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this section, be entitled to receive compensation at the rate of \$100 per day including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

Term of office.

Vacancies.

Chairman.

Compensation
and travel ex-
penses.

(7) The Institute shall have a president and such other executive officers and employees as may be appointed by the Board at rates of compensation fixed by the Board. No such executive officer or employee may receive any salary or other compensation from any source other than the Institute during the period of his employment by the Institute.

Consultative
Council.
Establishment.

(8) The Institute shall establish, with the advice and assistance of the Academies-Research Council and other agencies and organizations which are knowledgeable in the field of building technology, a Consultative Council, membership in which shall be available to representatives of all appropriate private trade, professional, and labor organizations, private and public standards, code, and testing bodies, public regulatory agencies, and consumer groups, so as to insure a direct line of communication between such groups and the Institute and a vehicle for representative hearings on matters before the Institute.

(d)(1) The Institute shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Institute shall inure to the benefit of any director, officer, employee, or other individual except as salary or reasonable compensation for services.

(3) The Institute shall not contribute to or otherwise support any political party or candidate for elective public office.

(e)(1) The Institute shall exercise its functions and responsibilities in four general areas, relating to building regulations, as follows:

(A) Development, promulgation, and maintenance of nationally recognized performance criteria, standards, and other technical provisions for maintenance of life, safety, health, and public welfare suitable for adoption by building regulating jurisdictions and agencies, including test methods and other evaluative techniques relating to building systems, subsystems, components, products, and materials with due regard for consumer problems.

(B) Evaluation and prequalification of existing and new building technology in accordance with subparagraph (A).

(C) Conduct of needed investigations in direct support of subparagraphs (A) and (B).

(D) Assembly, storage, and dissemination of technical data and other information directly related to subparagraphs (A), (B), and (C).

(2) The Institute in exercising its functions and responsibilities described in paragraph (1) shall assign and delegate, to the maximum extent possible, responsibility for conducting each of the needed activities described in paragraph (1) to one or more of the private organizations, institutions, agencies, and Federal and other governmental entities with a capacity to exercise or contribute to the exercise of such responsibility, monitor the performance achieved through assignment and delegation, and, when deemed necessary, reassign and delegate such responsibility.

(3) The Institute in exercising its functions and responsibilities under paragraphs (1) and (2) shall (A) give particular attention to the development of methods for encouraging all sectors of the economy to cooperate with the Institute and to accept and use its technical findings, and to accept and use the nationally recognized performance criteria, standards, and other technical provisions developed for use in Federal, State, and local building codes and other regulations which result from the program of the Institute; (B) seek to assure that its actions are coordinated with related requirements which are imposed in connection with community and environmental development generally; and (C) consult with the Department of Justice and other agen-

cies of government to the extent necessary to insure that the national interest is protected and promoted in the exercise of its functions and responsibilities.

(f) (1) The Institute is authorized to accept contracts and grants from Federal, State, and local governmental agencies and other entities, and grants and donations from private organizations, institutions, and individuals.

Contracts and grants.

(2) The Institute may, in accordance with rates and schedules established with guidance as provided under subsection (b) (2), establish fees and other charges for services provided by the Institute or under its authorization.

Fees.

(3) Amounts received by the Institute under this section shall be in addition to any amounts which may be appropriated to provide its initial operating capital under subsection (h).

(g) (1) Every department, agency, and establishment of the Federal Government, in carrying out any building or construction, or any building- or construction-related programs, which involves direct expenditures, and in developing technical requirements for any such building or construction, shall be encouraged to accept the technical findings of the Institute, or any nationally recognized performance criteria, standards, and other technical provisions for building regulations brought about by the Institute, which may be applicable.

(2) All projects and programs involving Federal assistance in the form of loans, grants, guarantees, insurance, or technical aid, or in any other form, shall be encouraged to accept, use, and comply with any of the technical findings of the Institute, or any nationally recognized performance criteria, standards, and other technical provisions for building codes and other regulations brought about by the Institute, which may be applicable to the purposes for which the assistance is to be used.

(3) Every department, agency, and establishment of the Federal Government having responsibility for building or construction, or for building- or construction-related programs, is authorized and encouraged to request authorization and appropriations for grants to the Institute for its general support, and is authorized to contract with and accept contracts from the Institute for specific services where deemed appropriate by the responsible Federal official involved.

(4) The Institute shall establish and carry on a specific and continuing program of cooperation with the States and their political subdivisions designed to encourage their acceptance and its technical findings and of nationally recognized performance criteria, standards, and other technical provisions for building regulations brought about by the Institute. Such program shall include (A) efforts to encourage any changes in existing State and local law to utilize or embody such findings and regulatory provisions; and (B) assistance to States in the development of inservice training programs for building officials, and in the establishment of fully staffed and qualified State technical agencies to advise local officials on questions of technical interpretation.

(h) There is authorized to be appropriated to the Institute not to exceed \$5,000,000 for the fiscal year 1975, and \$5,000,000 for the fiscal year 1976 (with each appropriation to be available until expended), to provide the Institute with initial capital adequate for the exercise of its functions and responsibilities during such years; and thereafter the Institute shall be financially self-sustaining through the means described in subsection (f).

Appropriation.

(i) The Institute shall submit an annual report for the preceding fiscal year to the President for transmittal to the Congress within sixty days of its receipt. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial con-

Annual report to President.

dition, and accomplishments under this section and may include such recommendations as the Institute deems appropriate.

URBAN HOMESTEADING

12 USC 1706e.

SEC. 810. (a) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") is authorized to transfer without payment to a unit of general local government or a State, or a public agency designated by a unit of general local government or a State, any real property—

- (1) which is improved by a one- to four-family residence;
- (2) to which the Secretary holds title;
- (3) which is not occupied;
- (4) which is requested by such unit, State, or agency for use in an urban homestead program; and

(5) which the Secretary determines is suitable for use in an urban homestead program which meets the requirements of subsection (b). In determining the suitability of such property for use in an urban homestead program, the Secretary shall consider—

(A) the difficulties and delays which would be involved in the sale of the property;

(B) the value of any repairs and improvements required by the program;

(C) the benefits to the community and the reduced administrative costs to the Federal Government which would accrue from the expedited occupancy of the unoccupied property; and

(D) the possible financial loss to the Federal Government which may result from the transfer of the property without payment.

(b) For the purposes of subsections (a) and (c), the Secretary shall approve an urban homestead program carried out by a unit of general local government or a State or a public agency designated by a unit of general local government or a State, which provides for—

(1) the conditional conveyance of unoccupied residential property by the responsible administrative entity to an individual or a family without any substantial consideration;

(2) an equitable procedure for selecting the recipients of the unoccupied residential property, giving special consideration to the recipients' need for housing and capacity to make or cause to be made the repairs and improvements required under paragraph (3) (C) of this subsection;

(3) an agreement whereby the individual or family to whom such property is conveyed agrees to—

(A) occupy such property as a principal residence for a period of not less than three years;

(B) make repairs required to meet minimum health and safety standards for occupancy prior to occupying the property;

(C) make such repairs and improvements to the property as may be necessary to meet applicable local standards for decent, safe, and sanitary housing within eighteen months after occupying the property; and

(D) permit reasonable periodic inspections at reasonable times by employees of the unit of general local government or State or the public agency designated by the unit of general local government or State for the purpose of determining compliance with the agreement;

(4) the revocation of such conveyance upon any material breach of the agreement referred to in paragraph (3);

(5) the conveyance from the unit of general local government or State or the public agency designated by the unit of general local government or State of fee simple title to such property without consideration upon compliance with the agreement; and

(6) a coordinated approach toward neighborhood improvement through the homestead program and the upgrading of community services and facilities.

The Secretary may approve such other programs as he determines to reasonably fulfill these criteria.

(c) The Secretary is authorized to enter into agreements with units of general local government or States or public agencies designated by units of general local government or State to provide technical assistance for the administration of urban homestead programs which meet the requirements of subsection (b) and to individuals and families who are participants in such programs.

(d) The Secretary is authorized to issue such rules and regulations as may be necessary to carry out his functions under this section.

(e) The Secretary shall conduct a continuing evaluation of programs carried out pursuant to this section and, beginning with the third year commencing after the date of enactment of this section, shall transmit to the Congress an annual report containing a summary of his evaluation of such programs and his recommendations for future conduct of such programs.

(f) In order to facilitate planning for purposes of this section, the Secretary shall, upon request of a unit of general local government or a State or a public agency designated by a unit of general local government or a State, provide a listing of all unoccupied one- to four-family residences to which the Secretary holds title and which are located within the geographic jurisdiction of such unit, State, or agency.

(g) To reimburse the housing loan funds for properties transferred pursuant to this section, and to carry out the provisions of subsection (c), there are authorized to be appropriated not to exceed \$5,000,000 for the fiscal year 1975, and not to exceed \$5,000,000 for the fiscal year 1976. Any amounts so appropriated shall remain available until expended.

Rules and regulations.

Continuing evaluation.

Report, transmittal to Congress.

Appropriation.

COUNSELING AND TECHNICAL ASSISTANCE

SEC. 811. (a) Section 106 of the Housing and Urban Development Act of 1968 is amended by rewriting the heading to read as follows: "Technical Assistance, Counseling to Tenants and Homeowners, and Loans to Sponsors of Low- and moderate-income Housing".

12 USC 1701x.

(b) (1) Section 106(a)(1)(iii) of such Act is amended to read as follows:

"(iii) counseling and advice to tenants and homeowners with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and in meeting the responsibilities of tenancy or homeownership; and".

(2) Section 106(a) of such Act is amended by redesignating paragraph (2) as paragraph (3) and inserting immediately after paragraph (1) the following new paragraph:

"(2) The Secretary shall provide the services described in clause (iii) of paragraph (1) for homeowners assisted under section 235 of the National Housing Act. For purposes of this paragraph and clause (iii) of paragraph (1), the Secretary may provide the services described in such clause directly or may enter into contracts with, make grants to, and provide other types of assistance to private or public organizations with special competence and knowledge in counseling low- and moderate-income families to provide such services."

12 USC 1715z.

Ante, p. 735.

(c) Section 106(a)(1) of such Act is further amended by adding at the end thereof the following new subparagraph:

“(iv) the provision of technical assistance to communities, particularly smaller communities, to assist such communities in planning, developing, and administering Community Development Programs pursuant to title I of the Housing and Community Development Act of 1974.”

Ante, p. 633.

(d) Section 106(a)(3) of such Act (as redesignated by subsection (b)(2) of this section) is amended by striking out “not to exceed \$5,000,000” and inserting in lieu thereof “such sums as may be necessary”.

(e) Section 106(b)(1) of such Act is amended by inserting “or public housing agencies” immediately after “nonprofit organizations”.

(f) Section 106(b)(2) of such Act is amended by inserting “or public housing agency” immediately after “nonprofit organization”.

INTERSTATE LAND SALES

15 USC 1701.

SEC. 812. (a) Section 1402 of the Housing and Urban Development Act of 1968 is amended—

(1) by inserting after “land” where it first appears in paragraph (3) the following: “, located in any State or in a foreign country,”; and

(2) by inserting before the semicolon at the end of paragraph (7) the following: “or between any foreign country and any State”.

15 USC 1702.

(b) Section 1403(a) of such Act is amended by striking out “or” at the end of paragraph (9), by striking out the period at the end of paragraph (10) and inserting in lieu thereof “; or”, and by adding after paragraph (10) the following new paragraph:

Real estate,
sale or lease.

“(11) the sale or lease of real estate which is zoned by the appropriate governmental authority for industrial or commercial development, when—

“(A) local authorities have approved access from such real estate to a public street or highway;

“(B) the purchaser or lessee of such real estate is a duly organized corporation, partnership, trust, or business entity engaged in commercial or industrial business;

“(C) the purchaser or lessee of such real estate is represented in the transaction of sale or lease by a representative of its own selection;

“(D) the purchaser or lessee of such real estate affirms in writing to the seller that it either (i) is purchasing or leasing such real estate substantially for its own use or (ii) has a binding commitment to sell, lease, or sublease such real estate to an entity which meets the requirements of subparagraph (B), is engaged in commercial or industrial business, and is not affiliated with the seller or agent; and

“(E) a policy of title insurance or title opinion is issued in connection with the transaction showing that title to the real estate purchased or leased is vested in the seller or lessor, subject only to such exceptions as may be approved in writing by such purchaser or the lessee prior to recordation of the instrument of conveyance or execution of the lease, but (i) nothing herein shall be construed as requiring the recordation of a lease, and (ii) any purchaser or lessee may waive, in writing in a separate document, the requirement of this subparagraph that a policy of title insurance or title opinion be issued in connection with the transaction.”

Waiver.

(c)(1) The second sentence of section 1404(b) of such Act is amended— 15 USC 1703.

(A) by striking out “within forty-eight hours” where it first appears and inserting in lieu thereof “until midnight of the third business day following the consummation of the transaction”; and

(B) by striking out all after “provide” and inserting in lieu thereof a period.

(2) The amendments made by paragraph (1) shall be effective sixty days after the date of the enactment of this Act.

Effective date.
15 USC 1703
note.

MASS TRANSPORTATION

SEC. 813. (a) Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

49 USC 1602.

“(f) No Federal financial assistance under this Act may be provided for the purchase of buses unless the applicant or any public body receiving such assistance for the purchase of buses, or any publicly owned operator receiving such assistance, shall as a condition of such assistance enter into an agreement with the Secretary that such public body, or any operator of mass transportation for such public body, will not engage in charter bus operations outside the urban area within which it provides regularly scheduled mass transportation service, except as provided in the agreement authorized by this subsection. Such agreement shall provide for fair and equitable arrangements, appropriate in the judgment of the Secretary, to assure that the financial assistance granted under this Act will not enable public bodies and publicly and privately owned operators for public bodies to foreclose private operators from the intercity charter bus industry where such private operators are willing and able to provide such service. In addition to any other remedies specified in the agreement, the Secretary shall have the authority to bar a grantee or operator from the receipt of further financial assistance for mass transportation facilities and equipment where he determines that there has been a continuing pattern of violations of the terms of agreement. Upon receiving a complaint regarding an alleged violation, the Secretary shall investigate and shall determine whether a violation has occurred. Upon determination that a violation has occurred, he shall take appropriate action to correct the violation under the terms and conditions of the agreement.”.

(b) Section 164(a) of the Federal-Aid Highway Act of 1973 is amended—

49 USC 1602a.

(1) by inserting “or” before “(2)” in the first sentence;

(2) by striking out “or (3) the Urban Mass Transportation Act of 1964,” in the first sentence; and

(3) by striking out all after the word “operations” in the first sentence and all of the second sentence, and inserting in lieu thereof “outside of the urban area (or areas) within which it provides regularly scheduled mass transportation service, except as provided in an agreement authorized and required by section 3(f) of the Urban Mass Transportation Act of 1964, which section shall apply to Federal financial assistance for the purchase of buses under the provisions of title 23, United States Code, referred to in clauses (1) and (2) of this sentence.”

23 USC 101 *et seq.*

(c) The Secretary shall amend any agreements entered into pursuant to section 164(a) of the Federal-Aid Highway Act of 1973, to conform to the requirements of the amendments made by this section. The effective date of such conformed agreements shall be the effective date of the original agreements entered into pursuant to such section 164(a).

49 USC 1602a
note.

SOLAR ENERGY

12 USC 1701z-1. SEC. 814. Title V of the Housing and Urban Development Act of 1970 is amended by adding at the end thereof the following new section:

"SOLAR ENERGY

Demonstrations.
12 USC 1701z-5.

"SEC. 506. (a) In carrying out activities under section 501, the Secretary may, after consultation with the National Science Foundation, undertake demonstrations to determine the economic and technical feasibility of utilizing solar energy for heating or cooling residential housing (including demonstrations of new housing design or structure involving the use of solar energy). Demonstrations carried out under this section should involve both single family and multifamily housing located in areas having distinguishable climatic characteristics in urban as well as rural environments. To carry out the purpose of this section the Secretary is authorized—

"(1) to enter into contracts with, to make grants to, and to provide other types of assistance to individuals and entities with special competence and knowledge to contribute to the planning, design, development, and operation of such housing;

"(2) to utilize the contract, loan, or mortgage insurance authority of any federally assisted housing program in the actual planning, development, and occupancy of such housing; and

"(3) to set aside any development, construction, design, or occupancy requirements for the purpose of any demonstration under this section if he determines that such requirements inhibit such demonstration.

Evaluation.

"(b) The Secretary shall include in any demonstration under this section an evaluation of the demonstration to cover the full experience involved in all stages of the demonstration.

Report to Congress.

"(c) The Secretary shall transmit to the Congress not later than 6 months following the close of any year in which he carries out a demonstration under this section a full report on such demonstration. Such report may include an evaluation of the economic and technological feasibility of the widespread application of solar energy to residential housing."

ADDITIONAL RESEARCH AUTHORITY

SEC. 815. Title V of the Housing and Urban Development Act of 1970 (as amended by section 814 of this Act) is amended by adding at the end thereof the following new section:

"ADDITIONAL RESEARCH AUTHORITY

12 USC 1701z-6.

"SEC. 507. (a) In carrying out activities under section 501, the Secretary may undertake special demonstrations to determine the housing design, the housing structure, and the housing-related facilities, and amenities most effective or appropriate to meet the needs of groups with special housing needs including the elderly, the handicapped, the displaced, single individuals, broken families, and large households. For this purpose, the Secretary is authorized to enter into contracts with, to make grants to, and to provide other types of assistance to individuals and entities with special competence and knowledge to contribute to the planning, development, design, and management of such housing.

"(b) In carrying out his functions under this section, the Secretary shall give preferential attention to demonstrations which in his judgment involve areas of housing user needs most neglected in past and current research and demonstration efforts.

“(c) The Secretary is authorized to undertake demonstrations involving the actual planning, development, and occupancy of housing utilizing the contract and loan authority of any federally assisted housing program. He is also authorized to set aside any development, construction, design, and occupancy requirements, for the purposes of these demonstrations, if in his judgment they inhibit the testing of housing designed to meet the special housing needs.

“(d) In carrying out this section, the Secretary shall include, as part of any demonstration, an evaluation of the demonstration to cover the full experience involved in planning, development, and occupancy.

Evaluation.

“(e) In addition to any other contract or loan authority which the Secretary may utilize under subsection (c), not more than \$10,000,000 from amounts approved in appropriation Acts shall be available for research under this section.”

FLOOD INSURANCE PROGRAM

SEC. 816. (a) Chapter III of title XIII of the Housing and Urban Development Act of 1968 is amended by adding at the end thereof the following new section:

42 USC 4101.

“NOTICE OF FLOOD HAZARDS

“SEC. 1364. Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation require such institutions, as a condition of making, increasing, extending, or renewing (after the expiration of thirty days following the date of the enactment of this section) any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Secretary under this title or Public Law 93-234 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) of such special flood hazards, in writing, a reasonable period in advance of the signing of the purchase agreement, lease, or other documents involved in the transaction.”

42 USC 4104a.

42 USC 4002
note

(b) Section 1307 of such Act is amended by adding at the end thereof the following new subsection:

42 USC 4014.

“(e) Notwithstanding any other provision of law, any community that has made adequate progress, acceptable to the Secretary, on the construction of a flood protection system which will afford flood protection for the one-hundred year frequency flood as determined by the Secretary, shall be eligible for flood insurance under this title (if and to the extent it is eligible for such insurance under the other provisions of this title) at premium rates not exceeding those which would be applicable under this section if such flood protection system had been completed. The Secretary shall find that adequate progress on the construction of a flood protection system as required herein has been only if (1) 100 percent of the project cost of the system has been authorized, (2) at least 60 percent of the project cost of the system has been appropriated, (3) at least 50 percent of the project cost of the system has been expended, and (4) the system is at least 50 percent completed.”

Flood insurance,
eligibility.

LIMITATION ON WITHHOLDING OR CONDITIONING OF ASSISTANCE

SEC. 817. Assistance provided for in this Act, the National Housing Act, the United States Housing Act of 1937, the Housing Act of 1949, the Demonstration Cities and Metropolitan Development Act of 1966, and the Housing and Urban Development Acts of 1965, 1968, 1969,

12 USC 1701.
Anfe, p. 653.
42 USC 1441
note, 3301 note.

12 USC 1749aa
note, 1701t note,
1720 note, 1701s
note.

and 1970 shall not be withheld or made subject to conditions or preference by reason of the tax-exempt status of bonds or other obligations issued or to be issued to provide financing for use in connection with such assistance, except where otherwise expressly provided or authorized by law.

ADDITIONAL ASSISTANT SECRETARIES OF HOUSING AND URBAN DEVELOPMENT

42 USC 3533.

SEC. 818. (a) Section 4 of the Department of Housing and Urban Development Act (Public Law 89-174, 79 Stat. 667) is amended—

- (1) by striking out “six” in the first sentence of subsection (a) and inserting in lieu thereof “eight”;
 - (2) by striking out subsection (b); and
 - (3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively,
- (b) Section 5316 of title 5, United States Code, is amended by striking out paragraph (122).
- (c) Paragraph (87) of section 5315 of title 5, United States Code, is amended by striking out “(6)” and inserting in lieu thereof “(8)”.

MORTGAGE PROCEEDS FRAUDULENTLY MISAPPROPRIATED BY MORTGAGOR

12 USC 1701l-1.

SEC. 819. The Secretary of Housing and Urban Development shall take action to secure the payment of any deficiency after foreclosure on a mortgage insured or assisted under Federal law where the Secretary has reason to believe that mortgage proceeds have been fraudulently misappropriated by the mortgagor.

NEIGHBORHOOD DEVELOPMENT PROGRAM

42 USC 1469b.

SEC. 820. Notwithstanding the provisions of section 133(b) of the Housing Act of 1949 or of any other law, local expenditures made in connection with the Broad and Front Street Garage in Trenton, New Jersey, shall, to the extent otherwise eligible, be counted as a local grant-in-aid to the first two action years of the Trenton Neighborhood Development Program (N.J. A-1) in accordance with the provisions of title I of the Housing Act of 1949.

42 USC 1450.

CONDOMINIUM AND COOPERATIVE STUDY

42 USC 3532
note.

Report to Congress.

SEC. 821. The Secretary of Housing and Urban Development is authorized and directed to conduct a full and complete investigation and study, and report to Congress not later than one year after the date of enactment of this Act, with respect to condominiums and cooperatives, and the problems, difficulties, and abuses or potential abuses applicable to condominium and cooperative housing.

DIRECT FINANCING STUDY

12 USC 1715z-1
note.

Report to Congress.

SEC. 822. The Secretary of Housing and Urban Development and the Secretary of the Treasury shall study the feasibility of financing the programs authorized under section 236 of the National Housing Act and section 802 of this Act through various financing methods, including direct loans from the Federal Financing Bank, with a view to determining whether there is any such method that would result in net savings to the Federal Government (after taking into account the direct and indirect effects of such method). The Secretary of Housing and Urban Development and the Secretary of the Treasury

shall transmit to the Congress a report on the study required by this section not later than one year after the date of enactment of this Act.

Approved August 22, 1974.

Public Law 93-384

JOINT RESOLUTION

To authorize the erection of a monument to the dead of the First Infantry Division, United States Forces in Vietnam.

August 23, 1974
[S. J. Res. 66]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Society of the First Infantry Division—First Division Memorial Committee is authorized to erect (at no cost to the United States or the District of Columbia) a monument to the dead of the First Infantry Division, United States Forces in Vietnam, on the public grounds of the United States in the District of Columbia previously set aside for memorial purposes of the First Infantry Division, adjacent to the monument to the dead of the First Infantry Division, American Expeditionary Forces in World War I, and adjacent to the monument to the dead of the First Infantry Division, United States Forces in World War II.

First Infantry
Division, United
States Forces in
Vietnam.
Monument.

SEC. 2. The design and plans for such monument shall be subject to the approval of the Secretary of the Interior, the National Commission of Fine Arts, and the National Capital Planning Commission.

Design.

SEC. 3. The Secretary of the Interior shall be responsible for the maintenance and care of any such monument, in accordance with the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935.

Maintenance.

16 USC 1.

16 USC 461.

Approved August 23, 1974.

Public Law 93-385

AN ACT

To amend the Public Health Service Act to extend through fiscal year 1975 the scholarship program for the National Health Service Corps and the loan program for health professions students.

August 23, 1974
[S. 3782]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 225 (i) of the Public Health Service Act is amended by inserting before the period "and \$40,000,000 for the fiscal year ending June 30, 1975".

SEC. 2. (a) Section 742(a) of the Public Health Service Act is amended by striking out "and" after "1973," and by inserting after "1974" the following: ", and \$60,000,000 for the fiscal year ending June 30, 1975".

Health serv-
vices.
Scholarship and
student loan pro-
grams, extension.
42 USC 234.
42 USC 294b.

(b) Section 740(b) (4) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975".

42 USC 294.

SEC. 3. (a) Section 824 of the Public Health Service Act is amended—

42 USC 297c.

(1) by striking out "and" after "1973,"; and

(2) by inserting after "1974," the first time it appears the following: "and \$35,000,000 for the fiscal year ending June 30, 1975,".

(b) Section 822(b) (4) of such Act is amended by striking out "1974" and inserting in lieu thereof "1975".

42 USC 297a.

Approved August 23, 1974.

Public Law 93-386

August 23, 1974
[S. 3331]

AN ACT

To clarify the authority of the Small Business Administration, to increase the authority of the Small Business Administration, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Business Amendments of 1974".

SEC. 2. (a) The Small Business Act is amended—

(1) by redesignating subsection (b) of section 2 as subsection (c) and by adding after subsection (a) of that section the following new subsection:

"(b) The assistance programs authorized by sections 7(i) and 7(j) of this Act are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.";

(2) by striking out paragraphs (1) and (2) of section 4(c), and inserting in lieu thereof the following:

"(c) (1) There are hereby established in the Treasury the following revolving funds: (A) a disaster loan fund which shall be available for financing functions performed under sections 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), 7(c) (2), and 7(g) of this Act, including administrative expenses in connection with such functions; and (B) a business loan and investment fund which shall be available for financing functions performed under sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, including administrative expenses in connection with such functions.

"(2) All repayments of loans and debentures, payments of interest and other receipts arising out of transactions heretofore or hereafter entered into by the Administration (A) pursuant to sections 7(b) (1), 7(b) (2), 7(b) (4), 7(b) (5), 7(b) (6), 7(b) (7), 7(b) (8), and 7(c) (2) of this Act shall be paid into a disaster loan fund; and (B) pursuant to sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, and titles III and V of the Small Business Investment Act of 1958, shall be paid into the business loan and investment fund.";

(3) by striking out paragraph (4) of section 4(c), and inserting in lieu thereof the following:

"(4) The total amount of loans, guarantees, and other obligations or commitments, heretofore or hereafter entered into by the Administration, which are outstanding at any one time (A) under sections 7(a), 7(b) (3), 7(e), 7(h), 7(i), and 8(a) of this Act, shall not exceed \$6,000,000,000; (B) under title III of the Small Business Investment Act of 1958, shall not exceed \$725,000,000; (C) under title V of the Small Business Investment Act of 1958, shall not exceed \$525,000,000; and (D) under section 7(i) of this Act, shall not exceed \$450,000,000.";

and
(4) by adding at the end of section 7 the following three new subsections:

"(i) (1) The Administration also is empowered to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern, or to any qualified person seeking to establish such a concern, when it determines that

Small Business
Amendments of
1974.

15 USC 631
note.
15 USC 631.

Infra.
Post, p. 744.

Revolving
funds.
15 USC 633.

15 USC 636.

15 USC 637.
15 USC 681,
695.

15 USC 633.

15 USC 636.

such loans will further the policies established in section 2(b) of this Act, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals, or owned by low-income individuals: *Provided, however*, That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed \$50,000. The Administration may defer payments on the principal of such loans for a grace period and use such other methods as it deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administration may, in its discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administration: *Provided, however*, That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency.

Ante, p. 742.

Limitation.

Deferred payments.

Management training program.

“(2) The Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guarantees, participations in loans, and pooling arrangements authorized by this subsection.

Private businesses, participation.

“(3) To insure an equitable distribution between urban and rural areas for loans between \$3,500 and \$50,000 made under this subsection, the Administration is authorized to use the agencies and agreements and delegations developed under title III of the Economic Opportunity Act of 1964, as amended, as it shall determine necessary.

42 USC 2841.

“(4) The Administration shall provide for the continuing evaluation of programs under this subsection, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

15 USC 639.

“(5) Loans made pursuant to this subsection (including immediate participation in and guarantees of such loans) shall have such terms and conditions as the Administration shall determine, subject to the following limitations—

Loans, limitations.

“(A) there is reasonable assurance of repayment of the loan;

“(B) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

“(C) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

“(D) the loan bears interest at a rate not less than (i) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (ii) such additional charge, if any, toward covering other costs of the program as the Administration may determine to be consistent with its purposes: *Provided, however*, That the rate of interest charged on loans made in redevelopment areas designated under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3108 et seq.) shall not exceed the rate currently applicable to new loans made under section 201 of that Act (42 U.S.C. 3142); and

42 USC 3121 note.

42 USC 3141.

Fees.

“(E) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guarantees.

Urban area
small business,
allocation.

“(6) The Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this subsection are allotted to small business concerns located in urban areas identified by the Administration as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administration shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this subsection.

Relocations,
funds, restriction.

“(7) No financial assistance shall be extended pursuant to this subsection where the Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

Technical or
management as-
sistance projects,
financial assist-
ance.

“(j)(1) The Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the cost of projects designed to provide technical or management assistance to individuals or enterprises eligible for assistance under subsection 7(i) of this Act, with special attention to small business located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

Ante, p. 742.

“(2) Financial assistance under this subsection may be provided for projects, including without limitation—

“(A) planning and research, including feasibility studies and market research;

“(B) the identification and development of new business opportunities;

“(C) the furnishing of centralized services with regard to public services and Government programs including programs authorized under subsection 7(i);

“(D) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

“(E) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

“(F) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

“(3) The Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

“(4) The financial assistance authorized by this subsection includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services.

“(5) The Administration is authorized to make payments under grants and contracts entered into under this subsection in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments.

Payments.

“(6) To the extent feasible, services under this subsection shall be provided in a location which is easily accessible to the individuals and small business concerns served.

“(7) The Administration shall provide for an independent and continuing evaluation of programs under this subsection, including full information on, and analysis of, the character and impact of managerial assistance provided, the location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations deemed advisable by the Administration shall be included in the report required by section 10(a) of this Act.

Program evaluations.

15 USC 639.

“(8) The Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this subsection and of subsection 7(i) of this Act. The Administration shall provide for the continuing evaluation of programs under this subsection and the results of such evaluation together with recommendations shall be included in the report required by section 10(a) of this Act.

Ante, p. 742.

“(k) In carrying out its functions under subsections 7(i) and 7(j) of this Act, the Administration is authorized—

Ante, p. 744.

“(1) to utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or political subdivision of a State, accept and utilize the services and facilities of such State or subdivision without reimbursement;

“(2) to accept, in the name of the Administration, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible, or intangible, received by gift, devise, bequest, or otherwise;

“(3) to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 655(b)); and

31 USC 665.

“(4) to employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than one hundred days in any fiscal year; to compensate individuals so employed at rates not in excess of \$100 per diem, including traveltime; and to allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however*, That contracts for such employment may be renewed annually.”

5 USC 3109.

5 USC 5703.

(b) Title IV of the Economic Opportunity Act of 1964 is hereby repealed; and all references to such title in the remainder of that Act are repealed.

Repeal.
42 USC 2901-2907.

SEC. 3. The Small Business Act is further amended—

(1) by amending section 5(b) by striking out “and” following paragraph (8), by striking out the period at the end of para-

15 USC 634.

graph (9) and inserting in lieu thereof a semicolon and by adding at the end of paragraph (9) the following new paragraphs:

15 USC 636.

“(10) upon purchase by the Administration of any deferred participation entered into under section 7 of this Act, continue to charge a rate of interest not to exceed that initially charged by the participating institution on the amount so purchased for the remaining term of the indebtedness; and

Investigations.

“(11) make such investigations as he deems necessary to determine whether a recipient of or participant in any assistance under this Act or any other person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or of any rule or regulation under this Act, or of any order issued under this Act. The Administration shall permit any person to file with it a statement in writing, under oath or otherwise as the Administration shall determine, as to all the facts and circumstances concerning the matter to be investigated. For the purpose of any investigation, the Administration is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpoena issued to, any person, including a recipient or participant, the Administration may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Administration, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.”; and

Statement,
filing.

Investigative
powers.

Service of
process.

15 USC 636.

(2) by striking out the third sentence in paragraph (2) of section 7(h) and inserting in lieu thereof: “The Administration’s share of any loan made under this subsection shall bear interest at the rate of 3 per centum per annum.”

15 USC 639.

SEC. 4. Section 10 of the Small Business Act is amended by adding at the end thereof the following new subsection:

Report to con-
gressional com-
mittees.

“(g) The Administration shall transmit, not later than December 31 of each year, to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives a sealed report with respect to—

“(1) complaints alleging illegal conduct by employees of the Administration which were received or acted upon by the Administration during the preceding fiscal year; and

“(2) investigations undertaken by the Administration, including external and internal audits and security and investigation reports.”

15 USC 647.

SEC. 5. Section 18 of the Small Business Act is amended by adding at the end thereof the following new sentence: “If loan applications are being refused or loans denied by such other department or agency responsible for such work or activity due to administrative withholding from obligation or withholding from apportionment, or due to

administratively declared moratorium, then, for purposes of this section, no duplication shall be deemed to have occurred.”.

SEC. 6. (a) The Small Business Investment Act of 1958 is amended—

(1) by striking out in the table of contents in section 101 all references to title IV and section numbers therein and inserting in lieu thereof the following:

“TITLE IV—GUARANTEES

“PART A—LEASE GUARANTEES

“Sec. 401. Authority of the Administration.

“Sec. 402. Powers.

“Sec. 403. Fund.

“PART B—SURETY BOND GUARANTEES

“Sec. 410. Definitions.

“Sec. 411. Authority of the Administration.

“Sec. 412. Fund.”;

(2) by striking out section 403 and inserting in lieu thereof the following:

15 USC 694.

“FUND

“SEC. 403. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitations as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed \$10,000,000 to provide capital for the fund. All amounts received by the Administrator, including any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested.”;

Establishment.

Appropriation.

Interest rate.

(3) by striking out “\$500,000” in section 411 and inserting in lieu thereof “\$1,000,000”; and

15 USC 694b.

(4) by adding after section 411 the following new section:

“FUND

“SEC. 412. There is hereby created within the Treasury a separate fund for guarantees which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purposes of this part. There are authorized to be appropriated to the fund from time to time such amounts not to exceed \$35,000,000 to provide capital for the fund. All amounts received by the Administrator, including

Establishment.
15 USC 694c.

Appropriation.

any moneys, property, or assets derived by him from his operations in connection with this part, shall be deposited in the fund. All expenses and payments pursuant to operations of the Administrator under this part shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Administrator shall pay from the fund into Treasury as miscellaneous receipts interest at a rate determined by the Secretary of the Treasury on the cumulative amount of appropriations available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, and shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of guarantees from the fund. Moneys in the fund not needed for the payment of current operating expenses or for the payment of claims arising under this part may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys provided as capital for the fund shall not be so invested."

Interest rate.

Allocated funds.
15 USC 694
note.
Ante, p. 747.

Transfer of
funds.

15 USC 633.

SBA Adminis-
trators.

Associate
Administrator for
Minority Small
Business.

Interest rate.
15 USC 636.

(b) Unexpected balances of capital previously transferred to the fund pursuant to section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694), as in effect prior to the effective date of this Act, shall be allocated, together with related assets and liabilities, to the funds established by paragraphs (2) and (4) of subsection (a) of this section in such amounts as the Administrator shall determine. In addition, the Administrator is authorized to transfer to the fund established by paragraph (4) of subsection (a) of this section not to exceed \$2,000,000 from the fund established under section 4(c)(1)(B) of the Small Business Act: *Provided*, That section 4(c)(6) and the last sentence of section 4(c)(5) shall not apply to any amounts so transferred.

SEC. 7. Section 4(b) of the Small Business Act is amended—

(1) by striking out "three" in the third sentence and inserting in lieu thereof "four"; and

(2) by inserting after the third sentence the following new sentence: "One of the Associate Administrators shall be designated at the time of his appointment as the Associate Administrator for Minority Small Business and shall be responsible to the Administrator for the formulation of policy relating to the Administration's programs which provide assistance to minority small business concerns and in the review of the Administration's execution of such programs in light of such policy."

SEC. 8. Sections 7(a)(4)(B) and 7(a)(5)(B) of the Small Business Act are each amended to read as follows: "the rate of interest for the Administration's share of any such loan shall be the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date of the loan and adjusted to the nearest one-eighth of 1 per centum plus one-quarter of 1 per centum per annum; and".

SEC. 9. (a) Section 7(b) of the Small Business Act is amended by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and" and by adding immediately after paragraph (7) the following new paragraph:

"(8) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance

the existing indebtedness of, any small business concern seriously and adversely affected by a shortage of fuel, electrical energy, or energy-producing resources, or by a shortage of raw or processed materials resulting from such shortages, if the Administration determines that such concern has suffered or is likely to suffer substantial economic injury without assistance under this paragraph."

(b) The first paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out "or (7)," immediately following "(6)," and inserting in lieu thereof "(7), or (8)."

15 USC 636.

SEC. 10. Section 5 of the Small Business Act is amended by adding at the end thereof the following new subsection:

Chief Counsel
for Advocacy.

"(e) The Administrator shall designate an individual within the Administration to be known as the Chief Counsel for Advocacy and to perform the following duties:

15 USC 634.
Duties.

"(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other Federal agency which affects small businesses;

"(2) counsel small businesses on how to resolve questions and problems concerning the relationship of the small business to the Federal Government;

"(3) develop proposals for changes in the policies and activities of any agency of the Federal Government which will better fulfill the purposes of the Small Business Act and communicate such proposals to the appropriate Federal agencies;

15 USC 631
note.

"(4) represent the views and interests of small businesses before other Federal agencies whose policies and activities may affect small businesses; and

"(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government which are of benefit to small businesses, and information on how small businesses can participate in or make use of such programs and services."

SEC. 11. (a) The first sentence of section 411(c) of the Small Business Investment Act of 1958 is amended by inserting "administer this program on a prudent and economically justifiable basis and shall" immediately after "shall".

15 USC 694b.

(b) Section 411(c) of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following: "Within 30 days after the date of enactment of this sentence and at monthly intervals thereafter, the Administration shall publish the cost of the program to the Administration for the month immediately preceding the date of publication. The Administration shall conduct a study of the program in order to determine what must be done to make the program economically sound. Within one year after the date of enactment of this sentence, the Administration shall transmit a report to Congress containing a detailed statement of the findings and conclusions of the study, together with its recommendations for such legislative and administrative actions as it deems appropriate."

Program costs,
publication.

Study.

Report to
Congress.

SEC. 12. Section 7(a) of the Small Business Act is amended by adding at the end thereof the following new paragraph:

15 USC 636.

"(8) During the fiscal year ending June 30, 1975, the Administrator shall make direct loans under this subsection in an aggregate amount of not less than \$400,000,000."

GAO audit, sub-
mittal to Con-
gress.
15 USC 633
note.

SEC. 13. The General Accounting Office is directed to conduct a full-scale audit of the Small Business Administration, including all field offices. This audit shall be submitted to the House and Senate not later than six months from the date of enactment of this Act.

Approved August 23, 1974.

Public Law 93-387

August 24, 1974
[S. 3919]

AN ACT

To authorize the establishment of a Council on Wage and Price Stability.

Council on
Wage and Price
Stability Act.
12 USC 1904
note.
Council on Wage
and Price Sta-
bility.
Establishment.
12 USC 1904
note.

5 USC 5315
note.

5 USC 5332
note.

5 USC 101 et
seq.

Experts and
consultants.

Duties.
12 USC 1904
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Council on Wage and Price Stability Act".

SEC. 2. (a) The President is authorized to establish, within the Executive Office of the President, a Council on Wage and Price Stability (hereinafter referred to as the "Council").

(b) The Council shall consist of eight members appointed by the President and four adviser-members also appointed by the President. The Chairman of the Council shall be designated by the President.

(c) There shall be a Director of the Council who shall be appointed by the President. The Director shall be compensated at the rate prescribed for level IV of the Executive Schedule by section 5315 of title 5, United States Code. The Director of the Council shall perform such functions as the President or the Chairman of the Council may prescribe. The Deputy Director shall perform such functions as the Chairman or the Director of the Council may prescribe.

(d) The Director of the Council may employ and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions of the Council at rates not to exceed the highest rate for grade 15 of the General Schedule under section 5332 of title 5, United States Code. Except that the Director, with the approval of the Chairman may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service, appoint and fix the compensation of not to exceed five positions at the rates provided for grades 16, 17, and 18 of such General Schedule, to carry out the functions of the Council.

(e) The Director of the Council may employ experts, expert witnesses, and consultants in accordance with the provisions of section 3109 of title 5, United States Code, and compensate them at rates not in excess of the maximum daily rate prescribed for grade 18 of the General Schedule under section 5332 of title 5, United States Code.

(f) The Director of the Council may, with their consent, utilize the services, personnel, equipment, and facilities of Federal, State, regional, and local public agencies and instrumentalities, with or without reimbursement therefor, and may transfer funds made available pursuant to this Act to Federal, State, regional, and local public agencies and instrumentalities as reimbursement for utilization of such services, personnel, equipment, and facilities.

SEC. 3. (a) The Council shall—

(1) review and analyze industrial capacity, demand, supply, and the effect of economic concentration and anticompetitive practices, and supply in various sectors of the economy, working with the industrial groups concerned and appropriate governmental agencies to encourage price restraint;

(2) work with labor and management in the various sectors of the economy having special economic problems, as well as with appropriate government agencies, to improve the structure of

collective bargaining and the performance of those sectors in restraining prices;

(3) improve wage and price data bases for the various sectors of the economy to improve collective bargaining and encourage price restraint;

(4) conduct public hearings necessary to provide for public scrutiny of inflationary problems in various sectors of the economy;

Public hearings.

(5) focus attention on the need to increase productivity in both the public and private sectors of the economy;

(6) monitor the economy as a whole by acquiring as appropriate, reports on wages, costs, productivity, prices, sales, profits, imports, and exports; and

(7) review and appraise the various programs, policies, and activities of the departments and agencies of the United States for the purpose of determining the extent to which those programs and activities are contributing to inflation.

(b) Nothing in this Act, (1) authorizes the continuation, imposition, or reimposition of any mandatory economic controls with respect to prices, rents, wages, salaries, corporate dividends, or any similar transfers, or (2) affects the authority conferred by the Emergency Petroleum Allocation Act of 1973.

15 USC 751

SEC. 4. (a) Any department or agency of the United States which collects, generates, or otherwise prepares or maintains data or information pertaining to the economy or any sector of the economy shall, upon the request of the Chairman of the Council, make that data or information available to the Council.

note.
Economic data, availability.
12 USC 1904
note.

(b) Disclosure of information obtained by the Council from sources other than Federal, State, or local government agencies and departments shall be in accordance with the provisions of section 552 of title 5, United States Code.

(c) Disclosure by the Council of information obtained from a Federal, State, or local agency or department must be in accord with section 552 of title 5, United States Code, and all the applicable rules of practice and procedure of the agency or department from which the information was obtained.

(d) Disclosure by a member or any employee of the Council of the confidential information as defined in section 1905 of title 18, United States Code, shall be a violation of the criminal code as stated therein.

Confidential information.

(e) Consistent with the provisions of section 7213 of the Internal Revenue Code of 1954, nothing in this Act shall be construed as providing for or authorizing any Federal agency to divulge or to make known to the Council the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed solely in any income return, or to permit any income tax return filed pursuant to the provisions of the Internal Revenue Code of 1954, thereof, to be seen or examined by the Council.

Income tax return disclosure, prohibition.
26 USC 7213.

26 USC 1 et seq.

SEC. 5. The Council shall report to the President, and through him to the Congress, from time to time, concerning its activities, findings, and recommendations with respect to the containment of inflation and the maintenance of a vigorous and prosperous peacetime economy.

Report to President and Congress.
12 USC 1904
note.

SEC. 6. There is hereby authorized to be appropriated not to exceed \$1,000,000 for the fiscal year ending June 30, 1975, to carry out the purposes of this Act.

Appropriation.
12 USC 1904
note.

SEC. 7. The authority granted by this Act terminates on August 15, 1975.

Termination.
12 USC 1904
note.

Approved August 24, 1974.

Public Law 93-388

August 24, 1974
[H. R. 7218]

AN ACT

To improve the laws relating to the regulation of insurance companies in the District of Columbia.

Holding Com-
pany System Reg-
ulatory Act.

D.C. Code 35-
1901 note.

D.C. Code 35-
1901.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Holding Company System Regulatory Act".

SEC. 2. DEFINITIONS.—As used in this Act, unless the context otherwise requires—

(a) "affiliate" (an "affiliate" of, or person "affiliated" with a specific person), means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by or is under common control with, the person specified;

(b) "commissioner" means the Commissioner of the District of Columbia or his designated agent;

(c) "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10 per centum or more of the voting securities of any other person;

(d) "District" means the District of Columbia;

(e) "insurance holding company system" consists of two or more affiliated persons, one or more of which is an insurer;

(f) "insurer" includes any company defined by section 2, chapter I, of the Life Insurance Act (D.C. Code, sec. 35-302) and by section 3, chapter I, of the Fire and Casualty Act (D.C. Code, sec. 35-1303), authorized to do the business of insurance in the District, except that it shall not include agencies, authorities, or instrumentalities of the United States, its possessions and territories, the Commonwealth of Puerto Rico, the District of Columbia, or a State or political subdivision of a State;

(g) "person" is an individual, a corporation, a partnership, an association, a joint stock company, a trust, an unincorporated organization, any similar entity, or any combination of the foregoing acting in concert, but shall not include any securities broker performing no more than the usual and customary broker's function;

(h) "securityholder" of a specified person is one who owns any security of such person, including common stock, preferred stock, debt obligations, and any other security convertible into or evidencing the right to acquire any of the foregoing;

(i) "subsidiary" of a specified person is an affiliate controlled by such person directly, or indirectly through one or more intermediaries; and

(j) "voting security" includes any security convertible into or evidencing a right to acquire a voting security.

SUBSIDIARIES OF INSURERS

SEC. 3. (a) **AUTHORIZATION.**—Any domestic insurer, either by itself or in cooperation with one or more persons, may, subject to the limitation stated in subsection (b) of this section, organize or acquire one or more subsidiaries. Such subsidiaries may conduct any kind of business or businesses and their authority to do so shall not be limited by reason of the fact that they are subsidiaries of a domestic insurer.

D.C. Code 35-1902.

(b) **LIMITED ADDITIONAL INVESTMENT AUTHORITY.**—(1) The total amount which a domestic insurer may invest in the common stock, preferred stock, debt obligations, and other securities of the subsidiaries referred to in subsection (a) of this section shall not exceed the lesser of (A) 5 per centum of such insurer's assets, or (B) in the case of a capital stock company, 50 per centum of the excess of its capital, surplus, and contingency reserves over the then required statutory minimum capital and surplus, or, in the case of a mutual company, 50 per centum of the excess of its surplus and contingency reserves over the then required statutory minimum surplus.

(2) In calculating the amount of such investments, there shall be included (A) total net moneys or other consideration expended and obligations assumed in the acquisition or formation of a subsidiary, including all organizational expenses and contributions to capital and surplus of such subsidiary, whether or not represented by the purchase of capital stock or issuance of other securities, and (B) all amounts expended in acquiring additional common stock, preferred stock, debt obligations, and other securities, and all contributions to the capital or surplus of a subsidiary subsequent to its acquisition or formation.

(c) **EXEMPTIONS FROM INVESTMENT RESTRICTIONS.**—The investments permitted under this section shall be in addition to the investments in common stock, preferred stock, debt obligations, and other securities permitted under sections 35 and 41 of chapter III of the Life Insurance Act (D.C. Code, secs. 35-535 and 35-541) and section 18, chapter II, of the Fire and Casualty Act (D.C. Code, sec. 35-1321), and the investments under this section shall not be subject to any of the otherwise applicable restrictions or prohibitions contained in the aforesaid sections of law applicable to such investments of insurers.

(d) **QUALIFICATIONS OF INVESTMENT: WHEN DETERMINED.**—Whether any investment pursuant to this section meets the applicable requirements thereof is to be determined immediately after such investment is made, taking into account the then outstanding principal balance of all previous investments and debt obligations and the value of all previous investments in equity securities as of the date of the new investment.

(e) **CESSATION OF CONTROL.**—If an insurer ceases to control a subsidiary, it shall dispose of any investment therein made pursuant to this section within three years from the time of the cessation of control or within such further time as the Commissioner may prescribe, unless at any time after such investment was made, such investment meets the requirements for investment under sections 35 and 41, chapter III, of the Life Insurance Act (D.C. Code, secs. 35-535 and 35-541) and section 18, chapter II, of the Fire and Casualty Act (D.C. Code, sec. 35-1521), and the insurer has notified the Commissioner thereof.

ACQUISITION OF CONTROL OF OR MERGER WITH DOMESTIC INSURER

SEC. 4. (a) **FILING REQUIREMENTS.**—No person other than the issuer shall make a tender offer for or a request or invitation for tenders of,

D.C. Code 35-1903.

or enter into any agreement to exchange securities for, seek to acquire, or acquire, in the open market or otherwise, any voting security of a domestic insurer if, after the consummation thereof, such person would directly or indirectly (or by conversion or by exercise of any right to acquire) be in control of such insurer, and no person shall enter into an agreement to merge with or otherwise to acquire control of a domestic insurer, unless, at the time any such offer, request, or invitation is made or any such agreement is entered into, or prior to the acquisition of such securities if no offer or agreement is involved, such person has filed with the Commissioner and has sent to such insurer, and such insurer has sent to its shareholders, a statement containing the information required by this section and such offer, request, invitation, agreement, or acquisition has been approved by the Commissioner in the manner hereinafter prescribed. For purposes of this section a domestic insurer shall include any other person controlling a domestic insurer unless such other person is either directly or through its affiliates primarily engaged in business other than the business of insurance.

(b) **CONTENT OF STATEMENT.**—The statement to be filed with the Commissioner hereunder shall be made under oath or affirmation and shall contain the following information:

(1) The name and address of each person by whom or on whose behalf the merger or other acquisition of control referred to in subsection (a) is to be effected (hereinafter called "acquiring party"), and

(A) If such person is an individual, his principal occupation and all offices and positions held during the past five years, and any conviction of crimes other than minor traffic violations during the past ten years;

(B) If such person is not an individual, a report of the nature of its business operations during the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence; an informative description of the business intended to be done by such person and such person's subsidiaries; and a list of all individuals who are or who have been selected to become directors or executive officers of such person, or who perform or will perform functions appropriate to such positions. Such list shall include for each such individual the information required by subparagraph (A) of this subsection.

(2) The source, nature, and amount of the consideration used or to be used in effecting the merger or other acquisition of control, a description of any transaction wherein funds were or are to be obtained for any such purpose, and the identity of persons furnishing such consideration: *Provided*, That where a source of such consideration is a loan made in the lender's ordinary course of business, the identity of the lender shall remain confidential, if the person filing such statement so requests.

(3) Fully audited financial information as to the earnings and financial condition of each acquiring party for the preceding five fiscal years of each such acquiring party (or for such lesser period as such acquiring party and any predecessors thereof shall have been in existence), and similar unaudited information as of a date not earlier than ninety days prior to the filing of the statement.

(4) Any plans or proposals which each acquiring party may have to liquidate such insurer, to sell its assets or merge or consolidate it with any person, or to make any other material change in its business or corporate structure or management.

(5) The number of shares of any security referred to in subsection (a) which each acquiring party proposes to acquire, and the terms of

Financial information.

the offer, request, invitation, agreement, or acquisition referred to in subsection (a), and a statement as to the method by which the fairness of the proposal was arrived at.

(6) The amount of each class of any security referred to in subsection (a) which is beneficially owned or concerning which there is a right to acquire beneficial ownership by each acquiring party.

(7) A full description of any contracts, arrangements, or understandings with respect to any security referred to in subsection (a) in which any acquiring party is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom such contracts, arrangements, or understandings have been entered into.

Contracts.

(8) A description of the purchase of any security referred to in subsection (a) during the twelve calendar months preceding the filing of the statement, by any acquiring party, including the dates of purchase, names of the purchasers, and consideration paid or agreed to be paid therefor.

Security purchases.

(9) A description of any recommendations to purchase any security referred to in subsection (a) made during the twelve calendar months preceding the filing of the statement, by any acquiring party, or by anyone based upon interviews or at the suggestion of such acquiring party.

(10) Copies of all tender offers for, requests or invitations for tenders of exchange offers for, and agreements to acquire or exchange any securities referred to in subsection (a), and (if distributed) of additional soliciting material relating thereto.

(11) The terms of any agreement, contract, or understanding made with any broker-dealer as to solicitation of securities referred to in subsection (a) for tender, and the amount of any fees, commissions, or other compensation to be paid to broker-dealers with regard thereto.

Agreement with a broker-dealer.

(12) Such additional information as the Commissioner may by rule or regulation prescribe as necessary or appropriate for the protection of policyholders and securityholders of the insurer or in the public interest. If the person required to file the statement referred to in subsection (a) is a partnership, limited partnership, syndicate, or other group, the Commissioner may require that the information called for by paragraphs (1) through (12) shall be given with respect to each partner of such partnership or limited partnership, each member of such syndicate or group, and each person who controls such partner or member. If any such partner, member, or person is a corporation or the person required to file the statement referred to in subsection (a) is a corporation, the Commissioner may require that the information called for by paragraphs (1) through (12) shall be given with respect to such corporation, each officer and director of such corporation, and each person who is directly or indirectly the beneficial owner of more than 10 per centum of the outstanding voting securities of such corporation. If any material change occurs in the facts set forth in the statement filed with the Commissioner and sent to such insurer pursuant to this section, an amendment setting forth such change, together with copies of all documents and other material relevant to such change, shall be filed with the Commissioner and sent to such insurer within two business days after the person learns of such change. Such insurer shall send such amendment to its shareholders.

Additional information.

(c) **ALTERNATIVE FILING MATERIALS.**—If any offer, request, invitation, agreement, or acquisition referred to in subsection (a) is proposed to be made by means of a registration statement under the

15 USC 77a.
15 USC 78a.

Securities Act of 1933 or in circumstances requiring the disclosure of similar information under the Securities Exchange Act of 1934, or under a State law requiring similar registration or disclosure, the person required to file the statement referred to in subsection (a) may utilize such documents in furnishing the information called for by that statement.

(d) APPROVAL BY COMMISSIONER; HEARINGS.—

(1) The Commissioner shall approve any merger or other acquisition of control referred to in subsection (a) unless, after a public hearing thereon, he finds that:

(A) After the change of control the domestic insurer referred to in subsection (a) would not be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed;

(B) The effect of the merger or other acquisition of control would be substantially to lessen competition in insurance in the District or tend to create a monopoly therein;

(C) The financial condition of any acquiring party is such as might jeopardize the financial stability of the insurer, or prejudice the interest of its policyholders or the interests of any remaining security holders who are unaffiliated with such acquiring party;

(D) The terms of the offer, request, invitation, agreement, or acquisition referred to in subsection (a) are unfair and unreasonable to the securityholders of the insurer;

(E) The plans or proposals which the acquiring party has to liquidate the insurer, sell its assets or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the insurer and not in the public interest; or

(F) The competence, experience, and integrity of those persons who would control the operation of the insurer are such that it would not be in the interest of policyholders of the insurer or of the public to permit the merger or other acquisition of control.

(2) The public hearing referred to in paragraph (1) shall be held within thirty days after the statement required by subsection (a) is filed, and at least twenty days' notice thereof shall be given by the Commissioner to the person filing the statement. Not less than seven days' notice of such public hearing shall be given by the person filing the statement to the insurer and to such other person as may be designated by the Commissioner. The insurer shall give such notice to its securityholders. The commissioner shall make a determination within thirty days after the conclusion of such hearing. At such hearing, the person filing the statement, the insurer, any person to whom notice of hearing was sent, and any other person whose interests may be affected thereby shall have the right to present evidence, examine and cross-examine witnesses, and offer oral and written arguments, and in connection therewith shall be entitled to conduct discovery proceedings in the same manner as is presently allowed in the Superior Court of the District of Columbia. All discovery proceedings shall be concluded not later than three days prior to the commencement of the public hearing.

(e) MAILINGS TO SHAREHOLDERS; PAYMENT OF EXPENSES.—All statements, amendments, or other material filed pursuant to subsection (a) or (b), and all notices of public hearings held pursuant to subsection (d), shall be mailed by the insurer to its shareholders within five busi-

Notice.

ness days after the insurer has received such statements, amendments, other material, or notices. The expenses of mailing shall be borne by the person making the filing. As security for the payment of such expenses, such person shall file with the Commissioner an acceptable bond or other deposit in an amount to be determined by the Commissioner.

(f) EXEMPTIONS.—The provisions of this section shall not apply to—

(1) any offers, requests, invitations, agreements, or acquisitions by the person referred to in subsection (a) of any voting security referred to in subsection (a) which, immediately prior to the consummation of such offer, request, invitation, agreement, or acquisition, was not issued and outstanding;

(2) any offer, request, invitation, agreement, or acquisition if, under the terms thereof, the consummation of the transaction contemplated thereunder would result in the ownership by security holders of the domestic insurer of stock processing at least 80 per centum of the total combined voting power of all classes of stock of the acquiring party entitled to vote, or at least 80 per centum of the total combined voting power of all classes of stock of the person in control of the acquiring party entitled to vote; and

(3) any offer, request, invitation, agreement, or acquisition which the Commissioner by order shall exempt therefrom as (A) not having been made or entered into for the purpose and not having the effect of changing or influencing the control of a domestic insurer, or (B) as otherwise not comprehended within the purposes of this section.

(g) VIOLATIONS.—The following shall be violations of this section:

(1) The failure to file any statement, amendment, or other material required to be filed pursuant to subsection (a) or (b); or

(2) The effectuation or any attempt to effectuate an acquisition of control of, or merger with, a domestic insurer unless the Commissioner has given his approval thereto.

(h) JURISDICTION; CONSENT TO SERVICE OF PROCESS.—The Superior Court of the District of Columbia is hereby vested with jurisdiction over every person not resident, domiciled, or authorized to do business in the District who files a statement with the Commissioner under this section, and over all actions involving such person arising out of violations of this section, and each such person shall be deemed to have performed acts equivalent to and constituting an appointment by such a person of the Commissioner to be his true and lawful attorney upon whom may be served all lawful process in any action, suit, or proceeding arising out of violations of this section. Copies of all such lawful process shall be served on the Commissioner and transmitted by registered or certified mail by the Commissioner to such person at his last known address.

REGISTRATION OF INSURERS

SEC. 5. (a) REGISTRATION.—Every insurer which is authorized to do business in the District and which is a member of an insurance holding company system shall register with the Commissioner, except a foreign insurer subject to disclosure requirements and standards adopted by statute or regulation in the jurisdiction of its domicile which are substantially similar to those contained in this Act. Any insurer which is subject to registration under this section shall register within sixty days after the effective date of this Act or fifteen days after it becomes subject to registration, whichever is later, unless the Commissioner for good cause shown extends the time for registration,

D.C. Code 35-1904.

and then within such extended time. The Commissioner may require any authorized insurer which is a member of a holding company system which is not subject to registration under this section to furnish a copy of the registration statement or other information filed by such insurance company with the insurance regulatory authority of its domiciliary jurisdiction.

(b) **INFORMATION AND FORM REQUIRED.**—Every insurer subject to registration shall file a registration statement on a form provided by the Commissioner, which shall contain current information about—

(1) the capital structure, general financial condition, ownership, and management of the insurer and any person controlling the insurer;

(2) the identity of every member of the insurance holding company system;

(3) the following agreements in force, relationships subsisting, and transactions currently outstanding between such insurer and its affiliates;

(A) loans, other investments, or purchases, sales or exchanges or securities of the affiliates by the insurer or of the insurer by its affiliates;

(B) purchases, sales, or exchanges of assets;

(C) transactions not in the ordinary course of business;

(D) guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business;

(E) all management and service contracts and all cost-sharing arrangements, other than cost allocation arrangements based upon generally accepted accounting principles; and

(F) reinsurance agreements covering all or substantially all of one or more lines of insurance of the ceding company.

(4) other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms adopted or approved by the Commissioner.

(c) **MATERIALITY.**—No information need be disclosed on the registration statement filed pursuant to subsection (b) if such information is not material for the purposes of this section. Unless the Commissioner by rule, regulation, or order provides otherwise, sales, purchases, exchanges, loans, or extensions of credit, or investments, involving one-half of 1 per centum or less of an insurer's admitted assets as of the thirty-first day of December next preceding shall not be deemed material for purposes of this section.

(d) **AMENDMENTS TO REGISTRATION STATEMENTS.**—Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions on amendment forms provided by the Commissioner within fifteen days after the end of the month in which it learns of each such change or addition: *Provided*, That subject to subsection (c) of section 6, each registered insurer shall so report all dividends and other distributions to shareholders within two business days following the declaration thereof.

(e) **TERMINATION OF REGISTRATION.**—The Commissioner shall terminate the registration of any insurer which demonstrates that it no longer is a member of an insurance holding company system.

(f) **CONSOLIDATED FILING.**—The Commissioner may require or allow two or more affiliated insurers subject to registration hereunder to file a consolidated registration statement or consolidated reports

amending their consolidated registration statement or their individual registration statements.

(g) **ALTERNATIVE REGISTRATION.**—The Commissioner may allow an insurer which is authorized to do business in the District and which is part of an insurance holding company system to register on behalf of any affiliated insurer which is required to register under subsection (a) and to file all information and material required to be filed under this section.

(h) **EXEMPTIONS.**—The provisions of this section shall not apply to any insurer, information, or transaction if and to the extent that the Commissioner by rule, regulation, or order shall exempt the same from the provisions of this section.

(i) **DISCLAIMER.**—The presumption of control as defined by section 2(c), may be rebutted by a showing made in the manner herein provided that control does not exist in fact. The Commissioner may determine, after furnishing all persons in interest notice and an opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect. Any person may file with the Commissioner a disclaimer of affiliation with any authorized insurer or such a disclaimer may be filed by such insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and bases for affiliation between such person and such insurer as well as the basis for disclaiming such affiliation. After a disclaimer has been filed, the insurer shall be relieved of any duty to register or report under this section which may arise out of the insurer's relationship with such person unless and until the Commissioner disallows the disclaimer. The Commissioner shall disallow such a disclaimer only after furnishing all parties in interest with notice and opportunity to be heard and after making specific findings of fact to support such disallowance.

(j) **VIOLATIONS.**—The failure to file a registration statement or any amendment thereto required by this section within the time specified for such filing shall be a violation of this section.

STANDARDS

SEC. 6. (a) TRANSACTIONS WITH AFFILIATES.—Material transactions by registered insurers with their affiliates shall be subject to the following standards:

D.C. Code 35-1905.

- (1) the terms shall be fair and reasonable;
- (2) the books, accounts, and records of each party shall be so maintained as to clearly and accurately disclose the precise nature and details of the transactions; and
- (3) the insurer's surplus as regards policyholders following any dividends or distributions to shareholder affiliates shall be reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs.

(b) **ADEQUACY OF SURPLUS.**—For the purposes of this section in determining whether an insurer's surplus as regards policyholders is reasonable in relation to the insurer's outstanding liabilities and adequate to its financial needs, the following factors, among others, shall be considered:

- (1) the size of the insurer as measured by its assets, capital and surplus, reserves, premium writings, insurance in force, and other appropriate criteria;
- (2) the extent to which the insurer's business is diversified among the several lines of insurance;
- (3) the number and size of risks insured in each line of business;

- (4) the extent of the geographical dispersion of the insurer's insured risks;
 - (5) the nature and extent of the insurer's reinsurance program;
 - (6) the quality, diversification, and liquidity of the insurer's investment portfolio;
 - (7) the recent past and projected future trend in the size of the insurer's surplus as regards policyholders;
 - (8) the surplus as regards policyholders maintained by other comparable insurers;
 - (9) the adequacy of the insurer's reserves; and
 - (10) the quality and liquidity of investments in subsidiaries made pursuant to section 3. The Commissioner may treat any such investment as a disallowed asset for purposes of determining the adequacy of surplus as regards policyholders whenever in his judgment such investment so warrants.
- (c) **DIVIDENDS AND OTHER DISTRIBUTIONS.**—(1) No insurer subject to registration under section 5 shall pay any extraordinary dividend or make any other extraordinary distribution to its shareholders until (A) thirty days after the Commissioner has received notice of the declaration thereof and has not within such period disapproved such payment, or (B) the Commissioner shall have approved such payment within such thirty-day period.
- (2) For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceeding twelve months exceeds the greater of (A) 10 per centum of such insurer's surplus as regards policyholders as of the thirty-first day of December next preceding or (B) the net gain from operations of such insurer, if such insurer is a life insurer, or the net investment income, if such insurer is not a life insurer, for the twelve-month period ending the thirty-first day of December next preceding, but shall not include *pro rata* distributions of any class of the insurer's own securities.
- (3) Notwithstanding any other provision of law, an insurer may declare an extraordinary dividend or distribution which is conditional upon the Commissioner's approval thereof, and such a declaration shall confer no rights upon shareholders until (A) the Commissioner has approved the payment of such dividend or distribution or (B) the Commissioner has not disapproved such payment within the thirty-day period referred to above.

EXAMINATION

D.C. Code 35-
1906.

SEC. 7. (a) POWER OF COMMISSIONER.—Subject to the limitation contained in this section and in addition to the powers which the Commissioner has under the insurance laws of the District relating to the examination of insurers, the Commissioner shall also have the power to order any insurer registered under section 5 to produce such records, books, papers, or other information in the possession of the insurer or its affiliates as shall be necessary to ascertain the financial condition or legality of conduct of such insurer. In the event such insurer fails to comply with such order, the Commissioner shall have the power to examine such affiliates to obtain such information.

(b) **PURPOSE AND LIMITATION OF EXAMINATION.**—The Commissioner shall exercise his power under subsection (a) only if the examination of the insurer under and as is provided for by the insurance laws of the District is inadequate or the interests of the policyholders of such insurer may be adversely affected.

(c) **USE OF CONSULTANTS.**—The Commissioner may retain at the

registered insurer's expense such attorneys, actuaries, accountants, and other experts not otherwise a part of the Commissioner's staff as shall be reasonably necessary to assist in the conduct of the examination under subsection (a). Any persons so retained shall be under the direction and control of the Commissioner and shall act in a purely advisory capacity.

(d) **EXPENSES.**—Each registered insurer producing for examination records, books, and papers pursuant to subsection (a) shall be liable for and shall pay the expense of such examination in accordance with the provisions of section 19, chapter II, of the Life Insurance Act (D.C. Code, sec. 35-418) and section 10, chapter II, of the Fire and Casualty Act (D.C. Code, sec. 35-1313), pertaining to examination expense.

SEC. 8. CONFIDENTIAL TREATMENT.—All information, documents, and copies thereof obtained by or disclosed to the Commissioner or any other person in the course of an examination or investigation made pursuant to section 7 and all information reported pursuant to section 5, shall be given confidential treatment and shall not be subject to subpoena and shall not be made public by the Commissioner or any other person, except to insurance departments of other States, without the prior written consent of the insurer to which it pertains unless the Commissioner, after giving the insurer and its affiliates who would be affected thereby, notice and opportunity to be heard, determines that the interests of policyholders, shareholders, or the public will be served by the publication thereof, in which event he may publish all or any part thereof in such manner as he may deem appropriate. D.C. Code 35-1907.

SEC. 9. RULES AND REGULATIONS.—The Commissioner may, upon notice and opportunity of all interested persons to be heard, issue such rules, regulations, and orders as shall be necessary to carry out the provisions of this Act. D.C. Code 35-1908.

**INJUNCTIONS; PROHIBITIONS AGAINST VOTING SECURITIES;
SEQUESTRATION OF VOTING SECURITIES**

SEC. 10. (a) INJUNCTIONS.—Whenever it appears to the Commissioner that any insurer or any director, officer, employee or agent thereof has committed or is about to commit a violation of this Act or of any rule, regulation, or order issued by the Commissioner hereunder, the Commissioner may apply to the Superior Court of the District of Columbia for an order enjoining such insurer or such director, officer, employee, or agent thereof from violating or continuing to violate this Act or any such rule, regulation, or order, and for such other equitable relief as the failure of the case and the interests of the insurer's policyholders, creditors, shareholders, or the public may require. D.C. Code 35-1909.

(b) **VOTING OF SECURITIES; WHEN PROHIBITED.**—No security which is the subject of any agreement or arrangement regarding acquisition, or which is acquired or to be acquired, in contravention of the provisions of this Act or of any rule, regulation, or order issued by the Commissioner hereunder may be voted at any shareholders' meeting, or may be counted for quorum purposes, and any action of shareholders requiring the affirmative vote of a percentage of shares may be taken as though such securities were not issued and outstanding; but no action taken at any such meeting shall be invalidated by the voting of such securities, unless the action would materially affect control of the insurer or unless the Superior Court of the District of Columbia has so ordered. If an insurer or the Commissioner has reason to believe that any security of the insurer has been or is about to be acquired in contravention of the provisions of this Act or of any rule, regulation,

or order issued by the Commissioner hereunder the insurer or the Commissioner may apply to the Superior Court of the District of Columbia to enjoin any offer, request, invitation, agreement, or acquisition made in contravention of section 4 of any rule, regulation, or order issued by the Commissioner thereunder to enjoin the voting of any security so acquired, to void any vote of such security already cast at any meeting of shareholders, and for such other equitable relief as the nature of the case and the interests of the insurer's policyholders, creditors, shareholders, or the public may require.

(c) SEQUESTRATION OF VOTING SECURITIES.—In any case where a person has or is proposing to acquire any voting securities in violation of this Act or any rule, regulation, or order issued by the Commissioner hereunder, the Superior Court of the District of Columbia may, on such notice as the court deems appropriate, upon the application of the insurer or the Commissioner seize or sequester any voting securities of the insurer owned directly or indirectly by such person, and issue such orders with respect thereto as may be appropriate to effectuate the provisions of this Act. Notwithstanding any other provisions of law, for the purposes of this Act the situs of the ownership of the securities of domestic insurers shall be deemed to be in the District.

D.C. Code 35-
1910.

Penalty.

SEC. 11. CRIMINAL PROCEEDINGS.—Whenever it appears to the Commissioner that any insurer or any director, officer, employee, or agent thereof has committed a willful violation of this Act, the Commissioner may cause criminal proceedings to be instituted in the District against such insurer or the responsible director, officer, employee, or agent thereof. Any insurer which willfully violates this Act may be fined not more than \$1,000. Any individual who willfully violates this Act may be fined not more than \$1,000 or, if such willful violation involves the deliberate perpetration of a fraud upon the Commissioner, imprisoned not more than two years or both.

D.C. Code 35-
1911.

SEC. 12. RECEIVERSHIP.—Whenever it appears to the Commissioner that any person has committed a violation of this Act which so impairs the financial condition of a domestic insurer as to threaten insolvency or make the further transaction of business by it hazardous to its policyholders, creditors, shareholders, or the public, the Commissioner may proceed as provided under the insurance laws of the District to take possession of the property of such domestic insurer and to conduct the business thereof.

D.C. Code 35-
1912.

SEC. 13. REVOCATION, SUSPENSION, OR NON-RENEWAL OF INSURER'S LICENSE.—Whenever it appears to the Commissioner that any person has committed a violation of this Act which makes the continued operation of an insurer contrary to the interests of policyholders or the public, the Commissioner may, after giving notice and an opportunity to be heard, suspend, revoke, or refuse to renew such insurer's license or authority to do business in the District for such period as he finds is required for the protection of policyholders or the public. Any such determination shall be accompanied by specific findings of fact and conclusions of law.

L.C. Code 35-
1913.

SEC. 14. JUDICIAL REVIEW; MANDAMUS.—(a) Any person aggrieved by any act, determination, rule, regulation, or order or any other action of the Commissioner pursuant to this Act may appeal therefrom to the District of Columbia Court of Appeals, in accordance with the District of Columbia Administrative Procedure Act.

D.C. Code 1-
1501 note.

(b) Any person aggrieved by any failure of the Commissioner to act or make a determination required by this Act may petition the Superior Court of the District of Columbia for a writ in the nature of a mandamus or a peremptory mandamus directing the Commissioner to act or make such determination forthwith.

SEC. 15. CONFLICT WITH OTHER LAWS.—All laws and parts of laws of the District inconsistent with this Act are hereby superseded with respect to matters covered by this Act.

D.C. Code 35-1914.

SEC. 16. SEPARABILITY OF PROVISIONS.—If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are separable.

D.C. Code 35-1915.

SEC. 17. EFFECTIVE DATE.—This Act shall take effect thirty days after the date of its enactment.

D.C. Code 35-1901 note.

Approved August 24, 1974.

Public Law 93-389

AN ACT

To extend for three years the District of Columbia Medical and Dental Manpower Act of 1970.

August 24, 1974
[H. R. 11108]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 303(c) of the District of Columbia Medical and Dental Manpower Act of 1970 (D.C. Code, sec. 31-922(c)) is amended to read as follows:

District of Columbia Medical and Dental Manpower Act of 1970, extension.

“(c) There are authorized to be appropriated such sums as may be necessary for the fiscal years ending June 30, 1975, and June 30, 1976, to make grants under this section.”

(b) Section 303(b) of such Act is amended by striking out “section 772 of the Public Health Service Act (42 U.S.C. 295f-2)” and inserting in lieu thereof “section 773 of the Public Health Service Act”.

42 USC 295f-3.

Approved August 24, 1974.

Public Law 93-390

AN ACT

To amend the title of the Foreign Assistance Act of 1961 concerning the Overseas Private Investment Corporation to extend the authority for the Corporation, to authorize the Corporation to issue reinsurance, to terminate certain activities of the Corporation, and for other purposes.

August 27, 1974
[S. 2957]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Overseas Private Investment Corporation Amendments Act of 1974”.

SEC. 2. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191-2200a) is amended as follows:

Overseas Private Investment Corporation Amendments Act of 1974.
22 USC 2191 note.
22 USC 2191.

(1) In section 231—

(A) in the first sentence, strike out “progress” and insert in lieu thereof “development”;

(B) strike out clause (a) and insert in lieu thereof the following:

“(a) to conduct financing, insurance, and reinsurance operations on a self-sustaining basis, taking into account in its financing operations the economic and financial soundness of projects;”;

(C) in clause (d) strike out “, when appropriate,” and insert after “efforts to share its insurance” the following: “and reinsurance”;

(D) strike out clause (e) and insert in lieu thereof the following:

“(e) to give preferential consideration in its investment insurance, financing, and reinsurance activities (to the maximum extent practicable consistent with the Corporation’s purposes) to investment projects involving businesses of not more than \$2,500,000 net worth or with not more than \$7,500,000 in total assets;”;

(E) in clause (i), after “balance-of-payments” insert “and employment”;

(F) in clause (j), strike out “and” after the semicolon;

(G) at the end of clause (k), strike out the period and insert in lieu thereof a semicolon; and

(H) add at the end thereof the following new clauses:

“(l) to the maximum extent practicable, to give preferential consideration in the Corporation’s investment insurance, financing, and reinsurance activities to investment projects in the less developed friendly countries which have per capita incomes of \$450 or less in 1973 United States dollars; and

“(m) (1) to decline to issue any contract of insurance or reinsurance, or any guaranty, or to enter into any agreement to provide financing for an eligible investor’s proposed investment if the Corporation determines that such investment is likely to cause such investor (or the sponsor of an investment project in which such investor is involved) significantly to reduce the number of his employees in the United States because he is replacing his United States production with production from such investment which involves substantially the same product for substantially the same market as his United States production; and (2) to monitor conformance with the representations of the investor on which the Corporation relied in making the determination required by clause (1).”

22 USC 2194.

(2) Section 234 is amended—

(A) by striking out the section caption and inserting in lieu thereof the following: “INVESTMENT INSURANCE AND OTHER PROGRAMS”;

(B) by striking out subsection (a)(2) and inserting in lieu thereof the following:

“(2) Recognizing that major private investments in less developed friendly countries or areas are often made by enterprises in which there is multinational participation, including significant United States private participation, the Corporation may make arrangements with foreign governments (including agencies, instrumentalities, or

political subdivisions thereof) or with multilateral organizations and institutions for sharing liabilities assumed under investment insurance for such investments and may in connection therewith issue insurance to investors not otherwise eligible hereunder, except that liabilities assumed by the Corporation under the authority of this subsection shall be consistent with the purposes of this title and that the maximum share of liabilities so assumed shall not exceed the proportionate participation by eligible investors in the total project financing, and that the maximum share of liabilities so assumed under paragraph (1) (A) and (B) or paragraph (1) (C) shall not exceed the Corporation's proportional share for such liabilities as specified in paragraph (4) or (5) of this subsection."

(C) by adding at the end of subsection (a) thereof the following new paragraphs:

"(4)(A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations, or others in liabilities incurred in respect of the risks referred to in paragraph (1) (A) and (B) of this subsection under contracts issued on and after January 1, 1975, of at least 25 per centum, and, under contracts issued on and after January 1, 1978, of at least 50 per centum. If for good reason it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives the reasons for its inability to achieve either such percentage of participation, and the date by which such percentage is to be achieved.

Report to congressional committees.

"(B) The Corporation shall not participate as insurer under contracts of insurance issued after December 31, 1979, in respect of the risks referred to in paragraph (1) (A) and (B) of this subsection unless Congress by law modifies this paragraph.

"(5)(A) It is the intention of Congress that the Corporation achieve participation by private insurance companies, multilateral organizations, or others in liabilities incurred in respect of the risks referred to in paragraph (1) (C) of this subsection under contracts issued on and after January 1, 1976, of at least 12½ per centum, and, under contracts issued on and after January 1, 1979, of at least 40 per centum. If for good reason it is not possible for the Corporation to achieve either such percentage of participation, the Corporation shall report in detail to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives the reasons for its inability to achieve either such percentage of participation and the date by which such percentage is to be achieved.

Report to congressional committees.

"(B) The Corporation shall not participate as insurer under contracts of insurance issued after December 31, 1980, in respect of the risks referred to in paragraph (1) (C) of this subsection unless Congress by law modifies this paragraph.

"(6) Notwithstanding any of the percentages of participation under paragraphs (4) (A) and (5) (A) of this subsection, the Corporation may agree to assume liability as insurer for any contract of insurance, or share thereof, that a private insurance company, multilateral

organization, or any other person has issued in respect of the risks referred to in paragraph (1) of this subsection, and neither the execution of any such agreement to assume liability nor its performance by the Corporation shall be considered as participation by the Corporation in any such contract for purposes of such percentages of participation. On and after January 1, 1981, the Corporation shall not enter into any such agreement to assume liability.

“(7) On and after December 31, 1979, the Corporation shall not manage direct insurance issued after such date in respect of risks referred to in paragraph (1)(A) or (B) of this subsection unless Congress by law modifies this sentence. On and after December 31, 1980, the Corporation shall not manage direct insurance issued after such date in respect of risks referred to in paragraph (1)(C) of this subsection unless Congress by law modifies this sentence. It shall thereafter act solely as a reinsurer except to the extent necessary to manage its outstanding insurance and reinsurance contracts and any contracts of insurance the Corporation assumes pursuant to paragraph (6).”; and

(D) by adding at the end thereof the following new subsection:

“(f) OTHER INSURANCE FUNCTIONS.—(1) To make and carry out contracts of insurance or reinsurance, or agreements to associate or share risks, with insurance companies, financial institutions, any other persons, or groups thereof, and employing the same, where appropriate, as its agent, or acting as their agent, in the issuance and servicing of insurance, the adjustment of claims, the exercise of subrogation rights, the ceding and accepting of reinsurance, and in any other matter incident to an insurance business.

“(2) To enter into pooling or other risk-sharing arrangements with other national or multinational insurance or financing agencies or groups of such agencies.

“(3) To hold an ownership interest in any association or other entity established for the purposes of sharing risks under investment insurance.

“(4) To issue, upon such terms and conditions as it may determine, reinsurance of liabilities assumed by other insurers or groups thereof in respect of risks referred to in subsection (a) (1).

The authority granted by paragraph (3) may be exercised notwithstanding the prohibition under subsection (c) against the Corporation purchasing or investing in any stock in any other corporation. The amount of reinsurance of liabilities under this title which the Corporation may issue shall not exceed \$600,000,000 in any one year, and the amount of such reinsurance shall not in the aggregate exceed at any one time an amount equal to the amount authorized for the maximum contingent liability outstanding at any one time under section 235(a) (1). All reinsurance issued by the Corporation under this subsection shall require that the reinsured party retain for his own account specified portions of liability, whether first loss or otherwise, and the Corporation shall endeavor to increase such specified portions to the maximum extent possible.”

(3) In section 235—

(A) strike out “1974” in subsection (a) (4) and insert in lieu thereof “1977”;

(B) in subsection (d), strike out “insurance issued under section 234(a)” and insert in lieu thereof the following: “insurance or reinsurance issued under section 234”; and

(C) strike out subsection (f) and insert in lieu thereof the following:

22 USC 2195.

Ante, p. 764.

“(f) There are authorized to be appropriated to the Corporation, to remain available until expended, such amounts as may be necessary from time to time to replenish or increase the insurance and guaranty fund, to discharge the liabilities under insurance, reinsurance, or guaranties issued by the Corporation or issued under predecessor guaranty authority, or to discharge obligations of the Corporation purchased by the Secretary of the Treasury pursuant to this subsection. However, no appropriations shall be made to augment the Insurance Reserve until the amount of funds in the Insurance Reserve is less than \$25,000,000. Any appropriations to augment the Insurance Reserve shall then only be made either pursuant to specific authorization enacted after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974, or to satisfy the full faith and credit provision of section 237 (c). In order to discharge liabilities under investment insurance or reinsurance, the Corporation is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or other obligations; but the aggregate amount of such obligations outstanding at any one time shall not exceed \$100,000,000. Any such obligation shall be repaid to the Treasury within one year after the date of issue of such obligation. Any such obligation shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of any obligation authorized by this subsection. The Secretary of the Treasury shall purchase any obligation of the Corporation issued under this subsection, and for such purchase he may use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act after the date of enactment of the Overseas Private Investment Corporation Amendments Act of 1974. The purpose for which securities may be issued under such Bond Act shall include any such purchase.”

Appropriation.

Infra.

31 USC 774.

22 USC 2197.

(4) In section 237—

(A) in subsection (a), strike out “and guaranties” and insert in lieu thereof a comma and “guaranties, and reinsurance”; and strike out “or guaranties” and insert in lieu thereof a comma and “guaranties, or reinsurance”;

(B) in subsection (b), strike out “or guaranty” in both places and insert in lieu thereof in both places the following: “, guaranty or reinsurance”;

(C) in subsection (c), insert “, reinsurance,” after “insurance” in both places it occurs;

(D) strike out subsection (d) and insert in lieu thereof the following:

“(d) Fees shall be charged for insurance, guaranty, and reinsurance coverage in amounts to be determined by the Corporation. In the event fees charged for investment insurance, guaranties, or reinsurance are reduced, fees to be paid under existing contracts for the same type of insurance, guaranties, or reinsurance and for similar guaranties issued under predecessor guaranty authority may be reduced.”;

(E) in subsection (e), strike out “or guaranty” and insert in lieu thereof a comma and “guaranty, or reinsurance”;

(F) in subsection (f), insert “, reinsurance,” after “insurance” in both places it occurs;

(G) add at the end of subsection (f) the following: “Notwithstanding the preceding sentence, the Corporation shall limit the amount of direct insurance and reinsurance issued by it under section 234 so that risk of loss as to at least 10 per centum of the total investment of the insured and its affiliates in the project is borne

Ante, p. 764.

by the insured and such affiliates. The preceding sentence shall not apply to the extent not permitted by State law.”;

(H) in subsection (g), after “guaranty”, insert a comma and “insurance, or reinsurance”;

(I) in subsection (h), strike out “or guaranties” and insert in lieu thereof a comma and “guaranties, or reinsurance”;

(J) in subsection (i), after “insurance”, insert “, reinsurance,”; and

(K) strike out subsection (k) and insert in lieu thereof the following:

“(k) In making a determination to issue insurance, guaranties, or reinsurance under this title, the Corporation shall consider the possible adverse effect of the dollar investment under such insurance, guaranty, or reinsurance upon the balance of payments of the United States.”

22 USC 2199.

(5) In section 239—

(A) in subsection (b), add the following new sentences at the end thereof: “On December 31, 1979, the Corporation shall cease operating the programs authorized by section 234 (b) through (e) and section 240. Thereafter, the President is authorized to transfer such programs, and all obligations, assets, and related rights and responsibilities arising out of, or related to, such programs to other agencies of the United States. Upon any such transfer, these programs shall be limited to countries with per capita income of \$450 or less in 1973 dollars.”; and

22 USC 2194.

22 USC 2200.

(B) add at the end thereof the following:

“(h) Within six months after the date of enactment of this subsection the Corporation shall develop and implement specific criteria intended to minimize the potential environmental implications of projects undertaken by investors abroad in accordance with any of the programs authorized by this title.”

22 USC 2200.

(6) In section 240(h), strike out “1974” and insert in lieu thereof “1977”.

22 USC 2200a.

(7) In section 240A, strike out subsection (b) and insert in lieu thereof the following:

Report to Congress.

“(b) Not later than January 1, 1976, the Corporation shall submit to the Congress an analysis of the possibilities of transferring all of its activities to private insurance companies, multilateral organizations and institutions, or other entities.”

Approved August 27, 1974.

Public Law 93-391

AN ACT

August 28, 1974
[H. R. 15405]

Making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

Department of
Transportation and
Related Agencies
Appropriation
Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending June 30, 1975, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Transportation, including not to exceed \$27,000 for allocation within the Department for official reception and representation expenses as the Secretary may determine, \$31,000,000: *Provided*, That not to exceed \$882,900 of the funds provided under this Act shall be available to enable the Office of the Secretary to lease and maintain automobile parking facilities in the Nassif Building for employees of the Department.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, to remain available until expended, \$28,000,000.

GRANTS-IN-AID FOR NATURAL GAS PIPELINE SAFETY

For grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674), \$1,200,000, to remain available until expended.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed sixteen passenger motor vehicles, for replacement only; and recreation and welfare; \$618,144,448, of which \$179,448 shall be applied to Capehart Housing debt reduction: *Provided*, That the number of aircraft on hand at any one time shall not exceed one hundred and seventy-nine exclusive of planes and parts stored to meet future attrition: *Provided further*, That, without regard to any provisions of law or Executive order prescribing minimum flight requirements, Coast Guard regulations which establish proficiency standards and maximum and minimum flying hours for this purpose may provide for the payment of flight pay at the rates prescribed in section 301 of title 37, United States Code, to certain members of the Coast Guard otherwise entitled to receive flight pay during the current fiscal year (1) who

14 USC 92 note.

have held aeronautical ratings or designations for not less than fifteen years, or (2) whose particular assignment outside the United States or in Alaska, makes it impractical to participate in regular aerial flights, or who have been assigned to a course of instruction of 90 days or more: *Provided further*, That amounts equal to the obligated balances against the appropriations for "Operating expenses" for the two preceding years, shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; \$112,307,000, to remain available until June 30, 1977.

ALTERATION OF BRIDGES

For necessary expenses for alteration of obstructive bridges; \$6,800,000, to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans; \$95,850,000.

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; \$29,000,000: *Provided*, That amounts equal to the obligated balances against the appropriations for "Reserve training" for the two preceding years shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for basic and applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$17,500,000, to remain available until expended.

STATE BOATING SAFETY ASSISTANCE

For financial assistance for State boating safety programs in accordance with the provisions of the Federal Boat Safety Act of 1971 (46 U.S.C. 1474-1480), \$6,000,000, to remain available until expended.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act; purchase of four passenger motor vehicles for replacement only; and purchase and repair of skis and snowshoes; \$1,375,500,000: *Provided*, That there may be credited to this appropriation, funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities.

49 USC 1701
note.

FACILITIES, ENGINEERING AND DEVELOPMENT

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, and for acquisition and modernization of facilities and equipment and service testing in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, \$12,250,000, to remain available until expended: *Provided*, That there may be credited to this appropriation, funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for engineering and development.

FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for; for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available, and purchase of six aircraft; \$235,521,000, to be derived from the Airport and Airway Trust Fund, to remain available until June 30, 1977: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further*, That no part of the foregoing appropriation shall be available for the construction of a new wind tunnel, or to purchase any land for or in connection with the National Aviation Facilities Experimental Center, or to remote or decommission any existing flight service station.

RESEARCH, ENGINEERING AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided, for research, engineering and development in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant; \$60,000,000, to be derived from the Airport and Airway

Trust Fund, to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering and development.

GRANTS-IN-AID FOR AIRPORTS (AIRPORT AND AIRWAY TRUST FUND)

49 USC 1714.

For liquidation of obligations incurred for airport development under authority contained in section 14 of Public Law 91-258, as amended, to be derived from the Airport and Airway Trust Fund and to remain available until expended, \$280,000,000.

OPERATION AND MAINTENANCE, NATIONAL CAPITAL AIRPORTS

For expenses incident to the care, operation, maintenance, improvement, and protection of the federally owned civil airports in the vicinity of the District of Columbia, including purchase of ten passenger motor vehicles for police type use, for replacement only; purchase, cleaning, and repair of uniforms; and arms and ammunition: \$16,000,000.

CONSTRUCTION, NATIONAL CAPITAL AIRPORTS

For necessary expenses for construction at the federally owned civil airports in the vicinity of the District of Columbia, \$5,700,000, to remain available until June 30, 1977.

AVIATION WAR RISK INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958 (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for aviation war risk insurance activities under said Act.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

Necessary expenses for administration, operation, and research of the Federal Highway Administration not to exceed \$129,200,000 shall be paid, in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That not to exceed \$30,600,000 of the amount provided herein shall remain available until expended.

MOTOR CARRIER SAFETY

For necessary expenses to carry out motor carrier safety functions of the Secretary, as authorized by the Department of Transportation Act (80 Stat. 939-40), \$6,130,000: *Provided*, That not to exceed \$500,000 of the amount appropriated herein shall remain available until expended and not to exceed \$805,000, shall be available for "Limitation on general operating expenses."

49 USC 1651
note.

HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out provisions of title 23, United States Code, including section 206(b) of the "Highway Safety Act of 1973," to be derived from the Highway Trust Fund, \$9,000,000, to remain available until expended.

23 USC 151
note.

HIGHWAY BEAUTIFICATION (LIQUIDATION OF CONTRACT
AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, sections 131, 136, and 319(b), \$25,000,000 to remain available until expended, together with \$1,000,000 for necessary administrative expenses for carrying out such provisions of title 23, United States Code, as authorized by section 104(a) of the Federal-Aid Highway Act of 1973.

87 Stat. 250.

HIGHWAY-RELATED SAFETY GRANTS (LIQUIDATION OF CONTRACT
AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, \$12,000,000 of which \$7,500,000 shall be derived from the Highway Trust Fund: *Provided*, That not to exceed \$498,000 of the amount appropriated herein shall be available for "Limitation on General operating expenses."

RAIL CROSSINGS—DEMONSTRATION PROJECTS

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 322, to remain available until expended, \$3,000,000, of which \$2,000,000 shall be derived from the Highway Trust Fund.

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

For necessary expenses of railroad-highway crossings demonstration projects, as authorized by section 163 of the Federal-Aid Highway Act of 1973, to remain until expended, \$11,000,000, to be derived by transfer from amounts available for obligation under sections 203 and 230 of the Highway Safety Act of 1973.

23 USC 130
note.

23 USC 130
note, 405.

RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION
PROGRAM

For necessary expenses in carrying out the provisions of the "Federal-Aid Highway Act of 1973," section 147, to remain available until expended, \$10,000,000, of which \$7,000,000 shall be derived from the Highway Trust Fund.

23 USC 142
note.

TERRITORIAL HIGHWAYS (LIQUIDATION OF CONTRACT
AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, sections 215, 402, and 405, \$4,000,000 to remain available until expended.

DARIEN GAP HIGHWAY

For necessary expenses for construction of the Darien Gap Highway in accordance with the provisions of section 216 of title 23 of the United States Code, \$20,000,000, to remain available until expended.

ALASKA HIGHWAY

For necessary expenses to carry out the provisions of section 218 of title 23 of the United States Code, \$5,000,000 to remain available until expended.

FEDERAL-AID HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION) (TRUST FUND)

For carrying out the provisions of title 23, United States Code, which are attributable to Federal-aid highways, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of section 308, title 23, United States Code, \$4,575,840,000 or so much thereof as may be available in and derived from the "Highway trust fund", to remain available until expended.

HIGHWAY SAFETY CONSTRUCTION PROGRAMS (LIQUIDATION OF CONTRACT AUTHORIZATION) (TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, sections 130, 144, 151, 152, 153, and 405, \$110,000,000, to be derived from the Highway Trust Fund, to remain available until expended.

RIGHT-OF-WAY REVOLVING FUND (LIQUIDATION OF CONTRACT AUTHORIZATION) (TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 108(c), as authorized by section 7(c) of the Federal-Aid Highway Act of 1968, to remain available until expended, \$20,000,000, to be derived from the "Highway Trust Fund" at such times and in such amounts as may be necessary to meet current withdrawals.

23 USC 108
note.

FOREST HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 204, pursuant to contract authorization granted by title 23, United States Code, section 203, to remain available until expended, \$12,450,000.

PUBLIC LANDS HIGHWAY (LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 209, pursuant to the contract authorization granted by title 23, United States Code, section 203, \$8,270,000, to remain available until expended.

BALTIMORE-WASHINGTON PARKWAY

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, \$1,600,000 to be derived from the "Highway Trust Fund" and to be withdrawn therefrom at such times and in such amounts as may be necessary.

23 USC 101
note.

NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION

TRAFFIC AND HIGHWAY SAFETY

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety and functions under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513), \$73,445,000, of which \$29,130,000 shall be derived from the Highway Trust Fund; *Provided*, That not to exceed \$34,800,000 shall remain available until expended for the contractual and State grant requirements of the Motor Vehicle Information and Cost Savings Act, and the contractual requirements of Research and Analysis activities.

15 USC 1901
note.

STATE AND COMMUNITY HIGHWAY SAFETY
(LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, to remain available until expended, \$96,000,000, of which \$85,140,000 shall be derived from the Highway Trust Fund.

FEDERAL RAILROAD ADMINISTRATION

OFFICE OF THE ADMINISTRATOR

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, \$3,800,000.

RAILROAD SAFETY

For necessary expenses in connection with railroad safety, not otherwise provided for, \$10,170,000.

GRANTS-IN-AID FOR RAILROAD SAFETY

For grants-in-aid to carry out a railroad safety program, \$1,000,000, to remain available until expended: *Provided*, That the unobligated balance of this appropriation for fiscal year 1974 is hereby continued available until expended.

RAILROAD RESEARCH AND DEVELOPMENT

For necessary expenses for research, development, and demonstrations in high-speed ground transportation and in rail matters generally, \$50,000,000, to remain available until expended.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation, \$135,000,000, to remain available until expended, of which \$119,800,000 shall be available only upon the enactment into law of authorizing legislation by the Congress.

THE ALASKA RAILROAD

ALASKA RAILROAD REVOLVING FUND

The Alaska Railroad Revolving Fund shall continue available until expended for the work authorized by law, including operation and maintenance of oceangoing or coastwise vessels by ownership, charter, or arrangement with other branches of the Government service, for the purpose of providing additional facilities for transportation of freight, passengers, or mail, when deemed necessary for the benefit and development of industries or travel in the area served; and payment of compensation and expenses as authorized by 5 U.S.C. 8146, to be reimbursed as therein provided: *Provided*, That no employee shall be paid an annual salary out of said fund in excess of the salaries prescribed by the Classification Act of 1949, as amended, for grade GS-15, except the general manager of said railroad, one assistant general manager at not to exceed the salaries prescribed by said Act for GS-17, and five officers at not to exceed the salaries prescribed by said Act for grade GS-16.

5 USC 5332
note.

PAYMENT TO THE ALASKA RAILROAD REVOLVING FUND

For payment to the Alaska Railroad Revolving Fund for capital replacements, improvements, and maintenance, \$6,250,000, to remain available until expended.

URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964 (49 U.S.C. 1601 et seq., as amended by Public Law 91-453) and the Federal-Aid Highway Act of 1973 (Public Law 93-87) in connection with the activities, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-5902); hire of passenger motor vehicle; and services as authorized by 5 U.S.C. 3109; \$6,000,000: *Provided, however*, That there be a 3.5 per centum reduction in new budget (obligational) authority across the board of the total appropriations contained in this Act except for the appropriations for Coast Guard, operating expenses; Coast Guard, retired pay; Federal Aviation Administration, operations; National Transportation Safety Board, salaries and expenses; Civil Aeronautics Board, salaries and expenses; Civil Aeronautics Board, payments to aircarriers; Interstate Commerce Commission, salaries and expenses; and except for all limitations: *Provided further*, That the appropriation for Darien Gap Highway is reduced by an additional \$6,000,000.

23 USC 101
note.

RESEARCH, DEVELOPMENT, AND DEMONSTRATIONS AND UNIVERSITY
RESEARCH AND TRAINING

For an additional amount for the urban mass transportation program, as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended; \$45,130,000: *Provided*, That \$41,880,000 shall be available for research, development, and demonstrations, \$2,250,000 shall be available for university research and training, and not to exceed \$1,000,000 shall be available for managerial training as authorized under the authority of the said act.

LIQUIDATION OF CONTRACT AUTHORIZATION

For payment to the urban mass transportation fund, for liquidation of contractual obligations incurred under authority of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1601 et seq., as amended by Public Law 91-453), \$400,000,000, to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT
CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such Corporation except as hereinafter provided.

31 USC 849.

LIMITATION ON ADMINISTRATIVE EXPENSES, SAINT
LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Not to exceed \$886,000 shall be available for administrative expenses which shall be computed on an accrual basis, including not to exceed \$3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation: *Provided*, That Corporation funds shall be available for the hire of passenger motor vehicles and aircraft, operation and maintenance of aircraft, uniforms or allowances therefor for operation and maintenance personnel, as authorized by law (5 U.S.C. 5901-5902), and \$15,000 for services as authorized by 5 U.S.C. 3109.

TITLE II

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, \$9,450,000.

CIVIL AERONAUTICS BOARD

SALARIES AND EXPENSES

For necessary expenses of the Civil Aeronautics Board, including hire of aircraft; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); and not to exceed \$1,000 for official reception and representation expenses, \$17,150,000.

PAYMENTS TO AIR CARRIERS

For payments to air carriers of so much of the compensation fixed and determined by the Civil Aeronautics Board under section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376), as is payable by the Board, \$67,728,000, to remain available until expended.

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, \$43,000,000, of which \$150,000 shall be available for valuation of pipelines: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

49 USC 305a.

THE PANAMA CANAL

CANAL ZONE GOVERNMENT

OPERATING EXPENSES

For operating expenses necessary for the Canal Zone Government, including operation of the Postal Service of the Canal Zone; hire of passenger motor vehicles; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); expenses incident to conducting hearings on the Isthmus; expenses of special training of employees of the Canal Zone Government as authorized by 5 U.S.C. 4101-4118, contingencies of the Governor, residence for the Governor; medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable; and maintaining and altering facilities of other Government agencies in the Canal Zone for Canal Zone Government use, \$62,700,000.

CAPITAL OUTLAY

For acquisition of land and land under water and acquisition, construction, and replacement of improvements, facilities, structures, and equipment, as authorized by law (2 C.Z. Code, sec. 2; 2 C.Z. Code, sec. 371), including the purchase of not to exceed sixteen passenger motor vehicles of which fourteen are for replacement only; improving facilities of other Government agencies in the Canal Zone for Canal Zone Government use; and expenses incident to the retirement of such assets; \$6,000,000, to remain available until expended.

PANAMA CANAL COMPANY**CORPORATION**

The Panama Canal Company is hereby authorized to make such expenditures within the limits of funds and borrowing authority available to it and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 849), as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation, including maintaining and improving facilities of other Government agencies in the Canal Zone for Panama Canal Company use.

**LIMITATION ON GENERAL AND ADMINISTRATIVE
EXPENSES**

Not to exceed \$23,837,000 of the funds available to the Panama Canal Company shall be available for obligation during the current fiscal year for general and administrative expenses of the Company, including operation of tourist vessels and guide services. Funds available to the Panama Canal Company for obligation shall be available for the purchase of not to exceed twenty-nine passenger motor vehicles, including one medium sedan, for replacement only, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

**WASHINGTON METROPOLITAN AREA TRANSIT
AUTHORITY****FEDERAL CONTRIBUTION**

To enable the Department of Transportation to pay the Washington Metropolitan Area Transit Authority, as part of the Federal contribution toward expenses necessary to design, engineer, construct, and equip a rail rapid transit system, as authorized by the National Capital Transportation Act of 1969 (Public Law 91-143) as amended, including acquisition of rights-of-way, land, and interest therein, to remain available until expended, \$52,724,000 for the fiscal year 1976, and for the fiscal year 1975, \$19,400,000 for the design and construction of facilities for the handicapped as authorized by Public Law 93-87.

D.C. Code 1-
1441 note.

23 USC 101
note.

INTEREST SUBSIDY

To enable the Department of Transportation to pay the Washington Metropolitan Area Transit Authority the interest subsidy authorized by Public Law 92-349, \$17,750,000, to remain available until expended.

86 Stat. 464.

**TITLE III
GENERAL PROVISIONS**

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. None of the funds provided in this Act shall be available for administrative expenses in connection with commitments for grants-in-aid for airport development aggregating more than \$310,000,000 in fiscal year 1975.

SEC. 303. None of the funds provided under this Act shall be available for the planning or execution of programs the obligations for which are in excess of \$45,000,000 for "Highway Beautification" in fiscal year 1975.

SEC. 304. None of the funds provided under this Act shall be available for the planning or execution of programs the obligations for which are in excess of \$100,000,000 in fiscal year 1975 for "State and Community Highway Safety" and "Highway-Related Safety Grants".

SEC. 305. None of the funds provided under this Act shall be available for the planning or execution of programs the obligations for which are in excess of \$4,600,000 in fiscal year 1975 for "Territorial Highways".

SEC. 306. None of the funds provided in this Act shall be available for administrative expenses in connection with commitments for the Urban Mass Transportation Act of 1964, as amended, aggregating more than \$1,445,250,000 in fiscal year 1975.

SEC. 307. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 308. None of the funds provided under this Act shall be available for the planning or execution of programs for any further construction of the Miami jetport or of any other air facility in the State of Florida lying south of the Okeechobee Waterway and in the drainage basins contributing water to the Everglades National Park until it has been shown by an appropriate study made jointly by the Department of the Interior and the Department of Transportation that such an airport will not have an adverse environmental effect on the ecology of the Everglades and until any site selected on the basis of such study is approved by the Department of the Interior and the Department of Transportation: *Provided*, That nothing in this section shall affect the availability of such funds to carry out this study.

SEC. 309. The Governor of the Canal Zone is authorized to employ services as authorized by 5 U.S.C. 3109, in an amount not exceeding \$150,000.

SEC. 310. Funds appropriated for operating expenses of the Canal Zone Government may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law which are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

SEC. 311. Funds appropriated under this Act for expenditure by the Federal Aviation Administration and the Coast Guard shall be available (1) for expenses of primary and secondary schooling for dependents of Federal Aviation Administration and Coast Guard personnel stationed outside the continental United States at costs for any

Fiscal year
limitation.

Everglades
National Park,
Fla.
Ecology study.

FAA and Coast
Guard personnel,
dependents'
school expenses.
20 USC 241
note.

given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents and (2) for transportation of said dependents between schools serving the area which they attend and their places of residence when the Secretary, under such regulations, as he may prescribe, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 312. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

5 USC 5332
note.

SEC. 313. None of the funds in this Act shall be available for the implementation or execution of a program in the Department of Transportation to collect fees, charges or prices for approvals, tests, authorizations, certificates, permits, registrations, and ratings which are in excess of the levels in effect on January 1, 1973, or which did not exist as of January 1, 1973, until such program is reviewed and approved by the appropriate committees of the Congress.

SEC. 314. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 percent of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

Space and serv-
ice charges.

40 USC 490.

SEC. 315. None of the funds provided under this Act shall be available for the purchase of passenger rail or subway cars, for the purchase of motor buses or for the construction of related facilities unless such cars, buses and facilities are designed to meet the mass transportation needs of the elderly and the handicapped.

Mass transpor-
tation facilities.

This Act may be cited as the "Department of Transportation and Related Agencies Appropriation Act, 1975".

Short title.

Approved August 28, 1974.

Public Law 93-392

AN ACT

To authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973.

August 28, 1974
[S. 3190]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)) is amended—

Board for Inter-
national Broad-
casting.
Appropriation
authorization.

(1) by striking out "\$50,209,000 for fiscal year 1974" in the first sentence and inserting in lieu thereof "\$49,990,000 for fiscal year 1975, of which not less than \$75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than \$75,000 shall be available solely to initiate broadcasts in the Latvian language"; and

(2) by striking out "fiscal year 1974" in the second sentence and inserting in lieu thereof "fiscal year 1975".

Approved August 28, 1974.

Public Law 93-393

August 28, 1974
[H. R. 15155]

AN ACT

Making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1975, and for other purposes.

Public Works
for Water and
Power Develop-
ment and Atomic
Energy Commis-
sion Appropria-
tion Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions, and for other purposes, namely:

TITLE I—ATOMIC ENERGY COMMISSION

OPERATING EXPENSES

42 USC 2011
note.

For necessary operating expenses of the Commission in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; hire, maintenance, and operation of aircraft; publication and dissemination of atomic information; purchase, repair and cleaning of uniforms; official entertainment expenses (not to exceed \$30,000); reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; \$1,411,960,000 and any moneys (except sums received from disposal of property under the Atomic Energy Community Act of 1955, as amended (42 U.S.C. 2301)) received by the Commission, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), to remain available until expended: *Provided*, That the amount appropriated for "Operating expenses" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation: *Provided further*, That from this appropriation transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred.

Ante, p. 278.

PLANT AND CAPITAL EQUIPMENT

For expenses of the Commission, as authorized by law, in connection with the purchase and construction of plant and the acquisition of capital equipment and other expenses incidental thereto necessary in carrying out the purposes of the Atomic Energy Act of 1954, as amended, including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of not to exceed three hundred and ninety-five for replacement only, and hire of passenger motor vehicles; purchase of three for replacement only, and hire of aircraft; \$330,705,000 to remain available until expended: *Provided*, That the amount appropriated for "Plant and capital equipment" in the Special Energy

Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation.

Ante, p. 279.

GENERAL PROVISIONS

SEC. 101. Not to exceed 5 per centum of appropriations made available for the current fiscal year for "Operating expenses" and "Plant and capital equipment" may be transferred between such appropriations, but neither such appropriation, except as otherwise provided herein, shall be increased by more than 5 per centum by any such transfers, and any such transfers shall be reported promptly to the Appropriations Committees of the House and Senate.

Transfer of funds; report to congressional committees.

TITLE II—DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes:

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, and when authorized by law, surveys and studies of projects prior to authorization for construction, \$65,284,000, to remain available until expended: *Provided*, That \$1,490,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563–565), to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Department of the Army.

16 USC 661 note.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction): \$973,681,000, to remain available until expended: *Provided*, That no part of this appropriation shall be used for projects not authorized by law or which are authorized by law limiting the amount to be appropriated therefor, except as may be within the limits of the amount now or hereafter authorized to be appropriated: *Provided further*, That \$1,800,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563–565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Department of the Army.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), \$161,948,000, to remain available until expended: *Provided*, That not less than \$250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation; \$446,577,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

33 USC 701n. For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, \$15,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors and the Coastal Engineering Research Center; commercial statistics; and miscellaneous investigations; \$38,800,000.

SPECIAL RECREATION USE FEES

16 USC 4601-6a. For construction, operation, and maintenance of outdoor recreation facilities, including collection of special recreation use fees, to remain available until expended, \$700,000, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601): *Provided*, That not more than 40 per centum of the foregoing amount shall be available for the enhancement of the fee collection system established by section 4 of such Act, including the promotion and enforcement thereof.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by 5 U.S.C. 4110, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or ses-

sion of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed two hundred and forty-three for replacement only), and hire of passenger motor vehicles: *Provided*, That the total capital of the revolving fund shall not exceed \$228,000,000.

TITLE III—DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau, as follows:

43 USC 371
and note.

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, \$19,427,000: *Provided*, That none of this appropriation shall be used for more than one-half of the cost of an investigation requested by a State, municipality, or other interest: *Provided further*, That \$400,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563-565) to provide that wildlife conservation shall receive equal consideration and be coordinated with other features of water-resource development programs of the Bureau of Reclamation.

16 USC 661
note.

CONSTRUCTION AND REHABILITATION

For construction and rehabilitation of authorized reclamation projects or parts thereof (including power transmission facilities) and for other related activities, as authorized by law, to remain available until expended, \$244,123,000, of which \$115,000,000 shall be derived from the reclamation fund: *Provided*, That no part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers, except those transmission facilities for which construction funds have been heretofore appropriated, those facilities which are necessary to carry out the terms of such contracts or those facilities for which the Secretary of the Interior finds the wheeling agency is unable or unwilling to provide for the integration of Federal projects or for service to a Federal establishment or preferred customer: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters.

UPPER COLORADO RIVER STORAGE PROJECT

43 USC 620d.

43 USC 620g.

For the Upper Colorado River Storage Project, as authorized by the Act of April 11, 1956, as amended (43 U.S.C. 620d), to remain available until expended, \$24,621,000, of which \$22,967,000 shall be available for the "Upper Colorado River Basin Fund" authorized by section 5 of said Act of April 11, 1956, and \$1,654,000 shall be available for construction of recreational and fish and wildlife facilities authorized by section 8 thereof, and may be expended by bureaus of the Department through or in cooperation with State or other Federal agencies, and advances to such Federal agencies are hereby authorized: *Provided*, That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument.

COLORADO RIVER BASIN PROJECT

43 USC 1543.

43 USC 1521.

43 USC 1523.

For advances to the Lower Colorado River Basin Development Fund, as authorized by section 403 of the Act of September 30, 1968 (82 Stat. 894), for the construction, operation, and maintenance of projects authorized by title III of said Act, to remain available until expended \$55,800,000, of which \$32,800,000 is for liquidation of contract authority provided by section 303(b) of said Act.

COLORADO RIVER BASIN SALINITY CONTROL PROJECTS

Ante, p. 266.

For construction, operation and maintenance of projects authorized by the Act of June 24, 1974, Public Law 93-320, to remain available until expended, \$27,650,000.

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, \$97,000,000, of which \$80,730,000 shall be derived from the reclamation fund and \$3,218,000 shall be derived from the Colorado River Dam fund: *Provided*, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and the unexpended balances of such advances shall be credited to the appropriation for the next succeeding fiscal year: *Provided further*, That no part of the funds appropriated herein shall be used directly or indirectly for the operation of the Newlands Reclamation project in the State of Nevada.

LOAN PROGRAM

43 USC 421a.

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956 (43 U.S.C. 422a-422k), as amended, including expenses necessary for carrying out the program, \$13,825,000, to remain available until expended: *Provided*, That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the mak-

ing of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197).

43 USC 388.

EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), to remain available until expended for the purposes specified in said Act, \$600,000, to be derived from the reclamation fund.

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the offices of the Commissioner of Reclamation and in the regional offices of the Bureau of Reclamation, \$20,300,000, to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377) : *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

SPECIAL FUNDS

Sums herein referred to as being derived from the Reclamation fund, the Colorado River Dam Fund, or the Colorado River development fund, are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391), the Act of December 21, 1928 (43 U.S.C. 617a), and the Act of July 19, 1940 (43 U.S.C. 618a) respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the heads "Operation and Maintenance" and "General Administrative Expenses" shall revert and be credited to the special fund from which derived.

ADMINISTRATIVE PROVISIONS

Appropriations to the Bureau of Reclamation shall be available for purchase of not to exceed thirty-four passenger motor vehicles for replacement only; purchase of one aircraft for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriation Act, 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Act of August 21, 1935 (16 U.S.C. 461-467) : *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43

43 USC 371 and note.

58 Stat. 487.

U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" and amounts provided for reconnaissance, basin surveys, and general engineering and research under the head "General Investigations".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665).

43 USC 377a.

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

Not to exceed \$225,000 may be expended from the appropriation "Construction and Rehabilitation" for work by force account on any one project or Pick-Sloan Missouri Basin Program unit and then only when such work is unsuitable for contract or no acceptable bid has been received and, other than otherwise provided in this paragraph or as may be necessary to meet local emergencies, not to exceed 12 per centum of the construction allotment for any project from the appropriation "Construction and Rehabilitation" contained in this Act, shall be available for construction work by force account: *Provided*, That this paragraph shall not apply to work performed under the Rehabilitation and Betterment Act of 1949 (63 Stat. 724).

43 USC 504
and note.

ALASKA POWER ADMINISTRATION

GENERAL INVESTIGATIONS

For engineering and economic investigations to promote the development and utilization of the water, power, and related resources of Alaska, \$540,000, to remain available until expended: *Provided*, That \$10,000 of this appropriation shall be transferred to the United States Fish and Wildlife Service for studies, investigations, and reports thereon, as required by the Fish and Wildlife Coordination Act of 1958 (72 Stat. 563-565).

16 USC 661
note.

OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, \$760,000.

BONNEVILLE POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, as authorized by law, \$128,000,000, to remain available until expended: *Provided*, That the amount appropri-

ated for "Construction" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation.

Ante, p. 279.

OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of the Bonneville transmission system and of marketing electric power and energy, \$38,500,000.

ADMINISTRATIVE PROVISIONS

Appropriations of the Bonneville Power Administration shall be available to carry out all the duties imposed upon the Administrator pursuant to law. Appropriations made herein to the Bonneville Power Administration shall be available in one fund, except that the appropriation herein made for operation and maintenance shall be available only for the service of the current fiscal year.

Other than as may be necessary to meet local emergencies, not to exceed 12 per centum of the appropriation for construction herein made for the Bonneville Power Administration shall be available for construction work by force account or on a hired-labor basis.

SOUTHEASTERN POWER ADMINISTRATION

OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, \$946,000.

SOUTHWESTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, \$620,000, to remain available until expended.

OPERATION AND MAINTENANCE

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, including purchase of not to exceed one passenger motor vehicle for replacement only, \$5,795,000.

GENERAL PROVISIONS—DEPARTMENT OF THE INTERIOR

SEC. 301. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Facilities,
emergency recon-
struction.

Forest or range
fires.

SEC. 302. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

Service facilities.

SEC. 303. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 686): *Provided*, That reimbursements for costs of supplies, materials, and equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Southwestern
Power Administration.

SEC. 304. No part of any funds made available by this Act to the Southwestern Power Administration may be made available to any other agency, bureau, or office for any purposes other than for services rendered pursuant to law to the Southwestern Power Administration.

TITLE IV—INDEPENDENT OFFICES

APPALACHIAN REGIONAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Cochairman and his alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, \$1,740,000.

FUNDS APPROPRIATED TO THE PRESIDENT

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

40 USC app. 1.
40 USC app.
109.

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, except expenses authorized by section 105 of said Act, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, to remain available until expended, \$293,500,000, of which \$160,000,000 shall be available for the Appalachian Development Highway System, but no part of any appropriation in this Act shall be available for expenses in connection with commitments for contracts or grants for the Appalachian Development Highway System in excess of the total amount herein and heretofore appropriated.

DELAWARE RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), \$77,500.

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), \$238,000.

FEDERAL POWER COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the work of the Commission, as authorized by law, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, and not to exceed \$1,000 for official reception and representation expenses, \$32,100,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), \$52,000.

33 USC 567b.

33 USC 567b-1.

SUSQUEHANNA RIVER BASIN COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1541), \$77,500.

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), \$150,000.

TENNESSEE VALLEY AUTHORITY

PAYMENT TO TENNESSEE VALLEY AUTHORITY FUND

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C., ch. 12A), including hire, maintenance, and operation of aircraft, and hire of passenger motor vehicles, \$77,400,000, to remain available until expended: *Provided*, That this appropriation and other funds available to the Tennessee Valley Authority shall be available for the purchase of not to exceed one aircraft for replacement only, and the purchase of not to exceed two hundred and twenty-four passenger motor vehicles for replacement only.

16 USC 831.

WATER RESOURCES COUNCIL

WATER RESOURCES PLANNING

For expenses necessary in carrying out the provisions of the Water Resources Planning Act of 1965 (42 U.S.C. 1962-1962d-3), including services as authorized by 5 U.S.C. 3109, but at rates not to exceed \$100 per diem for individuals (42 U.S.C. 1962a-4(5)), and hire of passenger motor vehicles (42 U.S.C. 1962a-4(6)), \$9,775,000, to remain available until expended, including \$1,242,000, for carrying out the

provisions of title I and administering the provisions of titles II, III, and IV of the Act (42 U.S.C. 1962d(b)), \$2,183,000, for preparation of assessments and management of plans (42 U.S.C. 1962d(c)), \$1,350,000, for expenses of river basin commissions under title II of the Act (42 U.S.C. 1962d(a)), and \$5,000,000 for grants to States under title III of the Act (42 U.S.C. 1962c(a)): *Provided*, That the share of the expenses of any river basin commission borne by the Federal Government pursuant to title II of the Act shall not exceed \$250,000 annually for recurring operating expenses, including the salary and expenses of the chairman.

TITLE V—GENERAL PROVISIONS

Fiscal year
limitation.

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Space and
service charges.

SEC. 502. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

Short title.

This Act may be cited as the "Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act, 1975".

Approved August 28, 1974.

Public Law 93-394

August 29, 1974
[H. R. 15936]

AN ACT

To amend chapter 5, title 37, United States Code, to provide for continuation pay for physicians of the uniformed services in initial residency.

Uniformed serv-
ices.
Continuation
pay for physi-
cians.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the portion of the first sentence of section 311(a), chapter 5 of title 37, United States Code, preceding clause (1), is amended to read as follows:

"(a) Under regulations to be prescribed by the Secretary of Defense or by the Secretary of Health, Education, and Welfare, as appropriate, an officer of the Army or Navy in the Medical Corps above the pay grade of O-6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, an officer of the Air Force who is designated as a medical officer and is above the pay grade of O-6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, a medical officer of the Public Health Service above the pay grade of O-6 or such an officer who is below that pay grade who is undergoing initial residency training and who was on active duty on June 1, 1974, an officer of the Army or Navy in the Dental Corps, an officer of the Air Force who is designated as a dental officer, or a dental officer of the Public Health Service who—".

SEC. 2. The amendment made by the Act shall be effective June 1, 1974.

Effective date.
37 USC 311
note.

Approved August 29, 1974.

Public Law 93-395

AN ACT

To amend section 204(g) of the District of Columbia Self-Government and Governmental Reorganization Act, and for other purposes.

August 29, 1974
[H. R. 15791]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the District of Columbia Self-Government and Governmental Reorganization Act (84 Stat. 774) is amended as follows:

(1) The second sentence of subsection (g) of section 204 of that Act is repealed.

(2) Subsection (b) of section 401 of that Act is amended by (A) redesignating paragraph (3) as paragraph (4); and (B) inserting immediately after paragraph (2) the following:

“(3) To fill a vacancy in the Office of Chairman, the Board of Elections shall hold a special election in the District on the first Tuesday occurring more than one hundred and fourteen days after the date on which such vacancy occurs, unless the Board of Elections determines that such vacancy could be more practicably filled in a special election held on the same day as the next general election to be held in the District occurring within sixty days of the date on which a special election would otherwise have been held under the provisions of this paragraph. The person elected Chairman to fill a vacancy in the Office of Chairman shall take office on the day in which the Board of Elections certifies his election, and shall serve as Chairman only for the remainder of the term during which such vacancy occurred. When the Office of Chairman becomes vacant, the Council shall select one of the elected at-large members of the Council to serve as Chairman and one to serve as Chairman pro tempore until the election of a new Chairman.”

(3) The first sentence of section 441 of that Act is amended to read as follows: “The fiscal year of the District shall, beginning on October 1, 1976, commence on the first day of October of each year and shall end on the thirtieth day of September of the succeeding calendar year.”

(4) Paragraph (1) of section 462 of that Act is amended to read as follows:

“(1) briefly describing each project to be financed by the act;”.

(5) The first sentence of section 465 of that Act is amended to read as follows: “At the end of the twenty-day period specified in section 464, the Mayor may issue general obligation bonds as authorized pursuant to the provisions of sections 461 through 465.”

(6) The second sentence of section 466 is amended by striking out “Council” and inserting in lieu thereof “Mayor”.

(7) Section 502 of that Act is amended to read as follows:

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 502. Notwithstanding any other provision of law, there is authorized to be appropriated as the annual Federal payment to the District of Columbia for the fiscal year ending June 30, 1975, the sum of \$230,000,000; for the fiscal year ending June 30, 1976, the sum of \$254,000,000; for the fiscal year ending September 30, 1977, the sum of \$280,000,000; for the fiscal year ending September 30, 1978, and for each fiscal year thereafter, the sum of \$300,000,000. For the period July 1, 1976, through September 30, 1976, there is authorized to be appropriated a Federal payment of \$70,000,000.”

(8) Section 771 of that Act as amended to read as follows:

District of
Columbia Self-
Government and
Governmental
Reorganization
Act, amendments.
D.C. Code 1-121
note.
Repeal.
D.C. Code 36-
701 note.
D.C. Code 1-
141.

Fiscal year.
D.C. Code 47-
101.

D.C. Code 47-
242.

D.C. Code 47-
245.

D.C. Code 47-
244.

D.C. Code 47-
241.

D.C. Code 47-
246.

D.C. Code 47-
2501d.

D.C. Code 1-121
note.

"EFFECTIVE DATES

D.C. Code 1-121
note.

"SEC. 771. (a) Titles I and V, and parts A and G, and section 722 of title VII shall take effect on the date of enactment of this Act.

"(b) Sections 712, 713, 714, and 715 of title VII, and section 401(b) of title IV, and title II shall take effect July 1, 1974, except that any provision thereof which in effect transfers authority to appoint any citizen member of the National Capital Planning Commission or the District of Columbia Redevelopment Land Agency shall take effect January 2, 1975.

"(c) Titles III and IV, except section 401(b) of title IV, shall take effect January 2, 1975, if title IV is accepted by a majority of the registered qualified electors in the District of Columbia voting on the charter issue in the charter referendum.

"(d) Title VI and parts D and F and sections 711, 716, 717, 718, 719, 721, and 723 of title VII shall take effect only if and upon the date that title IV becomes effective.

"(e) Part E of title VII shall take effect on the date on which title IV is accepted by a majority of the registered qualified electors in the District of Columbia voting on the charter issue in the charter referendum."

Condominium
moratorium.
D.C. Code 5-
928a.
5 USC app.
D.C. Code 1
app.

SEC. 2. In addition to other authority delegated to it, and in accordance with section 406 of Reorganization Plan Numbered 2 of 1967, the District of Columbia Council is authorized, by regulation, to prohibit the establishment, after the effective date of such regulation, of any horizontal property regime, real estate condominiums project, or other conversion of units in a multiunit structure into a condominium pursuant to the Horizontal Property Act of the District of Columbia (D.C. Code, sec. 5-901 et seq.).

D.C. Code 1-
1110.

SEC. 3. (a) The first sentence of subsection (e) of section 10 of the District of Columbia Election Act (D.C. Code, sec. 1-1110) is amended by striking out "for members of the Board of Education".

Regulations.
D.C. Code 1-
1110 note.

(b) The Board of Elections shall prescribe regulations as it considers necessary in order to carry out the purposes of the amendment made by subsection (a), including establishing the filing date for nomination petitions for any elections to be held during November 1974.

Approved August 29, 1974.

Public Law 93-396

AN ACT

August 29, 1974
[H. R. 10044]

To increase the amount authorized to be expended to provide facilities along the border for the enforcement of the customs and immigration laws.

Customs and
immigration.
Facilities
funds, increase.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide better facilities for the enforcement of the customs and immigration laws", approved June 26, 1930, as amended (19 U.S.C. 68), is further amended by striking out "\$100,000" and inserting in lieu thereof "\$200,000".

Approved August 29, 1974.

Public Law 93-397

AN ACT

To amend section 8202(a) of title 10, United States Code, to extend for two years the period during which the authorized number for the grades of lieutenant colonel and colonel in the Air Force are increased.

August 29, 1974
[H. R. 14402]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That beginning with October 1, 1974, through September 30, 1976, the columns under the headings "For colonels" and "For lieutenant colonels" contained in the table in section 8202(a) of title 10, United States Code, are suspended. For such period such columns shall read as follows:

Armed Forces.
Air Force of-
ficers, increases.
10 USC 8202
note.

"For colonels	For lieutenant colonels
3,395	6,370
3,743	7,552
4,091	8,733
4,440	9,914
4,788	11,095
5,136	12,276
5,484	13,452
5,833	14,638
6,181	15,819
6,528	17,001
6,876	18,182
7,226	19,363
7,573	20,544
7,921	21,726".

Approved August 29, 1974.

Public Law 93-398

JOINT RESOLUTION

To provide for the reappointment of Doctor William A. M. Burden as citizen regent of the Board of Regents of the Smithsonian Institution.

August 30, 1974
[S. J. Res. 220]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor William A. M. Burden, of New York, New York, on July 2, 1974, be filled by the reappointment of the present incumbent for the statutory term of six years.

Smithsonian
Institution.

Approved August 30, 1974.

Public Law 93-399

JOINT RESOLUTION

To provide for the reappointment of Doctor Caryl P. Haskins as citizen regent of the Board of Regents of the Smithsonian Institution.

August 30, 1974
[S. J. Res. 221]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor Caryl P. Haskins of Washington, District of Columbia, on May 30, 1974, be filled by the reappointment of the present incumbent for the statutory term of six years.

Smithsonian
Institution.

Approved August 30, 1974.

Public Law 93-400

August 30, 1974
[S. 2510]

AN ACT

To establish an Office of Federal Procurement Policy within the Office of Management and Budget, and for other purposes.

Office of Federal Procurement Policy Act.
41 USC 401
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Office of Federal Procurement Policy Act".

DECLARATION OF POLICY

41 USC 401.

SEC. 2. It is declared to be the policy of Congress to promote economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch of the Federal Government by—

- (1) establishing policies, procedures, and practices which will require the Government to acquire property and services of the requisite quality and within the time needed at the lowest reasonable cost, utilizing competitive procurement methods to the maximum extent practicable;
- (2) improving the quality, efficiency, economy, and performance of Government procurement organizations and personnel;
- (3) avoiding or eliminating unnecessary overlapping or duplication of procurement and related activities;
- (4) avoiding or eliminating unnecessary or redundant requirements placed on contractor and Federal procurement officials;
- (5) identifying gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations, and directives, relating to or affecting procurement;
- (6) achieving greater uniformity and simplicity, whenever appropriate, in procurement procedures;
- (7) coordinating procurement policies and programs of the several departments and agencies;
- (8) minimizing possible disruptive effects of Government procurement on particular industries, areas, or occupations;
- (9) improving understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;
- (10) promoting fair dealing and equitable relationships among the parties in Government contracting; and
- (11) otherwise promoting economy, efficiency, and effectiveness in Government procurement organizations and operations.

FINDINGS AND PURPOSE

41 USC 402.

SEC. 3. (a) The Congress finds that economy, efficiency, and effectiveness in the procurement of property and services by the executive agencies will be improved by establishing an office to exercise responsibility for procurement policies, regulations, procedures, and forms.

(b) The purpose of this Act is to establish an Office of Federal Procurement Policy in the Office of Management and Budget to provide overall direction of procurement policies, regulations, procedures, and forms for executive agencies in accordance with applicable laws.

DEFINITION

SEC. 4. As used in this Act, the term "executive agency" means an executive department, a military department, and an independent establishment within the meaning of sections 101, 102, and 104(1), respectively, of title 5, United States Code, and also a wholly owned Government corporation within the meaning of section 101 of the Government Corporation Control Act (31 U.S.C. 846).

41 USC 403.

OFFICE OF FEDERAL PROCUREMENT POLICY

SEC. 5. (a) There is established in the Office of Management and Budget an office to be known as the Office of Federal Procurement Policy (hereinafter referred to as the "Office").

Establishment.
41 USC 404.

(b) There shall be at the head of the Office an Administrator for Federal Procurement Policy (hereinafter referred to as the "Administrator"), who shall be appointed by the President, by and with the advice and consent of the Senate.

AUTHORITY AND FUNCTIONS

SEC. 6. (a) The Administrator shall provide overall direction of procurement policy. To the extent he considers appropriate and with due regard to the program activities of the executive agencies, he shall prescribe policies, regulations, procedures, and forms, which shall be in accordance with applicable laws and shall be followed by executive agencies (1) in the procurement of—

41 USC 405.

- (A) property other than real property in being;
- (B) services, including research and development; and
- (C) construction, alteration, repair, or maintenance of real property;

and (2) in providing for procurement by recipients of Federal grants or assistance of items specified in clauses (A), (B), and (C) of this subsection, to the extent required for performance of Federal grant or assistance programs.

(b) Nothing in subsection (a)(2) shall be construed—

- (1) to permit the Administrator to authorize procurement or supply support, either directly or indirectly, to recipients of Federal grants or assistance; or
- (2) to authorize any action by recipients contrary to State and local laws, in the case of programs to provide Federal grants or assistance to States and political subdivisions.

(c) The authority of the Administrator under this Act shall apply only to procurement payable from appropriated funds: *Provided*, That the Administrator undertake a study of procurement payable from nonappropriated funds. The results of the study, together with recommendations for administrative or statutory changes, shall be reported to the President of the Senate and the Speaker of the House of Representatives at the earliest practicable date, but in no event later than two years after the date of enactment of this Act.

Procurement
study.
Report to Presi-
dent of the
Senate and
Speaker of the
House.

(d) The functions of the Administrator shall include—

- (1) establishing a system of coordinated, and to the extent feasible, uniform procurement regulations for the executive agencies;
- (2) establishing criteria and procedures for an effective and timely method of soliciting the viewpoints of interested parties in the development of procurement policies, regulations, procedures, and forms;

(3) monitoring and revising policies, regulations, procedures, and forms relating to reliance by the Federal Government on the private sector to provide needed property and services;

(4) promoting and conducting research in procurement policies, regulations, procedures, and forms;

(5) establishing a system for collecting, developing, and disseminating procurement data which takes into account the needs of the Congress, the executive branch, and the private sector;

(6) recommending and promoting programs of the Civil Service Commission and executive agencies for recruitment, training, career development, and performance evaluation of procurement personnel.

Consultation
with executive
agencies and
SBA.

(e) In the development of policies, regulations, procedures, and forms to be authorized or prescribed by him, the Administrator shall consult with the executive agencies affected, including the Small Business Administration and other executive agencies promulgating policies, regulations, procedures, and forms affecting procurement. To the extent feasible, the Administrator may designate an executive agency or agencies, establish interagency committees, or otherwise use agency representatives or personnel, to solicit the views and the agreement, so far as possible, of executive agencies affected on significant changes in policies, regulations, procedures, and forms.

(f) The authority of the Administrator under this Act shall not be construed to—

(1) impair or interfere with the determination by executive agencies of their need for, or their use of, specific property, services, or construction, including particular specifications therefor; or

(2) interfere with the determination by executive agencies of specific actions in the award or administration of procurement contracts.

Restriction.

(g) Except as otherwise provided by law, no duties, functions, or responsibilities, other than those expressly assigned by this Act, shall be assigned, delegated, or transferred to the Administrator.

ADMINISTRATIVE POWERS

41 USC 406.

SEC. 7. Upon the request of the Administrator, each executive agency is directed to—

(1) make its services, personnel, and facilities available to the Office to the greatest practicable extent for the performance of functions under this Act; and

(2) except when prohibited by law, furnish to the Administrator and give him access to all information and records in its possession which the Administrator may determine to be necessary for the performance of the functions of the Office.

RESPONSIVENESS TO CONGRESS

41 USC 407.

Report to President of the Senate and Speaker of the House.

SEC. 8. (a) The Administrator shall keep the Congress and its duly authorized committees fully and currently informed of the major activities of the Office of Federal Procurement Policy, and shall submit a report thereon to the President of the Senate and the Speaker of the House of Representatives annually and at such other times as may be necessary for this purpose, together with appropriate legislative recommendations.

Report to congressional committees.

(b) At least 30 days prior to the effective date of any major policy or regulation prescribed under section 6(a), the Administrator shall

transmit to the Committees on Government Operations of the House of Representatives and of the Senate a detailed report on the proposed policy or regulation. Such report shall include—

- (1) a full description of the policy or regulation;
- (2) a summary of the reasons for the issuance of such policy or regulation; and
- (3) the names and positions of employees of the Office who will be made available, prior to such effective date, for full consultation with such Committees regarding such policy or regulation.

(c) In the case of an emergency, the President may waive the notice requirement of subsection (b) by submitting in writing to the Congress his reasons therefor at the earliest practicable date on or before the effective date of any major policy or regulation.

Notice requirement waiver, submittal to Congress.

EFFECT ON EXISTING LAWS

SEC. 9. The authority of an executive agency under any other law to prescribe policies, regulations, procedures, and forms for procurement is subject to the authority conferred in section 6 of this Act.

41 USC 408

EFFECT ON EXISTING REGULATIONS

SEC. 10. Procurement policies, regulations, procedures, or forms in effect as of the date of enactment of this Act shall continue in effect, as modified from time to time, until repealed, amended, or superseded by policies, regulations, procedures, or forms promulgated by the Administrator.

41 USC 409.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated to carry out the provisions of this Act, and for no other purpose—

41 USC 410.

- (1) not to exceed \$2,000,000 for the fiscal year ending June 30, 1975, of which not to exceed \$150,000 shall be available for the purpose of research in accordance with section 6(d)(4); and

- (2) such sums as may be necessary for each of the four fiscal years thereafter.

Any subsequent legislation to authorize appropriations to carry out the purposes of this Act shall be referred in the Senate to the Committee on Government Operations.

DELEGATION

SEC. 12. (a) The Administrator may delegate, and authorize successive redelegations of, any authority, function, or power under this Act, other than his basic authority to provide overall direction of Federal procurement policy and to prescribe policies and regulations to carry out that policy, to any other executive agency with the consent of such agency or at the direction of the President.

41 USC 411.

(b) The Administrator may make and authorize such delegations within the Office as he determines to be necessary to carry out the provisions of this Act.

ANNUAL PAY

SEC. 13. Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

“(100) Administrator for Federal Procurement Policy.”.

ACCESS TO INFORMATION

41 USC 412.

SEC. 14. (a) The Administrator and personnel in his Office shall furnish such information as the Comptroller General may require for the discharge of his responsibilities. For this purpose, the Comptroller General or his representatives shall have access to all books, documents, papers, and records of the Office.

Open public
meetings, notice.

(b) The Administrator shall, by regulation, require that formal meetings of the Office, as designated by him, for the purpose of establishing procurement policies and regulations shall be open to the public, and that public notice of each such meeting shall be given not less than ten days prior thereto.

REPEALS AND AMENDMENTS

SEC. 15. The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) is amended as follows:

(1) Section 201(a)(1) of such Act (40 U.S.C. 481(a)(1)) is amended by inserting "subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act," immediately after "(1)".

(2) Section 201(c) of such Act (40 U.S.C. 481(c)) is amended by inserting "subject to regulations prescribed by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act," immediately after "Administrator,".

(3) Section 206(a)(4) of such Act (40 U.S.C. 487(a)(4)) is amended to read as follows: "(4) subject to regulations promulgated by the Administrator for Federal Procurement Policy pursuant to the Office of Federal Procurement Policy Act, to prescribe standardized forms and procedures, except such as the Comptroller General is authorized by law to prescribe, and standard purchase specifications.".

(4) Section 602(c) of such Act (40 U.S.C. 474) is amended in the first sentence thereof by inserting "except as provided by the Office of Federal Procurement Policy Act, and" immediately after "herewith,".

Approved August 30, 1974.

Public Law 93-401

JOINT RESOLUTION

August 30, 1974
[S. J. Res. 222]

To provide for the appointment of Doctor Murray Gell-Mann as citizen regent of the Board of Regents of the Smithsonian Institution

Smithsonian
Institution.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which will occur by the expiration of the term of Doctor Crawford H. Greenewalt of Wilmington, Delaware, on May 30, 1974, be filled by the appointment of Doctor Murray Gell-Mann of California for the statutory term of six years.

Approved August 30, 1974.

Public Law 93-402

AN ACT

To establish the Great Dismal Swamp National Wildlife Refuge.

August 30, 1974
[H. R. 3620]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is established a national wildlife refuge to be known as the "Great Dismal Swamp National Wildlife Refuge" (hereinafter referred to in this Act as the "Refuge"). The Refuge shall consist of—

Great Dismal
Swamp National
Wildlife Refuge,
Va.-N.C.
16 USC 668dd
note.
Description.

(1) those lands and waters, comprising forty-nine thousand ninety-seven and eleven one-thousandths acres, of which a 40 per centum undivided interest therein was granted to the United States of America by The Nature Conservancy by deed dated February 22, 1973, and which are more particularly described in exhibit A of the deed, dated February 21, 1973, by which such interest in such lands and waters was granted to The Nature Conservancy by the Union Camp Corporation (and such deeds shall be on file and available for public inspection in the office of the Bureau of Sport Fisheries and Wildlife, Department of the Interior); and

(2) such additional lands and waters and interests therein as the Secretary of the Interior (hereinafter referred to in this Act as the "Secretary") may acquire after the date of the enactment of this Act pursuant to section 3 of this Act.

(b) Until such time as the remaining undivided interest in the lands and waters described in subsection (a)(1) of this section is granted to the Secretary, he shall lease such remaining interest on such terms and conditions as he deems appropriate.

SEC. 2. Subject to such restrictions, conditions, and reservations as are specified in the deeds referred to in the first section of this Act, the Secretary shall administer the lands and waters and interests therein within the Refuge in accordance with the provisions of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd–668ee), except that the Secretary may utilize such additional statutory authority as may be available to him for the conservation and management of wildlife and natural resources, the development of outdoor recreation opportunities, and interpretative education as he deems appropriate to carry out the purposes of this Act. In the administration of the Refuge, the Secretary and the Chief of Engineers, Corps of Engineers, shall enter into such consultations and take such cooperative actions as they deem necessary and appropriate to insure that any navigational or other uses made of the Dismal Swamp Canal do not adversely affect the Refuge and, in this regard, particular attention shall be given by the Secretary and the Chief of Engineers with respect to maintaining an appropriate water level in Lake Drummond.

Administration.
16 USC 668dd
note.

SEC. 3. The Secretary may acquire by donation, purchase with donated or appropriated funds, or exchange, such lands and waters and interests therein (including in-holdings) that are adjacent to the

Lands, waters,
acquisition.
16 USC 668dd
note.

lands and waters described in subsection (a) (1) of the first section of this Act and are within the area known as the Great Dismal Swamp located in the States of Virginia and North Carolina as he determines to be suitable to carry out the purposes of this Act; except that the Secretary may not acquire any such lands and waters and interests therein by purchase or exchange without first taking into account such recommendations as may result from the study required under Public Law 92-478, approved October 9, 1972 (86 Stat. 793-794).

Appropriation,
limitations.
16 USC 668dd
note.

SEC. 4. (a) Except as provided in subsection (b) of this section, there is authorized to be appropriated for the fiscal year ending June 30, 1975, not to exceed \$1,000,000; for the fiscal year ending June 30, 1976, not to exceed \$3,000,000; and for the fiscal year ending June 30, 1977, not to exceed \$3,000,000.

(b) In no event shall the amount authorized to be appropriated exceed the cost estimates of the report to be submitted to the Congress by the Secretary pursuant to Public Law 92-478.

86 Stat. 793.

Approved August 30, 1974.

Public Law 93-403

August 30, 1974
[H. R. 15205]

AN ACT

To amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes.

Natural Gas
Pipeline Safety
Act Amendments
of 1974.
49 USC 1674
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1974".

SEC. 2. Section 5(c) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674(c)) is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting immediately after paragraph (1) the following new paragraph:

Infra.

"(2) Funds authorized to be appropriated by section 15(b) of this Act shall be allocated among the several States for payments to aid in the conduct of pipeline safety programs in accordance with paragraph (1) of this section."

SEC. 3. Section 15 of such Act (49 U.S.C. 1684) is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 15. (a) There are authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, and \$2,850,000 for the fiscal year ending June 30, 1976, for the purpose of carrying out the provisions of this Act, except that the funds appropriated pursuant to this subsection shall not be used for Federal grants-in-aid.

Supra.

"(b) For the purpose of carrying out the provisions of section 5(c) of this Act, there are authorized to be appropriated for Federal grants-in-aid, \$1,800,000 for the fiscal year ending June 30, 1975, and \$2,500,000 for the fiscal year ending June 30, 1976."

Approved August 30, 1974.

Public Law 93-404

AN ACT

Making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

August 31, 1974
[H. R. 16027]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending June 30, 1975, and for other purposes, namely:

Department of
the Interior and
Related Agencies
Appropriation Act,
1975.

TITLE I—DEPARTMENT OF THE INTERIOR

LAND AND WATER RESOURCES

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, \$141,096,000.

CONSTRUCTION AND MAINTENANCE

For acquisition, construction and maintenance of buildings, appurtenant facilities, and other improvements, and maintenance of access roads, \$6,725,000, to remain available until expended.

PUBLIC LANDS DEVELOPMENT ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORITY)

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, \$4,070,000, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of rights-of-way and of existing connecting roads on or adjacent to such lands; an amount equivalent to 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands, to remain available until expended: *Provided*, That the amount appropriated herein for the purposes of this appropriation on lands administered by the Forest Service shall be transferred to the Forest Service, Department of Agriculture: *Provided further*, That the amount appropriated herein for road construction on lands other than those administered by the Forest Service shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further*, That the amount appropriated herein is hereby made a reimbursable charge against the Oregon and California land grant

43 USC 1181f. fund and shall be reimbursed to the general fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

43 USC 315b, 315i. For construction, purchase, and maintenance of range improvements pursuant to the provisions of section 3 and 10 of the Act of June 28, 1934, as amended (43 U.S.C. 315), sums equal to the aggregate of all moneys received, during the current fiscal year, as range improvements fees under section 3 of said Act, 25 per centum of all moneys received, during the current fiscal year, under section 15 of said Act, and the amount designated for range improvements from grazing fees from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, to remain available until expended.

43 USC 315m.

RECREATION DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

16 USC 460l-5 note, 16 USC 460l-6a. For construction, operation, and maintenance of outdoor recreation facilities, including collection of special recreation use fees, to remain available until expended, \$242,000, to be derived from the special receipt accounts established by section 1(b) of the Act of July 15, 1968 (82 Stat. 354), and section 4(e) of the Act of July 11, 1972 (86 Stat. 461): *Provided*, That not more than 40 per centum of the amount credited pursuant to section 4(e) of the Act of July 11, 1972, shall be available for the enhancement of the fee collection system established by section 4 of such Act, including the promotion and enforcement thereof.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for acquisition of two new aircraft for replacement only; purchase, erection, and dismantlement of temporary structures; and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title: *Provided*, That of appropriations herein made for the Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the general fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further*, That appropriations herein made may be expended on a reimbursable basis for (1) surveys of lands other than those under the jurisdiction of the Bureau of Land Management and (2) protection and leasing of lands and mineral resources for the State of Alaska.

OFFICE OF WATER RESOURCES RESEARCH

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Water Resources Research Act of 1964, as amended (42 U.S.C. 1961-1961c-7), \$13,885,000, of which not to exceed \$1,045,000 shall be available for administrative expenses.

OFFICE OF SALINE WATER

SALINE WATER CONVERSION

For expenses necessary to carry out the provisions of the Saline Water Conversion Act of 1971 (42 U.S.C. 1959-1959h, as amended), including not to exceed \$1,043,000 for administration and coordination expenses during the current fiscal year, \$3,007,000, to remain available until expended.

FISH AND WILDLIFE AND PARKS

BUREAU OF OUTDOOR RECREATION

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Outdoor Recreation, not otherwise provided for, \$5,210,000.

LAND AND WATER CONSERVATION FUND

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965 as amended (16 U.S.C. 4601-4-11 as supplemented by Public Law 93-81), including \$6,400,000 for administrative expenses of the Bureau of Outdoor Recreation during the current fiscal year, and acquisition of land or waters, or interest therein, in accordance with the statutory authority applicable to the State or Federal agency concerned, to be derived from the Land and Water Conservation Fund, established by section 2 of said Act as amended, to remain available until expended, not to exceed \$300,000,000, of which (1) not to exceed \$180,000,000 shall be available for payments to the States in accordance with section 6(c) of said Act; (2) not to exceed \$72,700,000 shall be available to the National Park Service; (3) not to exceed \$30,900,000 shall be available to the Forest Service; (4) not to exceed \$9,500,000 shall be available to the United States Fish and Wildlife Service; and (5) not to exceed \$500,000 shall be available to the Bureau of Land Management.

16 USC 4601-5.

16 USC 4601-8.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; and maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, \$101,126,000.

CONSTRUCTION AND ANADROMOUS FISH

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; and for expenses necessary to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757f); \$14,047,000, to remain available until expended.

MIGRATORY BIRD CONSERVATION ACCOUNT

For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k-3, 5; 81 Stat. 612), \$1,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed one hundred and sixty-six passenger motor vehicles, of which one hundred and sixteen are for replacement only (including sixty for police-type use); purchase of not to exceed three aircraft, for replacement only; not to exceed \$50,000 for payment, in the discretion of the Secretary, for information or evidence concerning violations of laws administered by the United States Fish and Wildlife Service; miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed \$40,000; publication and distribution of bulletins as authorized by law (7 U.S.C. 417); rations or commutation of rations for officers and crews of vessels at rates not to exceed \$6.50 per man per day; insurance on official motor vehicles, aircraft and boats operated by the United States Fish and Wildlife Service in foreign countries; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed \$1 for each option; facilities incident to such public recreational uses on conservation areas as are not inconsistent with their primary purpose, and the maintenance and improvement of aquaria, buildings and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), \$209,325,000.

PLANNING AND CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451); the acquisition of water rights; expenses necessary for investigations and studies to determine suitability of areas to be included in the National Park System, the designation of wilderness areas, and the management of water resources; the preparation of plans for existing and proposed park and recreation areas; provisions of technical assistance to other Federal agencies, and to States and private institutions in the planning, development, and operation of landmarks, parks and recreation areas; and for financial or other assistance in planning, development, or operation of areas as authorized by law or pursuant to agreements with other Federal agencies, States, or private institutions, including not to exceed \$196,300 for the Roose-

velt Campobello International Park Commission, \$58,112,000, to remain available until expended.

ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORITY)

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, \$26,026,000, to remain available until expended: *Provided*, That none of the funds herein provided shall be expended for planning or construction on the following: Fort Washington and Greenbelt Park, Maryland, and Great Falls Park, Virginia, except minor roads and trails; and Daingerfield Island Marina, Virginia, and extension of the George Washington Memorial Parkway from the vicinity of Brickyard Road to Great Falls, Maryland, or in Prince Georges County, Maryland.

PRESERVATION OF HISTORIC PROPERTIES

For expenses necessary in carrying out a program for the preservation of additional historic properties throughout the Nation, as authorized by law (16 U.S.C. 461-467, 470), and investigations, studies, and salvage of archeological values, \$24,375,000, to remain available until expended.

PLANNING, DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

For construction, operation, and maintenance of outdoor recreation facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451); including collection of special recreation use fees, to remain available until expended, \$11,900,000, to be derived from the special receipt accounts established by section 1(b) of the Act of July 15, 1968 (82 Stat. 354), and section 4(e) of the Act of July 11, 1972 (86 Stat. 461): *Provided*, That not more than 40 per centum of the amount credited pursuant to section 4(e) of the Act of July 11, 1972, shall be available for the enhancement of the fee collection system established by section 4 of such Act, including the promotion and enforcement thereof.

16 USC 460l-5
note.
16 USC 460l-6a.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, \$2,420,000.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed one hundred sixty-seven passenger motor vehicles, of which one hundred twelve shall be for replacement only, including not to exceed one hundred four for police-type use; purchase of four aircraft (including two for replacement only); and to provide, notwithstanding any other provision of law, at a cost not exceeding \$100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service: *Provided*, That any funds available to the National Park Service may be used, with the approval of the Secretary, to maintain law and order in emergency and other unforeseen law enforcement situations in the National Park System.

ENERGY AND MINERALS

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

43 USC 1457
note, 31.

43 USC 50.

Ante, p. 276.

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (72 Stat. 837 and 76 Stat. 427); classify lands as to mineral character and water and power resources; give engineering supervision to power permits and Federal Power Commission licenses; enforce departmental regulations applicable to oil, gas, and other mining leases, permits, licenses, and operating contracts; control the interstate shipment of contraband oil as required by law (15 U.S.C. 715); administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; \$203,575,000, of which \$26,015,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality: *Provided further*, That the amount appropriated for "Surveys, investigations, and research" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed thirty-two passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services, contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gaging stations and observation wells; expenses of the U.S. National Committee on Geology; payment of contributions to the International Federation of Surveyors; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts.

MINING ENFORCEMENT AND SAFETY ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary to promote health and safety in mines and in the minerals industry through development, promulgation and enforcement of regulations, including mine inspections, technical support, and education and training as authorized by law, \$67,913,000, of which not to exceed \$1,000,000 shall remain available until expended: *Provided*, That no part of the funds appropriated by this Act shall be used to pay any public relations firm for any promotional campaigns among coal miners.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the Mining Enforcement and Safety Administration may be expended for purchase and

bestowal of certificates and trophies in connection with mine rescue and first-aid work: *Provided*, That the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided further*, That the Mining Enforcement and Safety Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations: *Provided further*, That any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major mine disasters.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations and research concerning the extraction, processing, use and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law; \$77,863,000, of which \$27,691,000 shall remain available until expended: *Provided*, That the amount appropriated for "Mines and minerals" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation.

Ante, p. 276.

ADMINISTRATIVE PROVISIONS

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

INDIAN AFFAIRS

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment (in advance or from date of admission), of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order, and payment of rewards for information or evidence concerning violations of law on Indian reservations lands, or treaty fishing rights tribal use areas; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and busi-

ness enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; and for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, \$467,000,000: *Provided*, That \$470,000 shall be available to assist the Pyramid Lake Paiute Tribe of Indians in the operation and maintenance of facilities for the restoration of the Pyramid Lake fishery pursuant to the Washoe Act (43 U.S.C. 614).

CONSTRUCTION

For construction, major repair and improvement of irrigation and power systems, buildings, utilities, and other facilities; acquisition of lands and interests in lands; preparation of lands for farming; and architectural and engineering services by contract, \$61,804,000, to remain available until expended: *Provided*, That no part of the sum herein appropriated shall be used for the acquisition of land within the States of Arizona, California, Colorado, New Mexico, South Dakota, and Utah outside of the boundaries of existing Indian reservations except lands authorized by law to be acquired for the Navajo Indian Irrigation Project: *Provided further*, That no part of this appropriation shall be used for the acquisition of land or water rights within the States of Nevada, Oregon, and Washington either inside or outside the boundaries of existing reservations except such lands as may be required for replacement of the Wild Horse Dam in the State of Nevada: *Provided further*, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further*, That the unobligated balance of \$10,300,000 previously appropriated for Mt. Edgecumbe School and four Regional Dormitories in Alaska shall be made available for the construction of Chevak, Northway, Hooper Bay, Galena, and Alakanuk Schools, Alaska: *Provided further*, That not to exceed \$100,000 appropriated under this head in the Department of the Interior and Related Agencies Appropriations Act, 1974, to the Edgar, Montana, Public School District No. 4, shall be made available to the newly established Plenty Coups High School District No. 3, Big Horn County, Pryor, Montana: *Provided further*, That \$580,000 shall be available to assist the Pyramid Lake Paiute Tribe of Indians in the construction of facilities for the restoration of the Pyramid Lake fishery pursuant to the Washoe Act (43 U.S.C. 614): *Provided further*, That not to exceed \$100,000 shall be for assistance to the Rough Rock School on the Navajo Indian Reservation, Arizona, for equipment: *Provided further*, That not to exceed \$1,195,000 shall be available to assist the Ramah-Navajo School Board, Inc., including not to exceed \$800,000 for construction of school facilities and not to exceed \$395,000 for purchase of school equipment: *Provided further*, That not to exceed \$100,000 shall be available to assist the Heart Butte School, Blackfeet School District No. 1, Montana, for planning for construction of school facilities; that not to exceed \$145,000 shall be available to assist the Hays/Lodgepole School District No. 50, Hays, Montana, for planning for construction of school facilities; and that not to exceed \$218,000 shall be available to assist Joint School District No. 8, Shawano, Wisconsin for planning and construction of school facilities at Keshena and planning of facilities at Neopit; and that not to exceed \$1,350,000 shall be available to assist the Ute Indian Tribe of the Uintah and Ouray Reservation, Utah, for development and construction of the Big Springs Domestic Water System.

ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORITY)

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, \$59,000,000, to remain available until expended.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment to the loan guaranty and insurance fund as authorized by the Indian Financing Act of 1974, Public Law 93-262, title III, section 302, to carry out the provisions of sections 217 and 301 of the above Act to (a) provide capital for a loan guaranty and insurance fund, (b) pay interest subsidy on guaranteed loans, and (c) pay administrative expenses, \$20,000,000, to remain available until expended: *Provided*, That for the purpose of entering into contracts pursuant to title V, section 502 of the above Act, the Secretary is authorized to use not to exceed 5 per centum of any funds appropriated for any fiscal year pursuant to title III, section 302 of the above Act.

Ante, p. 82.

Ante, p. 83.

REVOLVING FUND FOR LOANS

For payment to the revolving fund for loans, for loans as authorized by the Indian Financing Act of 1974, Public Law 93-262, title I, section 101, \$38,000,000, to remain available until expended.

Ante, p. 78.

ALASKA NATIVE FUND

To provide for the settlement of certain land claims by Natives and Native groups of Alaska, and for other purposes, based on aboriginal land claims, as authorized by the Act of December 18, 1971 (Public Law 92-203), \$70,000,000.

43 USC 1601.

MISCELLANEOUS TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated \$3,000,000 from tribal funds not otherwise available for expenditure for the benefit of Indians and Indian tribes, including pay and travel expenses of employees; care, tuition, and other assistance to Indian children attending public and private schools (which may be paid in advance or from date of admission); purchase of land and improvements on land, title to which shall be taken in the name of the United States in trust for the tribe for which purchased; lease of lands and water rights; compensation and expenses of attorneys and other persons employed by Indian tribes under approved contracts; pay, travel, and other expenses of tribal officers, councils, and committees thereof, or other tribal organizations, including mileage for use of privately owned automobiles and per diem in lieu of subsistence at rates established administratively but not to exceed those applicable to civilian employees of the Government; relief of Indians, without regard to section 7 of the Act of May 27, 1930 (46 Stat. 391) including cash grants: *Provided*, That in addition to the amount appropriated herein, tribal funds may be advanced to Indian tribes during the current fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary: *Provided, however*, That no part of this appropriation or other tribal funds shall be used for the acquisition of land or water rights within the States of Nevada and Oregon, either inside or outside the boundaries of existing Indian reservations, if such acquisition results in the property being exempted from local taxation.

18 USC 4124
and note.

ADMINISTRATIVE PROVISIONS

25 USC 309.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans) shall be available for expenses of exhibits; purchase of not to exceed seventy-three police-type passenger motor vehicles of which sixty-three shall be for replacement only, which may be used for the transportation of Indians; advance payments for service (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (25 U.S.C. 452), the Act of August 3, 1956 (70 Stat. 986), and legislation terminating Federal supervision over certain Indian tribes; and expenses required by continuing or permanent treaty provisions.

TERRITORIAL AFFAIRS

OFFICE OF TERRITORIAL AFFAIRS

ADMINISTRATION OF TERRITORIES

48 USC 1401f,
1423l, 1665.

48 USC 1470a.

For expenses necessary for the administration of Territories under the jurisdiction of the Department of the Interior, including expenses of the Office of the Governor of American Samoa, as authorized by law (48 U.S.C. 1661(c)); compensation and mileage of members of the legislature in American Samoa as authorized by law (48 U.S.C. 1661(c)); compensation and expenses of the judiciary in American Samoa, as authorized by law (48 U.S.C. 1661(c)); grants to American Samoa, in addition to current local revenues, for support of governmental functions; grants to Guam, as authorized by law (48 U.S.C. 1428-1428e); and personal services, household equipment and furnishings, and utilities necessary in the operation of the house of the Governor of American Samoa; \$14,450,000, together with \$875,000 for expenses of the office of the Government Comptroller for the Virgin Islands to be derived from "Internal Revenue Collections for Virgin Islands", as authorized by law (48 U.S.C. 1599(a)) and \$625,000 for expenses of the office of the Government Comptroller for Guam to be derived from duties and taxes which would otherwise be covered into the Treasury of Guam, as authorized by law (48 U.S.C. 1422d (a)), to remain available until expended: *Provided*, That the Territorial and local government herein provided for are authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of Territories may be expended for the purchase, charter, maintenance, and operation of surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary.

TRUST TERRITORY OF THE PACIFIC ISLANDS

22 USC 287
note.
48 USC 1681
note.

48 USC 1688.

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (84 Stat. 1559), including the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands in addition to local revenues, for support of governmental functions, and payment to the Trust Territory Economic Development Loan Fund pursuant to Public Law 92-257; \$61,700,000, to remain available until expended,

including not to exceed \$700,000 to offset reductions in, or termination of, Federal grant-in-aid programs or other funds made available to the Trust Territory of the Pacific Islands by other Federal agencies: *Provided*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834): *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of the Trust Territory of the Pacific Islands may be expended for the purchase, charter, maintenance, and operation of surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary in carrying out the provisions of article 6(2) of the Trusteeship Agreement approved by Congress.

48 USC 1683.

31 USC 1.

31 USC 65 note.

48 USC 1682.

48 USC 1687.

61 Stat. 3302.

MICRONESIAN CLAIMS FUND, TRUST TERRITORY OF THE PACIFIC ISLANDS

For payment to the Micronesian Claims Fund for settlement of claims of Micronesian inhabitants of the Trust Territory of the Pacific Islands as may be determined by the Micronesian Claims Commission pursuant to the provisions of Title II of Public Law 92-39, \$1,400,000, to remain available until expended.

50 USC app.
2020.

SECRETARIAL OFFICES

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, \$12,040,000.

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior, including not to exceed \$2,000 for official reception and representation expenses, \$19,454,000.

DEPARTMENTAL OPERATIONS

For necessary expenses for certain operations that provide departmentwide services, \$10,523,000, of which not to exceed \$250,000, to remain available until expended, shall be available for support of the Third United Nations International Geothermal Symposium.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department shall determine to be excess to the normal requirements of the United States, for necessary expenses of the Office of the Secretary, as authorized by law, \$192,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations, to such office for payments in the foregoing currencies (7 U.S.C. 1704).

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Facilities,
emergency recon-
struction.

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Forest or range
fires.

SEC. 102. The Secretary may authorize the expenditure or transfer of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior and for the emergency rehabilitation of burned-over lands under its jurisdiction: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof.

Service facili-
ties.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 686): *Provided*, That reimbursements for costs of supplies, materials and equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Ante, p. 782.

SEC. 104. Appropriations made to the Department of the Interior in this title or in the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act, 1975, shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed \$300,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Uniforms.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

Surplus aircraft.

SEC. 106. In addition to the aircraft specifically authorized under this Act there is hereby authorized for acquisition four surplus aircraft for replacement only. Such acquisitions shall be integral to the provision of centralized aircraft services in Alaska.

MHD program.

SEC. 107. The sum of \$261,278,000 appropriated under the head, Office of Coal Research, Salaries and Expenses, in Public Law 93-322, signed June 30, 1974, includes \$12,500,000 for a program for magnetohydrodynamics (MHD), of which \$5,000,000, as described in Senate Report 93-903 and House Report 93-1123, shall be used in part to

Ante, p. 276.

initiate design of an MHD engineering test facility, and there shall be undertaken immediately the design and planning of such engineering test facility, to be located in Montana, large enough so as to provide a legitimate engineering basis which when achieved will enable the immediate construction of a commercial scale MHD plant (500 MWe or above) for possible operations in the mid-1980's.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST PROTECTION AND UTILIZATION

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands, waters, or interests therein, under Forest Service administration, fighting and preventing forest fires on or threatening such lands and emergency rehabilitation and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands, implementation of forest advanced logging and conservation systems including necessary research and development related thereto, \$306,119,000, of which \$4,275,000 for fighting and preventing forest fires and for the emergency rehabilitation of burned-over lands under its jurisdiction and \$1,910,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: *Provided*, That funds appropriated for "Cooperative range improvements", pursuant to section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), may be advanced to this appropriation: *Provided further*, That funds appropriated for the cooperative law enforcement program shall remain available until expended.

31 USC 665.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law, \$75,402,000.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application for forest management principles and processing of forest products, as authorized by law, \$34,638,000.

CONSTRUCTION AND LAND ACQUISITION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection and utilization of national forest resources, point discharge monitoring and evaluation, and non-point discharge surveillance monitoring and evaluation, and the acquisition of lands and interests therein necessary to these objectives, \$30,908,000, to remain available until expended: *Provided*, That not more than \$1,576,000 of this appropriation may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U.S.C. 513-519).

YOUTH CONSERVATION CORPS

42 USC prec.
2711 note.

For expenses necessary to carry out the provisions of the Act of August 13, 1970, as amended by Public Law 92-597, \$10,240,000, to remain available until the end of the fiscal year following the fiscal year for which appropriated: *Provided*, That \$5,120,000 shall be available to the Secretary of the Interior and \$5,120,000 shall be available to the Secretary of Agriculture: *Provided further*, That the funds appropriated in this paragraph shall be available only upon the enactment into law of authorizing legislation.

FOREST ROADS AND TRAILS (LIQUIDATION OF CONTRACT AUTHORITY)

For expenses necessary for carrying out the provisions of title 23, United States Code, sections 203 and 205, relating to the construction and maintenance of forest development roads and trails, \$120,864,000, to remain available until expended, for liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203: *Provided*, That funds available under the Act of March 4, 1913 (16 U.S.C. 501) shall be merged with and made a part of this appropriation.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forests, in accordance with the provisions of the following Acts, authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amounts from such receipts, Cache National Forest, Utah, Act of May 11, 1938 (52 Stat. 347), as amended, \$20,000; Uinta and Wasatch National Forest, Utah, Act of August 26, 1935 (49 Stat. 866), as amended, \$30,000; Toiyabe National Forest, Nevada, Act of June 25, 1938 (52 Stat. 1205), as amended, \$10,000; Angeles National Forest, California, Act of June 11, 1940 (54 Stat. 299), \$20,000; San Bernardino and Cleveland National Forests, California, Act of June 15, 1938 (52 Stat. 699), as amended, \$81,000; in all, \$161,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of the national forests and/or for the acquisition of any land without the approval of the local government concerned.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands in accordance with the Act of December 4, 1967 (16 U.S.C. 484a), to remain available until expended, \$39,310, to be derived from deposits by public school authorities under said Act.

ACQUISITION OF LANDS, KLAMATH INDIANS

For the acquisition of tribal lands that comprise the Klamath Indian Forests as authorized by section 8(c) of the Act of August 13, 1954, as amended (25 U.S.C. 564w-1(e)), \$49,000,000, to remain available until expended.

COOPERATIVE RANGE IMPROVEMENTS

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and

noxious plants on national forests in accordance with section 12 of the Act of April 24, 1950 (16 U.S.C. 580h), to be derived from grazing fees as authorized by said section, \$700,000, to remain available until expended.

ASSISTANCE TO STATES FOR TREE PLANTING

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (16 U.S.C. 568e), \$1,344,000, to remain available until expended.

CONSTRUCTION AND OPERATION OF RECREATION FACILITIES

For construction, operation, and maintenance of outdoor recreation facilities, including collection of special recreation use fees, to remain available until expended, \$1,260,000, to be derived from the special receipt accounts established by section 1(b) of the Act of July 15, 1968 (82 Stat. 354), and section 4(e) of the Act of July 11, 1972 (86 Stat. 461): *Provided*, That not more than 40 per centum of the amount credited pursuant to section 4(e) of the Act of July 11, 1972, shall be available for the enhancement of the fee collection system established by section 4 of such Act, including the promotion and enforcement thereof.

16 USC 460l-5
note.

16 USC 460l-6a.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed three hundred thirty-three passenger motor vehicles of which two hundred sixty-seven shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed four for replacement only; (b) employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (c) uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U.S.C. 514); (f) acquisition of land and interests therein for sites for administrative and not to exceed \$75,000 for research purposes, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (g) expenses incident to acquisition by donation or exchange of land, waters, or interests in land or waters, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a): *Provided*, That such appropriation shall not be available for expenses incident to donations and exchanges which can be made pursuant to authorities other than the Act of August 3, 1956 (7 U.S.C. 428a); and (h) not to exceed \$100,000 for expenses pursuant to the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a, 558d, 558a note).

Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

16 USC 560a.

Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U.S.C. 513-519, 521), where such land is not within the boundaries of an established national forest or purchase unit.

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and

private forestry, and National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the Committee on Appropriations and Committee on Agriculture and Forestry in the U.S. Senate and U.S. House of Representatives.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), \$171,000.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES ADMINISTRATION

INDIAN HEALTH SERVICES

42 USC 2001.
42 USC 241,
219.

For expenses, not otherwise provided for, necessary to carry out the Act of August 5, 1954 (68 Stat. 674), and titles III and V of the Public Health Service Act, including hire of passenger motor vehicles and aircraft; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary, \$226,217,000.

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites; purchase and erection of portable buildings; purchase of trailers; and provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), \$57,431,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, HEALTH SERVICES ADMINISTRATION

5 USC 5332
note.

SEC. 1001. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18.

SEC. 1002. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 1003. Appropriations contained in this Act available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

OFFICE OF EDUCATION

INDIAN EDUCATION

20 USC 241aa
note.
Ante, p. 556.
20 USC 1221
note.

For carrying out, to the extent not otherwise provided, part A (\$25,000,000), part B (\$12,000,000), and part C (\$3,000,000) of the Indian Education Act, and \$2,000,000 for the General Education Provisions Act, \$42,000,000.

INDIAN CLAIMS COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the Act of August 13, 1946 (25 U.S.C. 70), as amended (86 Stat. 115), creating an Indian Claims Commission, \$1,324,000, of which not to exceed \$15,000 shall be available for expenses of travel.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), \$1,777,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

SALARIES AND EXPENSES

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, \$145,000,000, of which \$67,250,000 shall be available until expended to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, of which not less than 20 percent shall be available until expended to the National Endowment for the Arts for assistance pursuant to section 5(g) of the Act; \$67,250,000 shall be available until expended to the National Endowment for the Humanities for support of activities in the humanities pursuant to section 7(c) of the Act; and \$10,500,000 shall be available for administering the provisions of the Act: *Provided*, That not to exceed 3 percent of the funds appropriated to the National Endowment for the Arts for the purposes of sections 5(c) and 5(g) and not to exceed 3 percent of the funds appropriated to the National Endowment for the Humanities for the purposes of section 7(c) shall be available for program development and evaluation.

20 USC 951
note.

20 USC 954.

20 USC 956.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, \$14,000,000, to remain available until expended: *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman of each Endowment under the provisions of section 10(a)(2) during the current and preceding fiscal years, for which equal amounts have not previously been appropriated.

20 USC 959.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presenta-

tion of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, and protection of buildings, facilities, and approaches; not to exceed \$100,000 for services as authorized by 5 U.S.C. 3109; purchase or rental of two passenger motor vehicles; purchase, rental, repair, and cleaning of uniforms for employees; \$67,789,000: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

SCIENCE INFORMATION EXCHANGE

For necessary expenses of the Science Information Exchange, \$1,755,000.

MUSEUM PROGRAMS AND RELATED RESEARCH (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department shall determine to be excess to the normal requirements of the United States, for necessary expenses for carrying out museum programs, scientific and cultural research, and related educational activities, as authorized by law, \$2,000,000, to remain available until expended and to be available only to United States institutions: *Provided*, That this appropriation shall be available, in addition to other appropriations to the Smithsonian Institution, for payments in the foregoing currencies: *Provided further*, That not to exceed \$1,000,000 shall be available to the Smithsonian Institution for the International Campaign To Save the Monuments of Nubia of the United Nations Educational, Scientific, and Cultural Organization for the salvage of archeological sites on the Island of Philae.

RESTORATION AND RENOVATION OF BUILDINGS

20 USC 53a. For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed \$10,000 for services as authorized by 5 U.S.C. 3109, \$1,490,000, to remain available until expended.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, \$9,420,000, to remain available until expended.

CONSTRUCTION

(APPROPRIATION TO LIQUIDATE CONTRACT AUTHORITY)

For construction and equipment of a building for a National Air and Space Museum, including not to exceed \$100,000 for services as authorized by 5 U.S.C. 3109, \$7,000,000, to remain available until expended, for liquidation of obligations incurred under the contract authorization granted in the Department of the Interior and Related Agencies Appropriation Act, 1973.

SALARIES AND EXPENSES, NATIONAL GALLERY OF ART

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards and elevator operators, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and not to exceed \$70,000 for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, \$6,623,000.

20 USC 71.

53 Stat. 577.

SALARIES AND EXPENSES, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356), including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, \$954,000.

20 USC 80e
note.

HISTORICAL AND MEMORIAL COMMISSIONS

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses to carry out the provisions of the Act of December 11, 1973 (Public Law 93-179), \$9,686,000, of which not to exceed \$1,375,000 shall be for grants-in-aid as authorized by section 9(a)(1) of the Act.

87 Stat. 697.

FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW

SALARIES AND EXPENSES

For necessary expenses of the Federal Metal and Nonmetallic Mine Safety Board of Review, as authorized by law (30 U.S.C. 721) including services as authorized by 5 U.S.C. 3109, \$60,000.

JOINT FEDERAL-STATE LAND USE PLANNING COMMISSION FOR ALASKA

SALARIES AND EXPENSES

For necessary expenses of the Joint Federal-State Land Use Planning Commission for Alaska, established by the Act of December 18, 1971 (Public Law 92-203), \$693,000: *Provided*, That this appropriation shall not be available to pay more than one-half of the expenses of the Commission.

43 USC 1601
note.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

40 USC 885.

For necessary expenses, as authorized by section 17 of Public Law 92-578 as amended, \$824,000: *Provided*, That the funds appropriated in this paragraph shall be available only upon enactment into law of authorizing legislation.

TITLE III—GENERAL PROVISIONS

Unprocessed
timber, sale re-
strictions.

SEC. 301. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

Space and serv-
ices, payment,
limitation.

40 USC 490.

SEC. 302. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

Short title.

SEC. 303. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein. This Act may be cited as the "Department of the Interior and Related Agencies Appropriation Act, 1975".

Approved August 31, 1974.

Public Law 93-405

AN ACT

August 31, 1974
[H. R. 15581]

Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1975, and for other purposes.

District of
Columbia Appro-
priation Act,
1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending June 30, 1975, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the following funds of the District of Columbia for the fiscal year ending June 30, 1975: \$221,200,000 to the general

fund; \$3,200,000 to the water fund; and \$2,400,000 to the sanitary sewage works fund; as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198; and the Act of May 18, 1954 (D.C. Code, 43-1541 and 1611).

D.C. Code 1-121
note.

LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY

For loans to the District of Columbia, as authorized by the Act of June 6, 1958 (72 Stat. 183), as amended, the Act of December 9, 1969 (83 Stat. 321), and the Act of May 18, 1954 (68 Stat. 110), as amended, and the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93-198), \$152,600,000, which together with balances of previous appropriations for this purpose, shall remain available until expended and be advanced upon request of the Commissioner, as follows: To the general fund, \$143,600,000, and to the highway fund, \$9,000,000.

D.C. Code 9-220.
D.C. Code 1-
1441 note, 7-133.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided:

GENERAL OPERATING EXPENSES

General operating expenses, \$77,524,400, of which \$7,670,900 shall be payable from the revenue sharing trust fund, \$660,100 from the highway fund (including \$79,200 from the motor vehicle parking account), \$107,700 from the water fund, and \$71,800 from the sanitary sewage works fund: *Provided*, That not to exceed \$2,500 for the Commissioner and \$2,500 for the Chairman of the District of Columbia Council shall be available from this appropriation for expenditures for official purposes: *Provided further*, That, for the purpose of assessing and reassessing real property in the District of Columbia, \$5,000 of the appropriation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not in excess of \$100 per diem: *Provided further*, That not to exceed \$7,500 of this appropriation shall be available for test borings and soil investigations: *Provided further*, That \$2,375,000 of this appropriation payable from the revenue sharing trust fund (to remain available until expended) shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That not to exceed \$125,000 of this appropriation shall be available for settlement of property damage claims not in excess of \$500 each and personal injury claims not in excess of \$1,000 each: *Provided further*, That not to exceed \$50,000 of any appropriations available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Civil Defense for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Commissioner.

PUBLIC SAFETY

Public safety, including purchase of two hundred and sixty-five passenger motor vehicles for replacement only (including two hundred and sixty for police-type use and five for fire-type use without regard to the general purchase price limitation for the current fiscal year but not in excess of \$400 per vehicle for police-type and \$600 per vehicle for fire-type use above such limitation); \$207,226,200, of which \$5,500,000 shall be payable from the revenue sharing trust fund, and \$8,117,200 from the highway fund (including \$112,000 from the motor vehicle parking account): *Provided*, That the Police Department is authorized to replace not to exceed twenty-five passenger carrying vehicles, and the Fire Department not to exceed five such vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths the cost of the replacement: *Provided further*, That \$1,159,800 shall be available for reimbursement to the United States for services provided to the District of Columbia by the offices of the United States attorney and the United States marshal for the District of Columbia: *Provided further*, That not to exceed \$200,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime.

EDUCATION

Education, including the development of national defense education programs, \$207,748,800, of which \$6,351,000 shall be payable from the revenue sharing trust fund, and \$165,100 from the highway fund: *Provided*, That the District of Columbia Public Schools are authorized to accept not to exceed thirty-one motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed \$1,000 for the Superintendent of Schools, \$1,000 for the President of Federal City College, and \$1,000 for the President of Washington Technical Institute shall be available from this appropriation for expenditures for official purposes.

RECREATION

Recreation, \$14,902,000, of which \$204,000 shall be payable from the revenue sharing trust fund.

HUMAN RESOURCES

Human resources, including care and treatment of indigent patients in institutions under contracts to be made by the Director of Human Resources; \$224,708,500, of which \$7,465,000 shall be payable from the revenue sharing trust fund: *Provided*, That the inpatient rate and outpatient rate under such contracts shall not exceed \$76 per diem and the outpatient rate shall not exceed \$12 per visit and the inpatient rate (excluding the proportionate share for repairs and construction) for services rendered by Saint Elizabeths Hospital for patient care shall be \$24.53 per diem: *Provided further*, That total reimbursements to Saint Elizabeths Hospital, including funds from Title XIX of the Social Security Act, shall not exceed the amount for the fiscal year

1970: *Provided further*, That the hospital rates specified herein shall not apply, beginning July 1, 1969, to services provided to patients who are eligible for such services under the District of Columbia plan for medical assistance under Title XIX of the Social Security Act: *Provided further*, That this appropriation shall be available for the furnishing of medical assistance to individuals sixty-five years of age or older who are residing in the District of Columbia.

42 USC 1396.

HIGHWAYS AND TRAFFIC

Highways and traffic, including rental of one passenger-carrying vehicle for use by the Commissioner; and purchase of twenty-six passenger motor vehicles; \$24,180,000 of which \$2,380,900 shall be payable from the revenue sharing trust fund, and \$18,874,700 from the highway fund (including \$640,800 from the motor vehicle parking account): *Provided*, That this appropriation shall not be available for the purchase of driver-training vehicles.

ENVIRONMENTAL SERVICES

Environmental services, \$50,347,000, of which \$1,397,200 shall be payable from the revenue sharing trust fund, \$13,090,200 from the water fund, \$15,596,600 from the sanitary sewage works fund, and \$63,300 from the metropolitan area sanitary sewage works fund: *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses with four or more apartments, or from any building or connected group of buildings operating as a rooming or boarding house as defined in the housing regulations of the District of Columbia.

PERSONAL SERVICES

For pay increases and related retirement costs for general schedule employees, wage board employees, interns and residents, and Public Schools cafeteria employees to be transferred by the Commissioner of the District of Columbia to the appropriations for the fiscal year 1975 from which said employees are properly payable, \$12,987,000, of which \$535,600 shall be payable from the highway fund (including \$6,200 from the motor vehicle parking account), \$504,800 from the water fund, and \$373,400 from the sanitary sewage works fund: *Provided*, That \$251,300 shall be available for reimbursement to the United States for services provided to the District of Columbia by the offices of the United States attorney and the United States marshal for the District of Columbia.

SETTLEMENT OF CLAIMS AND SUITS

For payment of property damage claims in excess of \$500 and of personal injury claims in excess of \$1,000, approved by the Commissioner in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$34,000.

D.C. Code 1-902
to 1-906.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with sections 108, 217, and 402 of the Act of May 18, 1954 (68 Stat. 103, 109, and 110), as amended; section 9 of the Act of September 7, 1957 (71 Stat. 619), as amended; section 1 of the Act of June 6, 1958 (72 Stat. 183), as amended; and section 4 of the Act of June 12, 1960 (74 Stat. 211), as amended, including interest as required thereby, \$49,067,000, of which \$6,977,100 shall be payable from the highway

D.C. Code 43-
1540, 43-1616,
7-133.
D.C. Code 2-
1727.
D.C. Code 9-
220.
D.C. Code 43-
1623.

fund, \$2,219,000 from the water fund, \$1,747,400 from the sanitary sewage works fund, and \$133,400 from the metropolitan area sanitary sewage works fund.

CAPITAL OUTLAY

72 Stat. 15.

D.C. Code 43-1510, 43-1604, 7-133, 9-220, 40-804, 1-1441 note.

For reimbursement to the United States of funds loaned in compliance with the Act of August 7, 1946 (60 Stat. 896), as amended, and payments under the Act of July 2, 1954 (68 Stat. 443), construction projects as authorized by the Acts of April 22, 1904 (33 Stat. 244), May 18, 1954 (68 Stat. 105, 110), June 6, 1958 (72 Stat. 183), August 20, 1958 (72 Stat. 686), and the Act of December 9, 1969 (83 Stat. 321); including acquisition of sites; preparation of plans and specifications; conducting preliminary surveys; erection of structures, including building improvement and alteration and treatment of grounds; to remain available until expended, \$204,918,000, of which \$3,100,000 may be used for (1) the construction of a fully enclosed swimming pool at the south end of the existing structures comprising the Woodrow Wilson High School, including appropriate landscaping of the structure enclosing such pool, (2) the construction of a single entrance to such pool from Fort Drive, and (3) the closing of the existing access road between Nebraska Avenue and Fort Drive at the south end of such high school, including appropriate landscaping at the present access road entrance to be closed; the use of such pool during periods other than regular school hours on regular school days and on days when school is not in regular session to be in accordance with the terms of a joint agreement between the District of Columbia Board of Education and the District of Columbia Department of Recreation, and on no day may the use of such pool extend beyond 9 p.m. and \$9,345,000 shall be payable from the highway fund, \$2,605,000 from the water fund, and \$1,405,000 from the sanitary sewage works fund: *Provided*, That \$7,178,200 shall be available for construction services by the Director of the Department of General Services or by contract for architectural engineering services, as may be determined by the Commissioner, and the funds for the use of the Director of the Department of General Services shall be advanced to the appropriation account, "Construction Services, Department of General Services": *Provided further*, That the amount appropriated to the Construction Services Fund, Department of General Services, be limited, during the current fiscal year, to ten per centum of appropriations for all construction projects: *Provided further*, Notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968 (Public Law 90-495, approved August 23, 1968), for which funds are provided by this paragraph, shall expire on June 30, 1976, except authorizations for projects as to which funds have been obligated in whole or in part prior to such date. Upon expiration of any such project authorization the funds provided herein for such project shall lapse.

D.C. Code 7-135 note.

GENERAL PROVISIONS

SEC. 1. Except as otherwise provided herein, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

Vouchers,
audit.

SEC. 2. Whenever in this Act an amount is specified within an appropriation for particular purposes or object of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount which may be expended for said purpose or object rather than an amount set apart exclusively therefor.

Maximum allow-
ances.

SEC. 3. Appropriations in this Act shall be available, when authorized or approved by the Commissioner, for allowances for privately owned automobiles used for the performance of official duties at 13 cents per mile but not to exceed \$45 a month for each automobile, unless otherwise therein specifically provided, except that one hundred and thirteen (eighteen for venereal disease investigators in the Department of Human Resources) such allowances at not more than \$715 each per annum may be authorized or approved by the Commissioner.

Automobile
allowances.

SEC. 4. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Commissioner.

Travel ex-
penses; organiza-
tion dues.

SEC. 5. Appropriations in this Act shall not be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Service Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Service Commission.

Taxicabs, re-
strictions.

SEC. 6. Appropriations in this Act shall not be available for the payment of rates for electric current for street lighting in excess of 2 cents per kilowatt-hour for current consumed.

Street lighting.
D.C. Code 7-701
note.

SEC. 7. There are hereby appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments which have been entered against the government of the District of Columbia: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of paragraph 3, subsection (c) of section 11 of title XII of the District of Columbia Income and Franchise Tax Act of 1947, as amended.

Judgment pay-
ments.

SEC. 8. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of subsection (b) of section 5 of the District of Columbia Public Assistance Act of 1962 and for the non-Federal share of funds necessary to qualify for Federal assistance under the Act of July 31, 1968 (Public Law 90-445).

D.C. Code 47-
1586j.
D.C. Code 3-204
note.

D.C. Code 3-
204.

42 USC 3801
note.

Fiscal year limitation.

Chauffeur compensation.
D.C. Code 40-501a note.

Overtime or temporary positions, cost limitation.

Travel expenditure, limitation.
D.C. Code 1-216 note.

Number of employees.

Partisan political activities.

Space and services.

40 USC 490.

Short title.

SEC. 9. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 10. No part of any funds appropriated by this Act shall be used to pay the compensation (whether by contract or otherwise) of any individual for performing services as a chauffeur or driver for any designated officer or employee of the District of Columbia government (other than the Commissioner of the District of Columbia, Chief of Police and Fire Chief), or for performing services as a chauffeur or driver of a motor vehicle assigned for the personal or individual use of any such officer or employee (other than the Commissioner of the District of Columbia, Chief of Police and Fire Chief). No part of any funds appropriated by this Act, in excess of \$12,000 in the aggregate, shall, in any fiscal year, be used to pay the compensation (whether by contract or otherwise) of individuals for performing services as a chauffeur or driver for the Commissioner of the District of Columbia, or for performing services as a chauffeur or driver of a motor vehicle assigned for the personal or individual use of the Commissioner of the District of Columbia.

SEC. 11. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

SEC. 12. The total expenditure of funds appropriated by this Act for authorized travel and per diem costs outside the District of Columbia, Maryland, and Virginia shall not exceed \$210,000.

SEC. 13. Appropriations in this Act shall not be available, during the fiscal year ending June 30, 1975, for the compensation of any person appointed—

(1) as full-time employee to a permanent, authorized position in the government of the District of Columbia during any month when the number of such employees is greater than 39,619; or

(2) as a temporary or part-time employee in the government of the District of Columbia during any month in which the number of such employees exceeds the number of such employees for the same month of the preceding fiscal year.

SEC. 14. No funds appropriated herein for the government of the District of Columbia for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community group during non-school hours.

SEC. 15. Appropriations in this Act shall be available for services as authorized by 5 U.S.C. 3109, at rates to be fixed by the Commissioner.

SEC. 16. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

This Act may be cited as the "District of Columbia Appropriation Act, 1975".

Approved August 31, 1974.

Public Law 93-406

AN ACT

To provide for pension reform.

September 2, 1974
[H. R. 2]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Employee Retirement Income Security Act of 1974".

Employee Retirement Income Security Act of 1974.
29 USC 1001 note.

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SUBTITLE A—GENERAL PROVISIONS

FINDINGS AND DECLARATION OF POLICY

29 USC 1001.

SEC. 2. (a) The Congress finds that the growth in size, scope, and numbers of employee benefit plans in recent years has been rapid and substantial; that the operational scope and economic impact of such plans is increasingly interstate; that the continued well-being and security of millions of employees and their dependents are directly affected by these plans; that they are affected with a national public interest; that they have become an important factor affecting the stability of employment and the successful development of industrial relations; that they have become an important factor in commerce because of the interstate character of their activities, and of the activities of their participants, and the employers, employee organizations, and other entities by which they are established or maintained; that a large volume of the activities of such plans is carried on by means of the mails and instrumentalities of interstate commerce; that owing to the lack of employee information and adequate safeguards concerning their operation, it is desirable in the interests of employees and their beneficiaries, and to provide for the general welfare and the free flow of commerce, that disclosure be made and safeguards be provided with respect to the establishment, operation, and administration of such plans; that they substantially affect the revenues of the United States because they are afforded preferential Federal tax treatment; that despite the enormous growth in such plans many employees with long years of employment are losing anticipated retirement benefits owing to the lack of vesting provisions in such plans; that owing to the inadequacy of current minimum standards, the soundness and stability of plans with respect to adequate funds to pay promised benefits may be endangered; that owing to the termination of plans before

requisite funds have been accumulated, employees and their beneficiaries have been deprived of anticipated benefits; and that it is therefore desirable in the interests of employees and their beneficiaries, for the protection of the revenue of the United States, and to provide for the free flow of commerce, that minimum standards be provided assuring the equitable character of such plans and their financial soundness.

(b) It is hereby declared to be the policy of this Act to protect interstate commerce and the interests of participants in employee benefit plans and their beneficiaries, by requiring the disclosure and reporting to participants and beneficiaries of financial and other information with respect thereto, by establishing standards of conduct, responsibility, and obligation for fiduciaries of employee benefit plans, and by providing for appropriate remedies, sanctions, and ready access to the Federal courts.

(c) It is hereby further declared to be the policy of this Act to protect interstate commerce, the Federal taxing power, and the interests of participants in private pension plans and their beneficiaries by improving the equitable character and the soundness of such plans by requiring them to vest the accrued benefits of employees with significant periods of service, to meet minimum standards of funding, and by requiring plan termination insurance.

DEFINITIONS

SEC. 3. For purposes of this title :

29 USC 1002.

(1) The terms "employee welfare benefit plan" and "welfare plan" mean any plan, fund, or program which was heretofore or is hereafter established or maintained by an employer or by an employee organization, or by both, to the extent that such plan, fund, or program was established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, (A) medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death or unemployment, or vacation benefits, apprenticeship or other training programs, or day care centers, scholarship funds, or prepaid legal services, or (B) any benefit described in section 302(c) of the Labor Management Relations Act, 1947 (other than pensions on retirement or death, and insurance to provide such pensions).

29 USC 186.

(2) The terms "employee pension benefit plan" and "pension plan" mean any plan, fund, or program which was heretofore or is hereafter established or maintained by an employer or by an employee organization, or by both, to the extent that by its express terms or as a result of surrounding circumstances such plan, fund, or program—

(A) provides retirement income to employees, or

(B) results in a deferral of income by employees for periods extending to the termination of covered employment or beyond, regardless of the method of calculating the contributions made to the plan, the method of calculating the benefits under the plan or the method of distributing benefits from the plan.

(3) The term "employee benefit plan" or "plan" means an employee welfare benefit plan or an employee pension benefit plan or a plan which is both an employee welfare benefit plan and an employee pension benefit plan.

(4) The term "employee organization" means any labor union or any organization of any kind, or any agency or employee representation committee, association, group, or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning an employee benefit plan, or other

matters incidental to employment relationships; or any employees' beneficiary association organized for the purpose in whole or in part, of establishing such a plan.

(5) The term "employer" means any person acting directly as an employer, or indirectly in the interest of an employer, in relation to an employee benefit plan; and includes a group or association of employers acting for an employer in such capacity.

(6) The term "employee" means any individual employed by an employer.

(7) The term "participant" means any employee or former employee of an employer, or any member or former member of an employee organization, who is or may become eligible to receive a benefit of any type from an employee benefit plan which covers employees of such employer or members of such organization, or whose beneficiaries may be eligible to receive any such benefit.

(8) The term "beneficiary" means a person designated by a participant, or by the terms of an employee benefit plan, who is or may become entitled to a benefit thereunder.

(9) The term "person" means an individual, partnership, joint venture, corporation, mutual company, joint-stock company, trust, estate, unincorporated organization, association, or employee organization.

(10) The term "State" includes any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Wake Island, and the Canal Zone. The term "United States" when used in the geographic sense means the States and the Outer Continental Shelf lands defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331-1343).

(11) The term "commerce" means trade, traffic, commerce, transportation, or communication between any State and any place outside thereof.

(12) The term "industry or activity affecting commerce" means any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, and includes any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947, or the Railway Labor Act.

(13) The term "Secretary" means the Secretary of Labor.

(14) The term "party in interest" means, as to an employee benefit plan—

(A) any fiduciary (including, but not limited to, any administrator, officer, trustee, or custodian), counsel, or employee of such employee benefit plan;

(B) a person providing services to such plan;

(C) an employer any of whose employees are covered by such plan;

(D) an employee organization any of whose members are covered by such plan;

(E) an owner, direct or indirect, of 50 percent or more of—

(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation.

(ii) the capital interest or the profits interest of a partnership, or

(iii) the beneficial interest of a trust or unincorporated enterprise,

which is an employer or an employee organization described in subparagraph (C) or (D);

29 USC 141.

45 USC 151.

(F) a relative (as defined in paragraph (15)) of any individual described in subparagraph (A), (B), (C), or (E);

(G) a corporation, partnership, or trust or estate of which (or in which) 50 percent or more of—

(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation,

(ii) the capital interest or profits interest of such partnership, or

(iii) the beneficial interest of such trust or estate, is owned directly or indirectly, or held by persons described in subparagraph (A), (B), (C), (D), or (E);

(H) an employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors), or a 10 percent or more shareholder directly or indirectly, of a person described in subparagraph (B), (C), (D), (E), or (G), or of the employee benefit plan; or

(I) a 10 percent or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in subparagraph (B), (C), (D), (E), or (G).

The Secretary, after consultation and coordination with the Secretary of the Treasury, may by regulation prescribe a percentage lower than 50 percent for subparagraph (E) and (G) and lower than 10 percent for subparagraph (H) or (I). The Secretary may prescribe regulations for determining the ownership (direct or indirect) of profits and beneficial interests, and the manner in which indirect stockholdings are taken into account.

(15) The term “relative” means a spouse, ancestor, lineal descendant, or spouse of a lineal descendant.

(16) (A) The term “administrator” means—

(i) the person specifically so designated by the terms of the instrument under which the plan is operated;

(ii) if an administrator is not so designated, the plan sponsor; or

(iii) in the case of a plan for which an administrator is not designated and a plan sponsor cannot be identified, such other person as the Secretary may by regulation prescribe.

(B) The term “plan sponsor” means (i) the employer in the case of an employee benefit plan established or maintained by a single employer, (ii) the employee organization in the case of a plan established or maintained by an employee organization, or (iii) in the case of a plan established or maintained by two or more employers or jointly by one or more employers and one or more employee organizations, the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan.

(17) The term “separate account” means an account established or maintained by an insurance company under which income, gains, and losses, whether or not realized, from assets allocated to such account, are, in accordance with the applicable contract, credited to or charged against such account without regard to other income, gains, or losses of the insurance company.

(18) The term “adequate consideration” when used in part 4 of subtitle B means (A) in the case of a security for which there is a generally recognized market, either (i) the price of the security prevailing on a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934, or (ii) if the security is not traded on such a national securities exchange, a price not less

favorable to the plan than the offering price for the security as established by the current bid and asked prices quoted by persons independent of the issuer and of any party in interest; and (B) in the case of an asset other than a security for which there is a generally recognized market, the fair market value of the asset as determined in good faith by the trustee or named fiduciary pursuant to the terms of the plan and in accordance with regulations promulgated by the Secretary.

Post, p. 854.

(19) The term "nonforfeitable" when used with respect to a pension benefit or right means a claim obtained by a participant or his beneficiary to that part of an immediate or deferred benefit under a pension plan which arises from the participant's service, which is unconditional, and which is legally enforceable against the plan. For purposes of this paragraph, a right to an accrued benefit derived from employer contributions shall not be treated as forfeitable merely because the plan contains a provision described in section 203(a)(3).

(20) The term "security" has the same meaning as such term has under section 2(1) of the Securities Act of 1933 (15 U.S.C. 77b(1)).

Post, p. 878.

(21)(A) Except as otherwise provided in subparagraph (B), a person is a fiduciary with respect to a plan to the extent (i) he exercises any discretionary authority or discretionary control respecting management of such plan or exercises any authority or control respecting management or disposition of its assets, (ii) he renders investment advice for a fee or other compensation, direct or indirect, with respect to any moneys or other property of such plan, or has any authority or responsibility to do so, or (iii) he has any discretionary authority or discretionary responsibility in the administration of such plan. Such term includes any person designated under section 405(c)(1)(B).

15 USC 80a-51.

(B) If any money or other property of an employee benefit plan is invested in securities issued by an investment company registered under the Investment Company Act of 1940, such investment shall not be by itself cause such investment company or such investment company's investment adviser or principal underwriter to be deemed to be a fiduciary or a party in interest as those terms are defined in this title, except insofar as such investment company or its investment adviser or principal underwriter acts in connection with an employee benefit plan covering employees of the investment company, the investment adviser, or its principal underwriter. Nothing contained in this subparagraph shall limit the duties imposed on such investment company, investment adviser, or principal underwriter by any other law.

(22) The term "normal retirement benefit" means the greater of the early retirement benefit under the plan, or the benefit under the plan commencing at normal retirement age. The normal retirement benefit shall be determined without regard to—

(A) medical benefits, and

(B) disability benefits not in excess of the qualified disability benefit.

For purposes of this paragraph, a qualified disability benefit is a disability benefit provided by a plan which does not exceed the benefit which would be provided for the participant if he separated from the service at normal retirement age. For purposes of this paragraph, the early retirement benefit under a plan shall be determined without regard to any benefit under the plan which the Secretary of the Treasury finds to be a benefit described in section 204(b)(1)(G).

Post, p. 858.

(23) The term "accrued benefit" means—

(A) in the case of a defined benefit plan, the individual's accrued benefit determined under the plan and, except as provided

in section 204(c)(3), expressed in the form of an annual benefit commencing at normal retirement age, or

Post, p. 858.

(B) in the case of a plan which is an individual account plan, the balance of the individual's account.

(24) The term "normal retirement age" means the earlier of—

(A) the time a plan participant attains normal retirement age under the plan, or

(B) the later of—

(i) the time a plan participant attains age 65, or

(ii) the 10th anniversary of the time a plan participant commenced participation in the plan.

(25) The term "vested liabilities" means the present value of the immediate or deferred benefits available at normal retirement age for participants and their beneficiaries which are nonforfeitable.

(26) The term "current value" means fair market value where available and otherwise the fair value as determined in good faith by a trustee or a named fiduciary (as defined in section 402(a)(2)) pursuant to the terms of the plan and in accordance with regulations of the Secretary, assuming an orderly liquidation at the time of such determination.

Post, p. 875.

(27) The term "present value", with respect to a liability, means the value adjusted to reflect anticipated events. Such adjustments shall conform to such regulations as the Secretary of the Treasury may prescribe.

(28) The term "normal service cost" or "normal cost" means the annual cost of future pension benefits and administrative expenses assigned, under an actuarial cost method, to years subsequent to a particular valuation date of a pension plan. The Secretary of the Treasury may prescribe regulations to carry out this paragraph.

Regulations.

(29) The term "accrued liability" means the excess of the present value, as of a particular valuation date of a pension plan, of the projected future benefit costs and administrative expenses for all plan participants and beneficiaries over the present value of future contributions for the normal cost of all applicable plan participants and beneficiaries. The Secretary of the Treasury may prescribe regulations to carry out this paragraph.

Regulations.

(30) The term "unfunded accrued liability" means the excess of the accrued liability, under an actuarial cost method which so provides, over the present value of the assets of a pension plan. The Secretary of the Treasury may prescribe regulations to carry out this paragraph.

Regulations.

(31) The term "advance funding actuarial cost method" or "actuarial cost method" means a recognized actuarial technique utilized for establishing the amount and incidence of the annual actuarial cost of pension plan benefits and expenses. Acceptable actuarial cost methods shall include the accrued benefit cost method (unit credit method), the entry age normal cost method, the individual level premium cost method, the aggregate cost method, the attained age normal cost method, and the frozen initial liability cost method. The terminal funding cost method and the current funding (pay-as-you-go) cost method are not acceptable actuarial cost methods. The Secretary of the Treasury shall issue regulations to further define acceptable actuarial cost methods.

Regulations.

(32) The term "governmental plan" means a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing. The term "governmental plan" also includes any plan to which the Railroad Retirement Act of 1935 or 1937 applies, and which is financed by contributions required under that Act and any plan of an international

45 USC 215
note, 228a.

22 USC 288
note.

organization which is exempt from taxation under the provisions of the International Organizations Immunities Act (59 Stat. 669).

26 USC 501.

(33) (A) The term "church plan" means (i) a plan established and maintained for its employees by a church or by a convention or association of churches which is exempt from tax under section 501 of the Internal Revenue Code of 1954, or (ii) a plan described in subparagraph (C).

(B) The term "church plan" (notwithstanding the provisions of subparagraph (A)) does not include a plan—

26 USC 513.

(i) which is established and maintained primarily for the benefit of employees (or their beneficiaries) of such church or convention or association of churches who are employed in connection with one or more unrelated trades or businesses (within the meaning of section 513 of the Internal Revenue Code of 1954), or

(ii) which is a plan maintained by more than one employer, if one or more of the employers in the plan is not a church (or a convention or association of churches) which is exempt from tax under section 501 of the Internal Revenue Code of 1954.

(C) Notwithstanding the provisions of subparagraph (B) (ii), a plan in existence on January 1, 1974, shall be treated as a "church plan" if it is established and maintained by a church or convention or association of churches for its employees and employees of one or more agencies of such church (or convention or association) for the employees of such church (or convention or association) and the employees of one or more agencies of such church (or convention or association), and if such church (or convention or association) and each such agency is exempt from tax under section 501 of the Internal Revenue Code of 1954. The first sentence of this subparagraph shall not apply to any plan maintained for employees of an agency with respect to which the plan was not maintained on January 1, 1974. The first sentence of this subparagraph shall not apply with respect to any plan for any plan year beginning after December 31, 1982.

(34) The term "individual account plan" or "defined contribution plan" means a pension plan which provides for an individual account for each participant and for benefits based solely upon the amount contributed to the participant's account, and any income, expenses, gains and losses, and any forfeitures of accounts of other participants which may be allocated to such participant's account.

(35) The term "defined benefit plan" means a pension plan other than an individual account plan; except that a pension plan which is not an individual account plan and which provides a benefit derived from employer contributions which is based partly on the balance of the separate account of a participant—

Post, p. 853.

(A) for the purposes of section 202, shall be treated as an individual account plan, and

Post, p. 858.

(B) for the purposes of paragraph (23) of this section and section 204, shall be treated as an individual account plan to the extent benefits are based upon the separate account of a participant and as a defined benefit plan with respect to the remaining portion of benefits under the plan.

Post, p. 979.

(36) The term "excess benefit plan" means a plan maintained by an employer solely for the purpose of providing benefits for certain employees in excess of the limitations on contributions and benefits imposed by section 415 of the Internal Revenue Code of 1954 on plans to which that section applies, without regard to whether the plan is funded. To the extent that a separable part of a plan (as determined by the Secretary of Labor) maintained by an employer is maintained for such purpose, that part shall be treated as a separate plan which is an excess benefit plan.

(37) (A) The term “multiemployer plan” means a plan—

(i) to which more than one employer is required to contribute,
 (ii) which is maintained pursuant to one or more collective-bargaining agreements between an employee organization and more than one employer,

(iii) under which the amount of contributions made under the plan for a plan year by each employer making such contributions is less than 50 percent of the aggregate amount of contributions made under the plan for that plan year by all employers making such contributions,

(iv) under which benefits are payable with respect to each participant without regard to the cessation of contributions by the employer who had employed that participant except to the extent that such benefits accrued as a result of service with the employer before such employer was required to contribute to such plan, and
 (v) which satisfies such other requirements as the Secretary may by regulations prescribe.

(B) For purposes of this paragraph—

(i) if a plan is a multiemployer plan within the meaning of subparagraph (A) for any plan year, clause (iii) of subparagraph (A) shall be applied by substituting “75 percent” for “50 percent” for each subsequent plan year until the first plan year following a plan year in which the plan had one employer who made contributions of 75 percent or more of the aggregate amount of contributions made under the plan for that plan year by all employers making such contributions, and

(ii) all corporations which are members of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1954, determined without regard to section 1563(e)(3)(C) of such Code) shall be deemed to be one employer.

26 USC 1563.

(38) The term “investment manager” means any fiduciary (other than a trustee or named fiduciary, as defined in section 402(a)(2))—

Post, p. 875.

(A) who has the power to manage, acquire, or dispose of any asset of a plan;

(B) who is (i) registered as an investment adviser under the Investment Advisers Act of 1940; (ii) is a bank, as defined in that Act; or (iii) is an insurance company qualified to perform services described in subparagraph (A) under the laws of more than one State; and

15 USC 80b-20.

(C) has acknowledged in writing that he is a fiduciary with respect to the plan.

(39) The terms “plan year” and “fiscal year of the plan” mean with respect to a plan, calendar, policy, or fiscal year on which the records of the plan are kept.

COVERAGE

SEC. 4. (a) Except as provided in subsection (b) and in sections 201, 301, and 401, this title shall apply to any employee benefit plan if it is established or maintained—

29 USC 1003.

(1) by any employer engaged in commerce or in any industry or activity affecting commerce; or

Post, pp. 852, 868, 874.

(2) by any employee organization or organizations representing employees engaged in commerce or in any industry or activity affecting commerce; or

(3) by both.

(b) The provisions of this title shall not apply to any employee benefit plan if—

(1) such plan is a governmental plan (as defined in section 3(32));

(2) such plan is a church plan (as defined in section 3(33)) with respect to which no election has been made under section 410(d) of the Internal Revenue Code of 1954;

(3) such plan is maintained solely for the purpose of complying with applicable workmen's compensation laws or unemployment compensation or disability insurance laws;

(4) such plan is maintained outside of the United States primarily for the benefit of persons substantially all of whom are nonresident aliens; or

(5) such plan is an excess benefit plan (as defined in section 3(36)) and is unfunded.

Post, p. 898.

SUBTITLE B—REGULATORY PROVISIONS

Part I—Reporting and Disclosure

DUTY OF DISCLOSURE AND REPORTING

29 USC 1021.

SEC. 101. (a) The administrator of each employee benefit plan shall cause to be furnished in accordance with section 104(b) to each participant covered under the plan and to each beneficiary who is receiving benefits under the plan—

(1) a summary plan description described in section 102(a)(1); and

(2) the information described in section 104(b)(3) and 105(a) and (c).

(b) The administrator shall, in accordance with section 104(a), file with the Secretary—

(1) the summary plan description described in section 102(a)(1);

(2) a plan description containing the matter required in section 102(b);

(3) modifications and changes referred to in section 102(a)(2);

(4) the annual report containing the information required by section 103; and

(5) terminal and supplementary reports as required by subsection (c) of this section.

Terminal reports.

(c)(1) Each administrator of an employee pension benefit plan which is winding up its affairs (without regard to the number of participants remaining in the plan) shall, in accordance with regulations prescribed by the Secretary, file such terminal reports as the Secretary may consider necessary. A copy of such report shall also be filed with the Pension Benefit Guaranty Corporation.

(2) The Secretary may require terminal reports to be filed with regard to any employee welfare benefit plan which is winding up its affairs in accordance with regulations promulgated by the Secretary.

(3) The Secretary may require that a plan described in paragraph (1) or (2) file a supplementary or terminal report with the annual report in the year such plan is terminated and that a copy of such supplementary or terminal report in the case of a plan described in paragraph (1) be also filed with the Pension Benefit Guaranty Corporation.

(d) CROSS REFERENCE.—

For regulations relating to coordination of reports to the Secretaries of Labor and the Treasury, see section 3004.

PLAN DESCRIPTION AND SUMMARY PLAN DESCRIPTION

SEC. 102. (a)(1) A summary plan description of any employee benefit plan shall be furnished to participants and beneficiaries as provided in section 104(b). The summary plan description shall include the information described in subsection (b), shall be written in a manner calculated to be understood by the average plan participant, and shall be sufficiently accurate and comprehensive to reasonably apprise such participants and beneficiaries of their rights and obligations under the plan. A summary of any material modification in the terms of the plan and any change in the information required under subsection (b) shall be written in a manner calculated to be understood by the average plan participant and shall be furnished in accordance with section 104(b)(1).

29 USC 1022.

(2) A plan description (containing the information required by subsection (b)) of any employee benefit plan shall be prepared on forms prescribed by the Secretary, and shall be filed with the Secretary as required by section 104(a)(1). Any material modification in the terms of the plan and any change in the information described in subsection (b) shall be filed in accordance with section 104(a)(1)(D).

(b) The plan description and summary plan description shall contain the following information: The name and type of administration of the plan; the name and address of the person designated as agent for the service of legal process, if such person is not the administrator; the name and address of the administrator; names, titles, and addresses of any trustee or trustees (if they are persons different from the administrator); a description of the relevant provisions of any applicable collective bargaining agreement; the plan's requirements respecting eligibility for participation and benefits; a description of the provisions providing for nonforfeitable pension benefits; circumstances which may result in disqualification, ineligibility, or denial or loss of benefits; the source of financing of the plan and the identity of any organization through which benefits are provided; the date of the end of the plan year and whether the records of the plan are kept on a calendar, policy, or fiscal year basis; the procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part (including procedures required under section 503 of this Act).

ANNUAL REPORTS

SEC. 103. (a)(1)(A) An annual report shall be published with respect to every employee benefit plan to which this part applies. Such report shall be filed with the Secretary in accordance with section 104(a), and shall be made available and furnished to participants in accordance with section 104(b).

29 USC 1023.

(B) The annual report shall include the information described in subsections (b) and (c) and where applicable subsections (d) and (e) and shall also include—

(i) a financial statement and opinion, as required by paragraph (3) of this subsection, and

(ii) an actuarial statement and opinion, as required by paragraph (4) of this subsection.

(2) If some or all of the information necessary to enable the administrator to comply with the requirements of this title is maintained by—

(A) an insurance carrier or other organization which provides some or all of the benefits under the plan, or holds assets of the plan in a separate account,

(B) a bank or similar institution which holds some or all of the assets of the plan in a common or collective trust or a separate trust, or custodial account, or

(C) a plan sponsor as defined in section 3(16)(B), such carrier, organization, bank, institution, or plan sponsor shall transmit and certify the accuracy of such information to the administrator within 120 days after the end of the plan year (or such other date as may be prescribed under regulations of the Secretary).

Financial
statements, ex-
amination.

(3)(A) Except as provided in subparagraph (C), the administrator of an employee benefit plan shall engage, on behalf of all plan participants, an independent qualified public accountant, who shall conduct such an examination of any financial statements of the plan, and of other books and records of the plan, as the accountant may deem necessary to enable the accountant to form an opinion as to whether the financial statements and schedules required to be included in the annual report by subsection (b) of this section are presented fairly in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Such examination shall be conducted in accordance with generally accepted auditing standards, and shall involve such tests of the books and records of the plan as are considered necessary by the independent qualified public accountant. The independent qualified public accountant shall also offer his opinion as to whether the separate schedules specified in subsection (b)(3) of this section and the summary material required under section 104(b)(3) present fairly, and in all material respects the information contained therein when considered in conjunction with the financial statements taken as a whole. The opinion by the independent qualified public accountant shall be made a part of the annual report. In a case where a plan is not required to file an annual report, the requirements of this paragraph shall not apply. In a case where by reason of section 104(a)(2) a plan is required only to file a simplified annual report, the Secretary may waive the requirements of this paragraph.

Waiver.

(B) In offering his opinion under this section the accountant may rely on the correctness of any actuarial matter certified to by an enrolled actuary, if he so states his reliance.

(C) The opinion required by subparagraph (A) need not be expressed as to any statements required by subsection (b)(3)(G) prepared by a bank or similar institution or insurance carrier regulated and supervised and subject to periodic examination by a State or Federal agency if such statements are certified by the bank, similar institution, or insurance carrier as accurate and are made a part of the annual report.

"Qualified
public account-
ant."

(D) For purposes of this title, the term "qualified public accountant" means—

(i) a person who is a certified public accountant, certified by a regulatory authority of a State;

(ii) a person who is a licensed public accountant, licensed by a regulatory authority of a State; or

(iii) a person certified by the Secretary as a qualified public accountant in accordance with regulations published by him for a person who practices in States where there is no certification or licensing procedure for accountants.

Enrolled ac-
tuary.

(4)(A) The administrator of an employee pension benefit plan subject to the reporting requirement of subsection (d) of this section shall engage, on behalf of all plan participants, an enrolled actuary who shall be responsible for the preparation of the materials comprising the actuarial statement required under subsection (d) of this section. In a case where a plan is not required to file an annual report, the

requirement of this paragraph shall not apply, and, in a case where by reason of section 104(a)(2), a plan is required only to file a simplified report, the Secretary may waive the requirement of this paragraph.

Waiver.

(B) The enrolled actuary shall utilize such assumptions and techniques as are necessary to enable him to form an opinion as to whether the contents of the matters reported under subsection (d) of this section—

(i) are in the aggregate reasonably related to the experience of the plan and to reasonable expectations; and

(ii) represent his best estimate of anticipated experience under the plan.

The opinion by the enrolled actuary shall be made with respect to, and shall be made a part of, each annual report.

(C) For purposes of this title, the term "enrolled actuary" means an actuary enrolled under subtitle C of title III of this Act.

"Enrolled actuary,"
Post, p. 1002.

(D) In making a certification under this section the enrolled actuary may rely on the correctness of any accounting matter under section 103(b) as to which any qualified public accountant has expressed an opinion, if he so states his reliance.

(b) An annual report under this section shall include a financial statement containing the following information:

Financial statement.

(1) With respect to an employee welfare benefit plan: a statement of assets and liabilities; a statement of changes in fund balance; and a statement of changes in financial position. In the notes to financial statements, disclosures concerning the following items shall be considered by the accountant: a description of the plan including any significant changes in the plan made during the period and the impact of such changes on benefits; a description of material lease commitments, other commitments, and contingent liabilities; a description of agreements and transactions with persons known to be parties in interest; a general description of priorities upon termination of the plan; information concerning whether or not a tax ruling or determination letter has been obtained; and any other matters necessary to fully and fairly present the financial statements of the plan.

(2) With respect to an employee pension benefit plan: a statement of assets and liabilities, and a statement of changes in net assets available for plan benefits which shall include details of revenues and expenses and other changes aggregated by general source and application. In the notes to financial statements, disclosures concerning the following items shall be considered by the accountant: a description of the plan including any significant changes in the plan made during the period and the impact of such changes on benefits; the funding policy (including policy with respect to prior service cost), and any changes in such policies during the year; a description of any significant changes in plan benefits made during the period; a description of material lease commitments, other commitments, and contingent liabilities; a description of agreements and transactions with persons known to be parties in interest; a general description of priorities upon termination of the plan; information concerning whether or not a tax ruling or determination letter has been obtained; and any other matters necessary to fully and fairly present the financial statements of such pension plan.

(3) With respect to all employee benefit plans, the statement required under paragraph (1) or (2) shall have attached the following information in separate schedules:

(A) a statement of the assets and liabilities of the plan aggregated by categories and valued at their current value, and the same data displayed in comparative form for the end of the previous fiscal year of the plan;

Assets and liabilities.

Receipts and disbursements.

(B) a statement of receipts and disbursements during the preceding twelve-month period aggregated by general sources and applications;

Assets for investment.

(C) a schedule of all assets held for investment purposes aggregated and identified by issuer, borrower, or lessor, or similar party to the transaction (including a notation as to whether such party is known to be a party in interest), maturity date, rate of interest, collateral, par or maturity value, cost, and current value;

Parties in interest, transactions.

(D) a schedule of each transaction involving a person known to be party in interest, the identity of such party in interest and his relationship or that of any other party in interest to the plan, a description of each asset to which the transaction relates; the purchase or selling price in case of a sale or purchase, the rental in case of a lease, or the interest rate and maturity date in case of a loan; expenses incurred in connection with the transaction; the cost of the asset, the current value of the asset, and the net gain (or loss) on each transaction;

Loans or fixed income obligations in default.

(E) a schedule of all loans or fixed income obligations which were in default as of the close of the plan's fiscal year or were classified during the year as uncollectable and the following information with respect to each loan on such schedule (including a notation as to whether parties involved are known to be parties in interest): the original principal amount of the loan, the amount of principal and interest received during the reporting year, the unpaid balance, the identity and address of the obligor, a detailed description of the loan (including date of making and maturity, interest rate, the type and value of collateral, and other material terms), the amount of principal and interest overdue (if any) and an explanation thereof;

Leases in default.

(F) a list of all leases which were in default or were classified during the year as uncollectable; and the following information with respect to each lease on such schedule (including a notation as to whether parties involved are known to be parties in interest): the type of property leased (and, in the case of fixed assets such as land, buildings, leasehold, and so forth, the location of the property), the identity of the lessor or lessee from or to whom the plan is leasing, the relationship of such lessors and lessees, if any, to the plan, the employer, employee organization, or any other party in interest, the terms of the lease regarding rent, taxes, insurance, repairs, expenses, and renewal options; the date the leased property was purchased and its cost, the date the property was leased and its approximate value at such date, the gross rental receipts during the reporting period, expenses paid for the leased property during the reporting period, the net receipts from the lease, the amounts in arrears, and a statement as to what steps have been taken to collect amounts due or otherwise remedy the default;

Assets and liabilities.

(G) if some or all of the assets of a plan or plans are held in a common or collective trust maintained by a bank or similar institution or in a separate account maintained by an insurance carrier or a separate trust maintained by a bank as trustee, the report shall include the most recent annual statement of assets and liabilities of such common or collective trust, and in the case of a separate account or a separate trust, such other information as is required by the administrator in order to comply with this subsection; and

Reportable transactions.

(H) a schedule of each reportable transaction, the name of each party to the transaction (except that, in the case of an acquisition or sale of a security on the market, the report need not identify

the person from whom the security was acquired or to whom it was sold) and a description of each asset to which the transaction applies; the purchase or selling price in case of a sale or purchase, the rental in case of a lease, or the interest rate and maturity date in case of a loan; expenses incurred in connection with the transaction; the cost of the asset, the current value of the asset, and the net gain (or loss) on each transaction. For purposes of the preceding sentence, the term "reportable transaction" means a transaction to which the plan is a party if such transaction is—

"Reportable transaction."

(i) a transaction involving an amount in excess of 3 percent of the current value of the assets of the plan;

(ii) any transaction (other than a transaction respecting a security) which is part of a series of transactions with or in conjunction with a person in a plan year, if the aggregate amount of such transactions exceeds 3 percent of the current value of the assets of the plan;

(iii) a transaction which is part of a series of transactions respecting one or more securities of the same issuer, if the aggregate amount of such transactions in the plan year exceeds 3 percent of the current value of the assets of the plan; or

(iv) a transaction with or in conjunction with a person respecting a security, if any other transaction with or in conjunction with such person in the plan year respecting a security is required to be reported by reason of clause (i).

(4) The Secretary may, by regulation, relieve any plan from filing a copy of a statement of assets and liabilities (or other information) described in paragraph (3) (G) if such statement and other information is filed with the Secretary by the bank or insurance carrier which maintains the common or collective trust or separate account.

(c) The administrator shall furnish as a part of a report under this section the following information:

(1) The number of employees covered by the plan.

(2) The name and address of each fiduciary.

(3) Except in the case of a person whose compensation is minimal (determined under regulations of the Secretary) and who performs solely ministerial duties (determined under such regulations), the name of each person (including but not limited to, any consultant, broker, trustee, accountant, insurance carrier, actuary, administrator, investment manager, or custodian who rendered services to the plan or who had transactions with the plan) who received directly or indirectly compensation from the plan during the preceding year for services rendered to the plan or its participants, the amount of such compensation, the nature of his services to the plan or its participants, his relationship to the employer of the employees covered by the plan, or the employee organization, and any other office, position, or employment he holds with any party in interest.

(4) An explanation of the reason for any change in appointment of trustee, accountant, insurance carrier, enrolled actuary, administrator, investment manager, or custodian.

(5) Such financial and actuarial information including but not limited to the material described in subsections (b) and (d) of this section as the Secretary may find necessary or appropriate.

(d) With respect to an employee pension benefit plan (other than (A) a profit sharing, savings, or other plan, which is an individual account plan, (B) a plan described in section 301(b), or (C) a plan described both in section 4021(b) and in paragraph (1), (2), (3), (4), (5), (6), or (7) of section 301(a)) an annual report under this

Actuarial statement.

Post, p. 868.

Post, p. 1014.

section for a plan year shall include a complete actuarial statement applicable to the plan year which shall include the following:

(1) The date of the plan year, and the date of the actuarial valuation applicable to the plan year for which the report is filed.

(2) The date and amount of the contribution (or contributions) received by the plan for the plan year for which the report is filed and contributions for prior plan years not previously reported.

(3) The following information applicable to the plan year for which the report is filed: the normal costs, the accrued liabilities, an identification of benefits not included in the calculation; a statement of the other facts and actuarial assumptions and methods used to determine costs, and a justification for any change in actuarial assumptions or cost methods; and the minimum contribution required under section 302.

(4) The number of participants and beneficiaries, both retired and nonretired, covered by the plan.

(5) The current value of the assets accumulated in the plan, and the present value of the assets of the plan used by the actuary in any computation of the amount of contributions to the plan required under section 302 and a statement explaining the basis of such valuation of present value of assets.

(6) The present value of all of the plan's liabilities for non-forfeitable pension benefits allocated by the termination priority categories as set forth in section 4044 of this Act, and the actuarial assumptions used in these computations. The Secretary shall establish regulations defining (for purposes of this section) "termination priority categories" and acceptable methods, including approximate methods, for allocating the plan's liabilities to such termination priority categories.

(7) A certification of the contribution necessary to reduce the accumulated funding deficiency to zero.

(8) A statement by the enrolled actuary—

(A) that to the best of his knowledge the report is complete and accurate, and

(B) the requirements of section 302(c)(3) (relating to reasonable actuarial assumptions and methods) have been complied with.

(9) A copy of the opinion required by subsection (a)(4).

(10) Such other information regarding the plan as the Secretary may by regulation require.

(11) Such other information as may be necessary to fully and fairly disclose the actuarial position of the plan.

Such actuary shall make an actuarial valuation of the plan for every third plan year, unless he determines that a more frequent valuation is necessary to support his opinion under subsection (a)(4) of this section.

(e) If some or all of the benefits under the plan are purchased from and guaranteed by an insurance company, insurance service, or other similar organization, a report under this section shall include a statement from such insurance company, service, or other similar organization covering the plan year and enumerating—

(1) the premium rate or subscription charge and the total premium or subscription charges paid to each such carrier, insurance service, or other similar organization and the approximate number of persons covered by each class of such benefits; and

(2) the total amount of premiums received, the approximate number of persons covered by each class of benefits, and the total claims paid by such company, service, or other organization; dividends or retroactive rate adjustments, commissions, and adminis-

Post, p. 869.

Post, p. 1025.
Regulations.

Insurance com-
pany statement.

trative service or other fees or other specific acquisition costs paid by such company, service, or other organization; any amounts held to provide benefits after retirement; the remainder of such premiums; and the names and addresses of the brokers, agents, or other persons to whom commissions or fees were paid, the amount paid to each, and for what purpose. If any such company, service, or other organization does not maintain separate experience records covering the specific groups it serves, the report shall include in lieu of the information required by the foregoing provisions of this paragraph (A) a statement as to the basis of its premium rate or subscription charge, the total amount of premiums or subscription charges received from the plan, and a copy of the financial report of the company, service, or other organization and (B) if such company, service, or organization incurs specific costs in connection with the acquisition or retention of any particular plan or plans, a detailed statement of such costs.

FILING WITH SECRETARY AND FURNISHING INFORMATION TO PARTICIPANTS

SEC. 104. (a) (1) The administrator of any employee benefit plan subject to this part shall file with the Secretary—

29 USC 1024.

(A) the annual report for a plan year within 210 days after the close of such year (or within such time as may be required by regulations promulgated by the Secretary in order to reduce duplicative filing);

Annual report.

(B) the plan description within 120 days after such plan becomes subject to this part and an updated plan description, no more frequently than once every 5 years, as the Secretary may require;

(C) a copy of the summary plan description at the time such summary plan description is required to be furnished to participants and beneficiaries pursuant to subsection (b) (1) (B) of this section; and

(D) modifications and changes referred to in section 102(a) (2) within 60 days after such modification or change is adopted or occurs, as the case may be.

The Secretary shall make copies of such plan descriptions, summary plan descriptions, and annual reports available for inspection in the public document room of the Department of Labor. The administrator shall also furnish to the Secretary, upon request, any documents relating to the employee benefit plan, including but not limited to the bargaining agreement, trust agreement, contract, or other instrument under which the plan is established or operated.

(2) (A) With respect to annual reports required to be filed with the Secretary under this part, he may by regulation prescribe simplified annual reports for any pension plan which covers less than 100 participants. In addition, and without limiting the foregoing sentence, the Secretary may waive or modify the requirements of section 103(d) (6) in such cases or categories of cases as to which he finds that (i) the interests of the plan participants are not harmed thereby and (ii) the expense of compliance with the specific requirements of section 103(d) (6) is not justified by the needs of the participants, the Pension Benefit Guaranty Corporation, and the Department of Labor for some portion or all of the information otherwise required under section 103(d) (6).

(B) Nothing contained in this paragraph shall preclude the Secretary from requiring any information or data from any such plan to which this part applies where he finds such data or information is necessary to carry out the purposes of this title nor shall the Secretary

be precluded from revoking provisions for simplified reports for any such plan if he finds it necessary to do so in order to carry out the objectives of this title.

Reporting re-
quirements, ex-
emption.

(3) The Secretary may by regulation exempt any welfare benefit plan from all or part of the reporting and disclosure requirements of this title, or may provide for simplified reporting and disclosure if he finds that such requirements are inappropriate as applied to welfare benefit plans.

(4) The Secretary may reject any filing under this section—

(A) if he determines that such filing is incomplete for purposes of this part; or

(B) if he determines that there is any material qualification by an accountant or actuary contained in an opinion submitted pursuant to section 103(a)(3)(A) or section 103(a)(4)(B).

(5) If the Secretary rejects a filing of a report under paragraph (4) and if a revised filing satisfactory to the Secretary is not submitted within 45 days after the Secretary makes his determination under paragraph (4) to reject the filing, and if the Secretary deems it in the best interest of the participants, he may take any one or more of the following actions—

(A) retain an independent qualified public accountant (as defined in section 103(a)(3)(D)) on behalf of the participants to perform an audit,

(B) retain an enrolled actuary (as defined in section 103(a)(4)(C) of this Act) on behalf of the plan participants, to prepare an actuarial statement.

Civil action.

(C) bring a civil action for such legal or equitable relief as may be appropriate to enforce the provisions of this part, or

(D) take any other action authorized by this title.

The administrator shall permit such accountant or actuary to inspect whatever books and records of the plan are necessary for such audit. The plan shall be liable to the Secretary for the expenses for such audit or report, and the Secretary may bring an action against the plan in any court of competent jurisdiction to recover such expenses.

Summary plan
descriptions and
annual reports,
publication.

(b) Publication of the summary plan descriptions and annual reports shall be made to participants and beneficiaries of the particular plan as follows:

(1) The administrator shall furnish to each participant, and each beneficiary receiving benefits under the plan, a copy of the summary, plan description, and all modifications and changes referred to in section 102(a)(1)—

(A) within 90 days after he becomes a participant, or (in the case of a beneficiary) within 90 days after he first receives benefits, or

(B) if later, within 120 days after the plan becomes subject to this part.

The administrator shall furnish to each participant, and each beneficiary receiving benefits under the plan, every fifth year after the plan becomes subject to this part an updated summary plan description described in section 102 which integrates all plan amendments made within such five-year period, except that in a case where no amendments have been made to a plan during such five-year period this sentence shall not apply. Notwithstanding the foregoing, the administrator shall furnish to each participant, and to each beneficiary receiving benefits under the plan, the summary plan description described in section 102 every tenth year after the plan becomes subject to this part. If there is a modification or change described in section 102(a)(1), a summary description of such modification or change shall be

furnished not later than 210 days after the end of the plan year in which the change is adopted to each participant, and to each beneficiary who is receiving benefits under the plan.

(2) The administrator shall make copies of the plan description and the latest annual report and the bargaining agreement, trust agreement, contract, or other instruments under which the plan was established or is operated available for examination by any plan participant or beneficiary in the principal office of the administrator and in such other places as may be necessary to make available all pertinent information to all participants (including such places as the Secretary may prescribe by regulations).

(3) Within 210 days after the close of the fiscal year of the plan, the administrator shall furnish to each participant, and to each beneficiary receiving benefits under the plan, a copy of the statements and schedules, for such fiscal year, described in subparagraphs (A) and (B) of section 103(b)(3) and such other material as is necessary to fairly summarize the latest annual report.

(4) The administrator shall, upon written request of any participant or beneficiary, furnish a copy of the latest updated summary plan description, plan description, and the latest annual report, any terminal report, the bargaining agreement, trust agreement, contract, or other instruments under which the plan is established or operated. The administrator may make a reasonable charge to cover the cost of furnishing such complete copies. The Secretary may by regulation prescribe the maximum amount which will constitute a reasonable charge under the preceding sentence.

(c) The Secretary may by regulation require that the administrator of any employee benefit plan furnish to each participant and to each beneficiary receiving benefits under the plan a statement of the rights of participants and beneficiaries under this title.

(d) CROSS REFERENCE—

For regulations respecting coordination of reports to the Secretaries of Labor and the Treasury, see section 3004.

REPORTING OF PARTICIPANT'S BENEFIT RIGHTS

SEC. 105. (a) Each administrator of an employee pension benefit plan shall furnish to any plan participant or beneficiary who so requests in writing, a statement indicating, on the basis of the latest available information—

29 USC 1025.

(1) the total benefits accrued, and

(2) the nonforfeitable pension benefits, if any, which have accrued, or the earliest date on which benefits will become nonforfeitable.

(b) In no case shall a participant or beneficiary be entitled under this section to receive more than one report described in subsection (a) during any one 12 month period.

(c) Each administrator required to register under section 6057 of the Internal Revenue Code of 1954 shall, before the expiration of the time prescribed for such registration, furnish to each participant described in subsection (a)(2)(C) of such section, an individual statement setting forth the information with respect to such participant required to be contained in the registration statement required by section 6057(a)(2) of such Code.

Post, p. 943.

(d) Subsection (a) of this section shall apply to a plan to which more than one unaffiliated employer is required to contribute only to the extent provided in regulations prescribed by the Secretary in coordination with the Secretary of the Treasury.

REPORTS MADE PUBLIC INFORMATION

29 USC 1026.

SEC. 106. (a) Except as provided in subsection (b), the contents of the descriptions, annual reports, statements, and other documents filed with the Secretary pursuant to this part shall be public information and the Secretary shall make any such information and data available for inspection in the public document room of the Department of Labor. The Secretary may use the information and data for statistical and research purposes, and compile and publish such studies, analyses, reports, and surveys based thereon as he may deem appropriate.

42 USC 401.

(b) Information described in section 105(a) and 105(c) with respect to a participant may be disclosed only to the extent that information respecting that participant's benefits under title II of the Social Security Act may be disclosed under such Act.

RETENTION OF RECORDS

29 USC 1027.

SEC. 107. Every person subject to a requirement to file any description or report or to certify any information therefor under this title or who would be subject to such a requirement but for an exemption or simplified reporting requirement under section 104(a) (2) or (3) of this title shall maintain records on the matters of which disclosure is required which will provide in sufficient detail the necessary basic information and data from which the documents thus required may be verified, explained, or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions, and shall keep such records available for examination for a period of not less than six years after the filing date of the documents based on the information which they contain, or six years after the date on which such documents would have been filed but for an exemption or simplified reporting requirement under section 104(a) (2) or (3).

RELIANCE ON ADMINISTRATIVE INTERPRETATIONS

29 USC 1028.
Post, p. 891.
Post, p. 888.

SEC. 108. In any criminal proceeding under section 501 based on any act or omission in alleged violation of this part or section 412, no person shall be subject to any liability or punishment for or on account of the failure of such person to (1) comply with this part or section 412, if he pleads and proves that the act of omission complained of was in good faith, in conformity with, and in reliance on any regulation or written ruling of the Secretary, or (2) publish and file any information required by any provision of this part if he pleads and proves that he published and filed such information in good faith, and in conformity with any regulation or written ruling of the Secretary issued under this part regarding the filing of such reports. Such a defense, if established, shall be a bar to the action or proceeding, notwithstanding that (A) after such act or omission, such interpretation or opinion is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect, or (B) after publishing or filing the plan description, annual reports, and other reports required by this title, such publication or filing is determined by judicial authority not to be in conformity with the requirements of this part.

FORMS

29 USC 1029.

SEC. 109. (a) Except as provided in subsection (b) of this section, the Secretary may require that any information required under this title to be submitted to him, including but not limited to the information required to be filed by the administrator pursuant to section

103(b)(3) and (c), must be submitted on such forms as he may prescribe.

(b) The financial statement and opinion required to be prepared by an independent qualified public accountant pursuant to section 103(a)(3)(A), the actuarial statement required to be prepared by an enrolled actuary pursuant to section 103(a)(4)(A) and the summary plan description required by section 102(a) shall not be required to be submitted on forms.

(c) The Secretary may prescribe the format and content of the summary plan description, the summary of the annual report described in section 104(b)(3) and any other report, statements or documents (other than the bargaining agreement, trust agreement, contract, or other instrument under which the plan is established or operated), which are required to be furnished or made available to plan participants and beneficiaries receiving benefits under the plan.

ALTERNATIVE METHODS OF COMPLIANCE

SEC. 110. (a) The Secretary on his own motion or after having received the petition of an administrator may prescribe an alternative method for satisfying any requirement of this part with respect to any pension plan, or class of pension plans, subject to such requirement if he determines—

29 USC 1030.

(1) that the use of such alternative method is consistent with the purposes of this title and that it provides adequate disclosure to the participants and beneficiaries in the plan, and adequate reporting to the Secretary,

(2) that the application of such requirement of this part would—

(A) increase the costs to the plan, or

(B) impose unreasonable administrative burdens with respect to the operation of the plan, having regard to the particular characteristics of the plan or the type of plan involved; and

(3) that the application of this part would be adverse to the interests of plan participants in the aggregate.

(b) An alternative method may be prescribed under subsection (a) by regulation or otherwise. If an alternative method is prescribed other than by regulation, the Secretary shall provide notice and an opportunity for interested persons to present their views, and shall publish in the Federal Register the provisions of such alternative method.

Notice and opportunity to present views.
Publication in Federal Register.

REPEAL AND EFFECTIVE DATE

SEC. 111. (a)(1) The Welfare and Pension Plans Disclosure Act is repealed except that such Act shall continue to apply to any conduct and events which occurred before the effective date of this part.

29 USC 1031.
29 USC 301
note.

(2)(A) Section 664 of title 18, United States Code, is amended by striking out "any such plan subject to the provisions of the Welfare and Pension Plans Disclosure Act" and inserting in lieu thereof "any employee benefit plan subject to any provision of title I of the Employee Retirement Income Security Act of 1974".

(B)(i) Section 1027 of such title 18 is amended by striking out "Welfare and Pension Plans Disclosure Act" and inserting in lieu thereof "title I of the Employee Retirement Income Security Act of 1974", and by striking out "Act" each place it appears and inserting in lieu thereof "title".

(ii) The heading for such section is amended by striking out "WELFARE AND PENSION PLANS DISCLOSURE ACT" and inserting in lieu thereof "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974".

Ante, p. 829.

(iii) The table of sections of chapter 47 of such title 18 is amended by striking out "Welfare and Pension Plans Disclosure Act" in the item relating to section 1027 and inserting in lieu thereof "Employee Retirement Income Security Act of 1974".

(C) Section 1954 of such title 18 is amended by striking out "any plan subject to the provisions of the Welfare and Pension Plans Disclosure Act as amended" and inserting in lieu thereof "any employee welfare benefit plan or employee pension benefit plan, respectively, subject to any provision of title I of the Employee Retirement Income Security Act of 1974"; and by striking out "sections 3(3) and 5(b) (1) and (2) of the Welfare and Pension Plans Disclosure Act, as amended" and inserting in lieu thereof "sections 3(4) and (3) (16) of the Employee Retirement Income Security Act of 1974".

Effective date.

(D) Section 211 of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 441) is amended by striking out "Welfare and Pension Plans Disclosure Act" and inserting in lieu thereof "Employee Retirement Income Security Act of 1974".

(b) (1) Except as provided in paragraph (2), this part (including the amendments and repeals made by subsection (a)) shall take effect on January 1, 1975.

(2) In the case of a plan which has a plan year which begins before January 1, 1975, and ends after December 31, 1974, the Secretary may postpone by regulation the effective date of the repeal of any provision of the Welfare and Pension Plans Disclosure Act (and of any amendment made by subsection (a) (2)) and the effective date of any provision of this part, until the beginning of the first plan year of such plan which begins after January 1, 1975.

(c) The provisions of this title authorizing the Secretary to promulgate regulations shall take effect on the date of enactment of this Act.

PART 2—PARTICIPATION AND VESTING

COVERAGE

29 USC 1051.

SEC. 201. This part shall apply to any employee benefit plan described in section 4(a) (and not exempted under section 4(b)) other than—

(1) an employee welfare benefit plan;

(2) a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees;

26 USC 501.

(3) (A) a plan established and maintained by a society, order, or association described in section 501(c) (8) or (9) of the Internal Revenue Code of 1954, if no part of the contributions to or under such plan are made by employers of participants in such plan, or

(B) a trust described in section 501(c) (18) of such Code;

(4) a plan which is established and maintained by a labor organization described in section 501(c) (5) of the Internal Revenue Code of 1954 and which does not at any time after the date of enactment of this Act provide for employer contributions;

26 USC 736.

(5) any agreement providing payments to a retired partner or a deceased partner's successor in interest, as described in section 736 of the Internal Revenue Code of 1954;

Post, p. 959.

(6) an individual retirement account or annuity described in section 408 of the Internal Revenue Code of 1954, or a retirement bond described in section 409 of such Code; or

Post, p. 964.

(7) an excess benefit plan.

MINIMUM PARTICIPATION STANDARDS

SEC. 202. (a) (1) (A) No pension plan may require, as a condition of participation in the plan, that an employee complete a period of service with the employer or employers maintaining the plan extending beyond the later of the following dates—

29 USC 1052.

- (i) the date on which the employee attains the age of 25; or
- (ii) the date on which he completes 1 year of service.

Age and service requirements.

(B) (i) In the case of any plan which provides that after not more than 3 years of service each participant has a right to 100 percent of his accrued benefit under the plan which is nonforfeitable at the time such benefit accrues, clause (ii) of subparagraph (A) shall be applied by substituting "3 years of service" for "1 year of service".

(ii) In the case of any plan maintained exclusively for employees of an educational institution (as defined in section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1954) by an employer which is exempt from tax under section 501(a) of such Code, which provides that each participant having at least 1 year of service has a right to 100 percent of his accrued benefit under the plan which is nonforfeitable at the time such benefit accrues, clause (i) of subparagraph (A) shall be applied by substituting "30" for "25". This clause shall not apply to any plan to which clause (i) applies.

26 USC 170.

26 USC 501.

(2) No pension plan may exclude from participation (on the basis of age) employees who have attained a specified age, unless—

(A) the plan is a—

(i) defined benefit plan, or

(ii) target benefit plan (as defined under regulations prescribed by the Secretary of the Treasury), and

(B) such employees begin employment with the employer after they have attained a specified age which is not more than 5 years before the normal retirement age under the plan.

(3) (A) For purposes of this section, the term "year of service" means a 12-month period during which the employee has not less than 1,000 hours of service. For purposes of this paragraph, computation of any 12-month period shall be made with reference to the date on which the employee's employment commenced, except that, in accordance with regulations prescribed by the Secretary, such computation may be made by reference to the first day of a plan year in the case of an employee who does not complete 1,000 hours of service during the 12-month period beginning on the date his employment commenced.

"Year of service."

(B) In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term "year of service" shall be such period as may be determined under regulations prescribed by the Secretary.

(C) For purposes of this section, the term "hour of service" means a time of service determined under regulations prescribed by the Secretary.

"Hour of service."

(D) For purposes of this section, in the case of any maritime industry, 125 days of service shall be treated as 1,000 hours of service. The Secretary may prescribe regulations to carry out the purposes of this subparagraph.

Regulations.

(4) A plan shall be treated as not meeting the requirements of paragraph (1) unless it provides that any employee who has satisfied the minimum age and service requirements specified in such paragraph, and who is otherwise entitled to participate in the plan, commences participation in the plan no later than the earlier of—

(A) the first day of the first plan year beginning after the date on which such employee satisfied such requirements, or

(B) the date 6 months after the date on which he satisfied such requirements,

unless such employee was separated from the service before the date referred to in subparagraph (A) or (B), whichever is applicable.

(b) (1) Except as otherwise provided in paragraphs (2), (3), and (4), all years of service with the employer or employers maintaining the plan shall be taken into account in computing the period of service for purposes of subsection (a) (1).

(2) In the case of any employee who has any 1-year break in service (as defined in section 203(b)(3)(A)) under the plan to which the service requirements of clause (i) of subsection (a)(1)(B) apply, if such employee has not satisfied such requirements, service before such break shall not be required to be taken into account.

(3) In computing an employee's period of service for purposes of subsection (a)(1) in the case of any participant who has any 1-year break in service (as defined in section 203(b)(3)(A)), service before such break shall not be required to be taken into account under the plan until he has completed a year of service (as defined in subsection (a)(3)) after his return.

(4) In the case of an employee who does not have any nonforfeitable right to an accrued benefit derived from employer contributions, years of service with the employer or employers maintaining the plan before a break in service shall not be required to be taken into account in computing the period of service for purposes of subsection (a)(1) if the number of consecutive 1-year breaks in service equals or exceeds the aggregate number of such years of service before such break. Such aggregate number of years of service before such break shall be deemed not to include any years of service not required to be taken into account under this paragraph by reason of any prior break in service.

MINIMUM VESTING STANDARDS

29 USC 1053.

SEC. 203. (a) Each pension plan shall provide that an employee's right to his normal retirement benefit is nonforfeitable upon the attainment of normal retirement age and in addition shall satisfy the requirements of paragraphs (1) and (2) of this subsection.

(1) A plan satisfies the requirements of this paragraph if an employee's rights in his accrued benefit derived from his own contributions are nonforfeitable.

(2) A plan satisfies the requirements of this paragraph if it satisfies the requirements of subparagraph (A), (B), or (C).

(A) A plan satisfies the requirements of this subparagraph if an employee who has at least 10 years of service has a nonforfeitable right to 100 percent of his accrued benefit derived from employer contributions.

(B) A plan satisfies the requirements of this subparagraph if an employee who has completed at least 5 years of service has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions which percentage is not less than the percentage determined under the following table:

Years of service :	Nonforfeitable percentage
5	25
6	30
7	35
8	40
9	45
10	50
11	60
12	70
13	80
14	90
15 or more	100.

(C)(i) A plan satisfies the requirements of this subparagraph if a participant who is not separated from the service, who has completed at least 5 years of service, and with respect to whom the sum of his age and years of service equals or exceeds 45, has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions determined under the following table:

If years of service equal or exceed—	and sum of age and service equals or exceeds—	then the nonforfeit- able percentage is—
5-----	45-----	50
6-----	47-----	60
7-----	49-----	70
8-----	51-----	80
9-----	53-----	90
10-----	55-----	100.

(ii) Notwithstanding clause (i), a plan shall not be treated as satisfying the requirements of this subparagraph unless any participant who has completed at least 10 years of service has a nonforfeitable right to not less than 50 percent of his accrued benefit derived from employer contributions and to not less than an additional 10 percent for each additional year of service thereafter.

(3)(A) A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that it is not payable if the participant dies (except in the case of a survivor annuity which is payable as provided in section 205).

(B) A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that the payment of benefits is suspended for such period as the employee is employed, subsequent to the commencement of payment of such benefits—

(i) in the case of a plan other than a multiemployer plan, by an employer who maintains the plan under which such benefits were being paid; and

(ii) in the case of a multiemployer plan, in the same industry, in the same trade or craft, and the same geographic area covered by the plan, as when such benefits commenced.

The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subparagraph, including regulations with respect to the meaning of the term "employed".

Regulations.

(C) A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because plan amendments may be given retroactive application as provided in section 302(c)(8).

(D)(i) A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that, in the case of a participant who does not have a nonforfeitable right to at least 50 percent of his accrued benefit derived from employer contributions, such accrued benefit may be forfeited on account of the withdrawal by the participant of any amount attributable to the benefit derived from mandatory contributions (as defined in the last sentence of section 204(c)(2)(C)) made by such participant.

(ii) Clause (i) shall not apply to a plan unless the plan provides that any accrued benefit forfeited under a plan provision described in such clause shall be restored upon repayment by the participant of the full amount of the withdrawal described in such clause plus, in the case of a defined benefit plan, interest. Such interest shall be computed on such amount at the rate determined for purposes of section 204(c)(2)(C) (if such subsection applies) on the date of such

repayment (computed annually from the date of such withdrawal). In the case of a defined contribution plan the plan provision required under this clause may provide that such repayment must be made before the participant has any 1-year break in service commencing after the withdrawal.

(iii) In the case of accrued benefits derived from employer contributions which accrued before the date of the enactment of this Act, a right to such accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that an amount of such accrued benefit may be forfeited on account of the withdrawal by the participant of an amount attributable to the benefit derived from mandatory contributions, made by such participant before the date of the enactment of this Act if such amount forfeited is proportional to such amount withdrawn. This clause shall not apply to any plan to which any mandatory contribution is made after the date of the enactment of this Act. The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out the purposes of this clause.

Regulations.

(iv) For purposes of this subparagraph, in the case of any class-year plan, a withdrawal of employee contributions shall be treated as a withdrawal of such contributions on a plan year by plan year basis in succeeding order of time.

(v) CROSS REFERENCE.—

For nonforfeitable where the employee has a nonforfeitable right to at least 50 percent of his accrued benefit, see section 206(c).

(b) (1) In computing the period of service under the plan for purposes of determining the nonforfeitable percentage under subsection (a) (2), all of an employee's years of service with the employer or employers maintaining the plan shall be taken into account, except that the following may be disregarded:

(A) years of service before age 22, except that in the case of a plan which does not satisfy subparagraph (A) or (B) of subsection (a) (2), the plan may not disregard any such year of service during which the employee was a participant;

(B) years of service during a period for which the employee declined to contribute to a plan requiring employee contributions,

(C) years of service with an employer during any period for which the employer did not maintain the plan or a predecessor plan, defined by the Secretary of the Treasury;

(D) service not required to be taken into account under paragraph (3);

(E) years of service before January 1, 1971, unless the employee has had at least 3 years of service after December 31, 1970; and

(F) years of service before this part first applies to the plan if such service would have been disregarded under the rules of the plan with regard to breaks in service, as in effect on the applicable date.

"Year of service."

(2) (A) For purposes of this section, except as provided in subparagraph (C), the term "year of service" means a calendar year, plan year, or other 12-consecutive month period designated by the plan (and not prohibited under regulations prescribed by the Secretary) during which the participant has completed 1,000 hours of service.

"Hour of service."

(B) For purposes of this section, the term "hour of service" has the meaning provided by section 202(a) (3) (C).

(C) In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term "year of service" shall be such period as determined under regulations of the Secretary.

(D) For purposes of this section, in the case of any maritime industry, 125 days of service shall be treated as 1,000 hours of service. The Secretary may prescribe regulations to carry out the purposes of this subparagraph.

Regulations.

(3) (A) For purposes of this paragraph, the term "1-year break in service" means a calendar year, plan year, or other 12-consecutive-month period designated by the plan (and not prohibited under regulations prescribed by the Secretary) during which the participant has not completed more than 500 hours of service.

"1-year break in service."

(B) For purposes of paragraph (1), in the case of any employee who has any 1-year break in service, years of service before such break shall not be required to be taken into account until he has completed a year of service after his return.

(C) For purposes of paragraph (1), in the case of any participant in an individual account plan or an insured defined benefit plan which satisfies the requirements of subsection 204(b)(1)(F) who has any 1-year break in service, years of service after such break shall not be required to be taken into account for purposes of determining the nonforfeitable percentage of his accrued benefit derived from employer contributions which accrued before such break.

(D) For purposes of paragraph (1), in the case of a participant who, under the plan, does not have any nonforfeitable right to an accrued benefit derived from employer contributions, years of service before any 1-year break in service shall not be required to be taken into account if the number of consecutive 1-year breaks in service equals or exceeds the aggregate number of such years of service prior to such break. Such aggregate number of years of service before such break shall be deemed not to include any years of service not required to be taken into account under this subparagraph by reason of any prior break in service.

(4) CROSS REFERENCES.—

(A) For definitions of "accrued benefit" and "normal retirement age", see sections 3 (23) and (24).

(B) For effect of certain cash out distributions, see section 204(d)(1).

(c) (1) (A) A plan amendment changing any vesting schedule under the plan shall be treated as not satisfying the requirements of subsection (a) (2) if the nonforfeitable percentage of the accrued benefit derived from employer contributions (determined as of the later of the date such amendment is adopted, or the date such amendment becomes effective) of any employee who is a participant in the plan is less than such nonforfeitable percentage computed under the plan without regard to such amendment.

Plan amendment.

(B) A plan amendment changing any vesting schedule under the plan shall be treated as not satisfying the requirements of subsection (a) (2) unless each participant having not less than 5 years of service is permitted to elect, within a reasonable period after adoption of such amendment, to have his nonforfeitable percentage computed under the plan without regard to such amendment.

(2) Subsection (a) shall not apply to benefits which may not be provided for designated employees in the event of early termination of the plan under provisions of the plan adopted pursuant to regulations prescribed by the Secretary of the Treasury to preclude the discrimination prohibited by section 401(a)(4) of the Internal Revenue Code of 1954.

Post, p. 938.

(3) The requirements of subsection (a) (2) shall be deemed to be satisfied in the case of a class year plan if such plan provides that 100 percent of each employee's right to or derived from the contributions of the employer on his behalf with respect to any plan year are

"Class year plan."

nonforfeitable not later than the end of the 5th plan year following the plan year for which such contributions were made. For purposes of this part, the term "class year plan" means a profit sharing, stock bonus, or money purchase plan which provides for the separate nonforfeitability of employees' rights to or derived from the contributions for each plan year.

(d) A pension plan may allow for nonforfeitable benefits after a lesser period and in greater amounts than are required by this part.

BENEFIT ACCRUAL REQUIREMENTS

29 USC 1054.

SEC. 204. (a) Each pension plan shall satisfy the requirements of subsection (b) (2), and in the case of a defined benefit plan shall also satisfy the requirements of subsection (b) (1).

(b) (1) (A) A defined benefit plan satisfies the requirements of this paragraph if the accrued benefit to which each participant is entitled upon his separation from the service is not less than—

(i) 3 percent of the normal retirement benefit to which he would be entitled at the normal retirement age if he commenced participation at the earliest possible entry age under the plan and served continuously until the earlier of age 65 or the normal retirement age specified under the plan, multiplied by

(ii) the number of years (not in excess of $33\frac{1}{3}$) of his participation in the plan.

In the case of a plan providing retirement benefits based on compensation during any period, the normal retirement benefit to which a participant would be entitled shall be determined as if he continued to earn annually the average rate of compensation which he earned during consecutive years of service, not in excess of 10, for which his compensation was the highest. For purposes of this subparagraph, social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after such current year.

(B) A defined benefit plan satisfies the requirements of this paragraph of a particular plan year if under the plan the accrued benefit payable at the normal retirement age is equal to the normal retirement benefit and the annual rate at which any individual who is or could be a participant can accrue the retirement benefits payable at normal retirement age under the plan for any later plan year is not more than $133\frac{1}{3}$ percent of the annual rate at which he can accrue benefits for any plan year beginning on or after such particular plan year and before such later plan year. For purposes of this subparagraph—

(i) any amendment to the plan which is in effect for the current year shall be treated as in effect for all other plan years;

(ii) any change in an accrual rate which does not apply to any individual who is or could be a participant in the current year shall be disregarded;

(iii) the fact that benefits under the plan may be payable to certain employees before normal retirement age shall be disregarded; and

(iv) social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after the current year.

(C) A defined benefit plan satisfies the requirements of this paragraph if the accrued benefit to which any participant is entitled upon

his separation from the service is not less than a fraction of the annual benefit commencing at normal retirement age to which he would be entitled under the plan as in effect on the date of his separation if he continued to earn annually until normal retirement age the same rate of compensation upon which his normal retirement benefit would be computed under the plan, determined as if he had attained normal retirement age on the date any such determination is made (but taking into account no more than the 10 years of service immediately preceding his separation from service). Such fraction shall be a fraction, not exceeding 1, the numerator of which is the total number of his years of participation in the plan (as of the date of his separation from the service) and the denominator of which is the total number of years he would have participated in the plan if he separated from the service at the normal retirement age. For purposes of this subparagraph, social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after such current year.

(D) Subparagraphs (A), (B), and (C) shall not apply with respect to years of participation before the first plan year to which this section applies but a defined benefit plan satisfies the requirements of this subparagraph with respect to such years of participation only if the accrued benefit of any participant with respect to such years of participation is not less than the greater of—

(i) his accrued benefit determined under the plan, as in effect from time to time prior to the date of the enactment of this Act, or

(ii) an accrued benefit which is not less than one-half of the accrued benefit to which such participant would have been entitled if subparagraph (A), (B), or (C) applied with respect to such years of participation.

(E) Notwithstanding subparagraphs (A), (B), and (C) of this paragraph, a plan shall not be treated as not satisfying the requirements of this paragraph solely because the accrual of benefits under the plan does not become effective until the employee has two continuous years of service. For purposes of this subparagraph, the term “years of service” has the meaning provided by section 202(a)(3)(A).

“Years of service.”

(F) Notwithstanding subparagraphs (A), (B), and (C), a defined benefit plan satisfies the requirements of this paragraph if such plan—

(i) is funded exclusively by the purchase of insurance contracts, and

(ii) satisfies the requirements of paragraphs (2) and (3) of section 301(b) (relating to certain insurance contract plans), but only if an employee's accrued benefit as of any applicable date is not less than the cash surrender value his insurance contracts would have on such applicable date if the requirements of paragraphs (4), (5), and (6) of section 301(b) were satisfied.

(G) Notwithstanding the preceding subparagraphs, a defined benefit plan shall be treated as not satisfying the requirements of this paragraph if the participant's accrued benefit is reduced on account of any increase in his age or service. The preceding sentence shall not apply to benefits under the plan commencing before benefits payable under title II of the Social Security Act which benefits under the plan—

42 USC 401.

(i) do not exceed social security benefits, and

(ii) terminate when such social security benefits commence.

(2) A plan satisfies the requirements of this paragraph if—

(A) in the case of a defined benefit plan, the plan requires separate accounting for the portion of each employee's accrued benefit derived from any voluntary employee contributions permitted under the plan; and

(B) in the case of any plan which is not a defined benefit plan, the plan requires separate accounting for each employee's accrued benefit.

"Year of participation."

(3) (A) For purposes of determining an employee's accrued benefit, the term "year of participation" means a period of service (beginning at the earliest date on which the employee is a participant in the plan and which is included in a period of service required to be taken into account under section 202(b)) as determined under regulations prescribed by the Secretary which provide for the calculation of such period on any reasonable and consistent basis.

Part time employees.

(B) For purposes of this paragraph, except as provided in subparagraph (C), in the case of any employee whose customary employment is less than full time, the calculation of such employee's service on any basis which provides less than a ratable portion of the accrued benefit to which he would be entitled under the plan if his customary employment were full time shall not be treated as made on a reasonable and consistent basis.

Service less than 1,000 hours.

(C) For purposes of this paragraph, in the case of any employee whose service is less than 1,000 hours during any calendar year, plan year or other 12-consecutive-month period designated by the plan (and not prohibited under regulations prescribed by the Secretary) the calculation of his period of service shall not be treated as not made on a reasonable and consistent basis merely because such service is not taken into account.

Seasonal industry.

(D) In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term "year of participation" shall be such period as determined under regulations prescribed by the Secretary.

Maritime industry.

(E) For purposes of this subsection in the case of any maritime industry, 125 days of service shall be treated as a year of participation. The Secretary may prescribe regulations to carry out the purposes of this subparagraph.

Regulations.

(c) (1) For purposes of this section and section 203 an employee's accrued benefit derived from employer contributions as of any applicable date is the excess (if any) of the accrued benefit for such employee as of such applicable date over the accrued benefit derived from contributions made by such employee as of such date.

(2) (A) In the case of a plan other than a defined benefit plan, the accrued benefit derived from contributions made by an employee as of any applicable date is—

(i) except as provided in clause (ii), the balance of the employee's separate account consisting only of his contributions and the income, expenses, gains, and losses attributable thereto, or

(ii) if a separate account is not maintained with respect to an employee's contributions under such a plan, the amount which bears the same ratio to his total accrued benefit as the total amount of the employee's contributions (less withdrawals) bears to the sum of such contributions and the contributions made on his behalf by the employer (less withdrawals).

(B) (i) In the case of a defined benefit plan providing an annual benefit in the form of a single life annuity (without ancillary benefits) commencing at normal retirement age, the accrued benefit derived from contributions made by an employee as of any applicable date is the

annual benefit equal to the employee's accumulated contributions multiplied by the appropriate conversion factor.

(ii) For purposes of clause (i), the term "appropriate conversion factor" means the factor necessary to convert an amount equal to the accumulated contributions to a single life annuity (without ancillary benefits) commencing at normal retirement age and shall be 10 percent for a normal retirement age of 65 years. For other normal retirement ages the conversion factor shall be determined in accordance with regulations prescribed by the Secretary of the Treasury or his delegate.

"Appropriate conversion factor."

(C) For purposes of this subsection, the term "accumulated contributions" means the total of—

"Accumulated contributions."

(i) all mandatory contributions made by the employee,

(ii) interest (if any) under the plan to the end of the last plan year to which section 203(a)(2) does not apply (by reason of the applicable effective date), and

(iii) interest on the sum of the amounts determined under clauses (i) and (ii) compounded annually at the rate of 5 percent per annum from the beginning of the first plan year to which section 203(a)(2) applies (by reason of the applicable effective date) to the date upon which the employee would attain normal retirement age.

For purposes of this subparagraph, the term "mandatory contributions" means amounts contributed to the plan by the employee which are required as a condition of employment, as a condition of participation in such plan, or as a condition of obtaining benefits under the plan attributable to employer contributions.

"Mandatory contributions."

(D) The Secretary of the Treasury is authorized to adjust by regulation the conversion factor described in subparagraph (B), the rate of interest described in clause (iii) of subparagraph (C), or both, from time to time as he may deem necessary. The rate of interest shall bear the relationship to 5 percent which the Secretary of the Treasury determines to be comparable to the relationship which the long-term money rates and investment yields for the last period of 10 calendar years ending at least 12 months before the beginning of the plan year bear to the long-term money rates and investment yields for the 10-calendar year period 1964 through 1973. No such adjustment shall be effective for a plan year beginning before the expiration of 1 year after such adjustment is determined and published.

Conversion factor, adjustment.

(E) The accrued benefit derived from employee contributions shall not exceed the greater of—

Accrued benefit, limitation.

(i) the employee's accrued benefit under the plan, or

(ii) the accrued benefit derived from employee contributions determined as though the amounts calculated under clauses (ii) and (iii) of subparagraph (C) were zero.

(3) For purposes of this section, in the case of any defined benefit plan, if an employee's accrued benefit is to be determined as an amount other than an annual benefit commencing at normal retirement age, or if the accrued benefit derived from contributions made by an employee is to be determined with respect to a benefit other than an annual benefit in the form of a single life annuity (without ancillary benefits) commencing at normal retirement age, the employee's accrued benefit, or the accrued benefits derived from contributions made by an employee, as the case may be, shall be the actuarial equivalent of such benefit or amount determined under paragraph (1) or (2).

(4) In the case of a defined benefit plan which permits voluntary employee contributions, the portion of an employee's accrued benefit derived from such contributions shall be treated as an accrued benefit derived from employee contributions under a plan other than a defined benefit plan.

(d) Notwithstanding section 203(b)(1), for purposes of determining the employee's accrued benefit under the plan, the plan may disregard service performed by the employee with respect to which he has received—

(1) a distribution of the present value of his entire nonforfeitable benefit if such distribution was in an amount (not more than \$1,750) permitted under regulations prescribed by the Secretary of the Treasury, or

(2) a distribution of the present value of his nonforfeitable benefit attributable to such service which he elected to receive.

Paragraph (1) shall apply only if such distribution was made on termination of the employee's participation in the plan. Paragraph (2) shall apply only if such distribution was made on termination of the employee's participation in the plan or under such other circumstances as may be provided under regulations prescribed by the Secretary of the Treasury.

(e) For purposes of determining the employee's accrued benefit, the plan shall not disregard service as provided in subsection (d) unless the plan provides an opportunity for the participant to repay the full amount of a distribution described in subsection (d) with, in the case of a defined benefit plan, interest at the rate determined for purposes of subsection (c)(2)(C) and provides that upon such repayment the employee's accrued benefit shall be recomputed by taking into account service so disregarded. This subsection shall apply only in the case of a participant who—

(1) received such a distribution in any plan year to which this section applies, which distribution was less than the present value of his accrued benefit,

(2) resumes employment covered under the plan, and

(3) repays the full amount of such distribution with, in the case of a defined benefit plan, interest at the rate determined for purposes of subsection (c)(2)(C).

In the case of a defined contribution plan, the plan provision required under this subsection may provide that such repayment must be made before the participant has any 1-year break in service commencing after such withdrawal.

(f) For the purposes of this part, an employer shall be treated as maintaining a plan if any employee of such employer accrues benefits under such plan by reason of service with such employer.

(g) The accrued benefit of a participant under a plan may not be decreased by an amendment of the plan, other than an amendment described in section 302(c)(8).

(h) CROSS REFERENCE.—

For special rules relating to class year plans and plan provisions adopted to preclude discrimination, see sections 203(c)(2) and (3).

JOINT AND SURVIVOR ANNUITY REQUIREMENT

29 USC 1055.

SEC. 205. (a) If a pension plan provides for the payment of benefits in the form of an annuity, such plan shall provide for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity.

(b) In the case of a plan which provides for the payment of benefits before the normal retirement age as defined in section 3(24), the plan is not required to provide for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity during the period beginning on the date on which the employee enters into the plan as a participant and ending on the later of—

(1) the date the employee reaches the earliest retirement age, or

(2) the first day of the 120th month beginning before the date on which the employee reaches normal retirement age.

(c)(1) A plan described in subsection (b) does not meet the requirements of subsection (a) unless, under the plan, a participant has a reasonable period in which he may elect the qualified joint and survivor annuity form with respect to the period beginning on the date on which the period described in subsection (b) ends and ending on the date on which he reaches normal retirement age if he continues his employment during that period.

(2) A plan does not meet the requirements of this subsection unless, in the case of such election, the payments under the survivor annuity are not less than the payments which would have been made under the joint annuity to which the participant would have been entitled if he had made an election under this subsection immediately prior to his retirement and if his retirement had occurred on the date immediately preceding the date of his death and within the period within which an election can be made.

(d) A plan shall not be treated as not satisfying the requirements of this section solely because the spouse of the participant is not entitled to receive a survivor annuity (whether or not an election has been made under subsection (c)) unless the participant and his spouse have been married throughout the 1-year period ending on the date of such participant's death.

(e) A plan shall not be treated as satisfying the requirements of this section unless, under the plan, each participant has a reasonable period (as prescribed by the Secretary of the Treasury by regulations) before the annuity starting date during which he may elect in writing (after having received a written explanation of the terms and conditions of the joint and survivor annuity and the effect of an election under this subsection) not to take such joint and survivor annuity.

(f) A plan shall not be treated as not satisfying the requirements of this section solely because, under the plan there is a provision that any election under subsection (c) or (e), and any revocation of any such election, does not become effective (or ceases to be effective) if the participant dies within a period (not in excess of 2 years) beginning on the date of such election or revocation, as the case may be. The preceding sentence does not apply unless the plan provision described in the preceding sentence also provides that such an election or revocation will be given effect in any case in which—

(1) the participant dies from accidental causes,

(2) a failure to give effect to the election or revocation would deprive the participant's survivor of a survivor annuity, and

(3) such election or revocation is made before such accident occurred.

(g) For purposes of this section:

Definitions.

(1) The term "annuity starting date" means the first day of the first period for which an amount is received as an annuity (whether by reason of retirement or by reason of disability).

(2) The term "earliest retirement age" means the earliest date on which, under the plan, the participant could elect to receive retirement benefits.

(3) The term "qualified joint and survivor annuity" means an annuity for the life of the participant with a survivor annuity for the life of his spouse which is not less than one-half of, or greater than, the amount of the annuity payable during the joint lives of the participant and his spouse and which is the actuarial equivalent of a single annuity for the life of the participant.

(h) For the purposes of this section, a plan may take into account in any equitable fashion (as determined by the Secretary of the Treasury) any increased costs resulting from providing joint and survivor annuity benefits under an election made under subsection (c).

(i) This section shall apply only if—

(1) the annuity starting date did not occur before the effective date of this section, and

(2) the participant was an active participant in the plan on or after such effective date.

OTHER PROVISIONS RELATING TO FORM AND PAYMENT OF BENEFITS

29 USC 1056.

SEC. 206. (a) Each pension plan shall provide that unless the participant otherwise elects, the payment of benefits under the plan to the participant shall begin not later than the 60th day after the latest of the close of the plan year in which—

(1) the date on which the participant attains the earlier of age 65 or the normal retirement age specified under the plan,

(2) occurs the 10th anniversary of the year in which the participant commenced participation in the plan, or

(3) the participant terminates his service with the employer.

In the case of a plan which provides for the payment of an early retirement benefit, such plan shall provide that a participant who satisfied the service requirements for such early retirement benefit, but separated from the service (with any nonforfeitable right to an accrued benefit) before satisfying the age requirement for such early retirement benefit, is entitled upon satisfaction of such age requirement to receive a benefit not less than the benefit to which he would be entitled at the normal retirement age, actuarially reduced under regulations prescribed by the Secretary of the Treasury.

(b) If—

(1) a participant or beneficiary is receiving benefits under a pension plan, or

(2) a participant is separated from the service and has nonforfeitable rights to benefits,

a plan may not decrease benefits of such a participant by reason of any increase in the benefit levels payable under title II of the Social Security Act or the Railroad Retirement Act of 1937, or any increase in the wage base under such title II, if such increase takes place after the date of the enactment of this Act or (if later) the earlier of the date of first entitlement of such benefits or the date of such separation.

42 USC 401.
45 USC 228a.

(c) No pension plan may provide that any part of a participant's accrued benefit derived from employer contributions (whether or not otherwise nonforfeitable) is forfeitable solely because of withdrawal by such participant of any amount attributable to the benefit derived from contributions made by such participant. The preceding sentence shall not apply (1) to the accrued benefit of any participant unless, at the time of such withdrawal, such participant has a nonforfeitable right to at least 50 percent of such accrued benefit, or (2) to the extent that an accrued benefit is permitted to be forfeited in accordance with section 203(a)(3)(D)(iii).

(d) (1) Each pension plan shall provide that benefits provided under the plan may not be assigned or alienated.

(2) For the purposes of paragraph (1) of this subsection, there shall not be taken into account any voluntary and revocable assignment of not to exceed 10 percent of any benefit payment, or of any irrevocable assignment or alienation of benefits executed before the

date of enactment of this Act. The preceding sentence shall not apply to any assignment or alienation made for the purposes of defraying plan administration costs. For purposes of this paragraph a loan made to a participant or beneficiary shall not be treated as an assignment or alienation if such loan is secured by the participant's accrued non-forfeitable benefit and is exempt from the tax imposed by section 4975 of the Internal Revenue Code of 1954 (relating to tax on prohibited transactions) by reason of section 4975(d)(1) of such Code.

Post, p. 971.

TEMPORARY VARIANCES FROM CERTAIN VESTING REQUIREMENTS

SEC. 207. In the case of any plan maintained on January 1, 1974, if, not later than 2 years after the date of enactment of this Act, the administrator petitions the Secretary, the Secretary may prescribe an alternate method which shall be treated as satisfying the requirements of section 203(a)(2) or 204(b)(1) (other than subparagraph (D) thereof) or both for a period of not more than 4 years. The Secretary may prescribe such alternate method only when he finds that—

29 USC 1057.

(1) the application of such requirements would increase the costs of the plan to such an extent that there would result a substantial risk to the voluntary continuation of the plan or a substantial curtailment of benefit levels or the levels of employees' compensation,

(2) the application of such requirements or discontinuance of the plan would be adverse to the interests of plan participants in the aggregate, and

(3) a waiver or extension of time granted under section 303 or 304 of this Act would be inadequate.

Post, pp. 872, 873.

In the case of any plan with respect to which an alternate method has been prescribed under the preceding provisions of this subsection for a period of not more than 4 years, if, not later than 1 year before the expiration of such period, the administrator petitions the Secretary for an extension of such alternate method, and the Secretary makes the findings required by the preceding sentence, such alternate method may be extended for not more than 3 years.

MERGERS AND CONSOLIDATIONS OF PLANS OR TRANSFERS OF PLAN ASSETS

SEC. 208. A pension plan may not merge or consolidate with, or transfer its assets or liabilities to, any other plan after the date of the enactment of this Act, unless each participant in the plan would (if the plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer (if the plan had then terminated). This paragraph shall apply in the case of a multiemployer plan only to the extent determined by the Pension Benefit Guaranty Corporation.

29 USC 1058.

RECORDKEEPING AND REPORTING REQUIREMENTS

SEC. 209. (a)(1) Except as provided by paragraph (2) every employer shall, in accordance with regulations prescribed by the Secretary, maintain records with respect to each of his employees sufficient to determine the benefits due or which may become due to such employees. The plan administrator shall make a report, in such manner and at such time as may be provided in regulations prescribed by the

29 USC 1059.

Secretary, to each employee who is a participant under the plan and who—

- (A) requests such report, in such manner and at such time as may be provided in such regulations,
- (B) terminates his service with the employer, or
- (C) has a 1-year break in service (as defined in section 203(b)(3)(A)).

The employer shall furnish to the plan administrator the information necessary for the administrator to make the reports required by the preceding sentence. Not more than one report shall be required under subparagraph (A) in any 12-month period. Not more than one report shall be required under subparagraph (C) with respect to consecutive 1-year breaks in service. The report required under this paragraph shall be sufficient to inform the employee of his accrued benefits under the plan and the percentage of such benefits which are nonforfeitable under the plan.

(2) If more than one employer adopts a plan, each such employer shall, in accordance with regulations prescribed by the Secretary, furnish to the plan administrator the information necessary for the administrator to maintain the records and make the reports required by paragraph (1). Such administrator shall maintain the records and, to the extent provided under regulations prescribed by the Secretary, make the reports, required by paragraph (1).

Noncompliance,
penalty.

(b) If any person who is required, under subsection (a), to furnish information or maintain records for any plan year fails to comply with such requirement, he shall pay to the Secretary a civil penalty of \$10 for each employee with respect to whom such failure occurs, unless it is shown that such failure is due to reasonable cause.

PLANS MAINTAINED BY MORE THAN ONE EMPLOYER, PREDECESSOR PLANS, AND EMPLOYER GROUPS

29 USC 1060.

SEC. 210. (a) Notwithstanding any other provision of this part or part 3, the following provisions of this subsection shall apply to a plan maintained by more than one employer:

(1) Section 202 shall be applied as if all employees of each of the employers were employed by a single employer.

(2) Sections 203 and 204 shall be applied as if all such employers constituted a single employer, except that the application of any rules with respect to breaks in service shall be made under regulations prescribed by the Secretary.

(3) The minimum funding standard provided by section 302 shall be determined as if all participants in the plan were employed by a single employer.

(b) For purposes of this part and part 3—

(1) in any case in which the employer maintains a plan of a predecessor employer, service for such predecessor shall be treated as service for the employer, and

(2) in any case in which the employer maintains a plan which is not the plan maintained by a predecessor employer, service for such predecessor shall, to the extent provided in regulations prescribed by the Secretary of the Treasury, be treated as service for the employer.

(c) For purposes of sections 202, 203, and 204, all employees of all corporations which are members of a controlled group of corporations (within the meaning of section 1563(a) of the Internal Revenue Code of 1954, determined without regard to section 1563(a)(4) and (e)(3)(C) of such code) shall be treated as employed by a single employer.

26 USC 1563.

With respect to a plan adopted by more than one such corporation, the minimum funding standard of section 302 shall be determined as if all such employers were a single employer, and allocated to each employer in accordance with regulations prescribed by the Secretary of the Treasury.

(d) For purposes of sections 202, 203, and 204, under regulations prescribed by the Secretary of the Treasury, all employees of trades or businesses (whether or not incorporated) which are under common control shall be treated as employed by a single employer. The regulations prescribed under this subsection shall be based on principles similar to the principles which apply in the case of subsection (c).

EFFECTIVE DATES

SEC. 211. (a) Except as otherwise provided in this section, this part shall apply in the case of plan years beginning after the date of the enactment of this Act.

29 USC 1061.

(b) (1) Except as otherwise provided in subsection (d), sections 205, 206(d), and 208 shall apply with respect to plan years beginning after December 31, 1975.

(2) Except as otherwise provided in subsections (c) and (d) in the case of a plan in existence on January 1, 1974, this part shall apply in the case of plan years beginning after December 31, 1975.

(c) (1) In the case of a plan maintained on January 1, 1974, pursuant to one or more agreements which the Secretary finds to be collective bargaining agreements between employee organizations and one or more employers, no plan shall be treated as not meeting the requirements of sections 204 and 205 solely by reason of a supplementary or special plan provision (within the meaning of paragraph (2)) for any plan year before the year which begins after the earlier of—

(A) the date on which the last of such agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(B) December 31, 1980.

For purposes of subparagraph (A) and section 306(c), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement contained in this Act or the Internal Revenue Code of 1954 shall not be treated as a termination of such collective bargaining agreement. This paragraph shall not apply unless the Secretary determines that the participation and vesting rules in effect on the date of enactment of this Act are not less favorable to participants, in the aggregate, than the rules provided under sections 202, 203, and 204.

26 USC 1 et
seq.

(2) For purposes of paragraph (1), the term "supplementary or special plan provision" means any plan provision which—

"Supplementary
or special plan
provision."

(A) provides supplementary benefits, not in excess of one-third of the basic benefit, in the form of an annuity for the life of the participant, or

(B) provides that, under a contractual agreement based on medical evidence as to the effects of working in an adverse environment for an extended period of time, a participant having 25 years of service is to be treated as having 30 years of service.

(3) This subsection shall apply with respect to a plan if (and only if) the application of this subsection results in a later effective date for this part than the effective date required by subsection (b).

(d) If the administrator of a plan elects under section 1017(d) of this Act to make applicable to a plan year and to all subsequent plan years the provisions of the Internal Revenue Code of 1954 relating to

Post, p. 932.

participation, vesting, funding, and form of benefit, this part shall apply to the first plan year to which such election applies and to all subsequent plan years.

(e) (1) No pension plan to which section 202 applies may make effective any plan amendment with respect to breaks in service (which amendment is made or becomes effective after January 1, 1974, and before the date on which section 202 first becomes effective with respect to such plan) which provides that any employee's participation in the plan would commence at any date later than the later of—

(A) the date on which his participation would commence under the break in service rules of section 202(b), or

(B) the date on which his participation would commence under the plan as in effect on January 1, 1974.

(2) No pension plan to which section 203 applies may make effective any plan amendment with respect to breaks in service (which amendment is made or becomes effective after January 1, 1974, and before the date on which section 203 first becomes effective with respect to such plan) if such amendment provides that the nonforfeitable benefit derived from employer contributions to which any employee would be entitled is less than the lesser of the nonforfeitable benefit derived from employer contributions to which he would be entitled under—

(A) the break in service rules of section 202(b) (3), or

(B) the plan as in effect on January 1, 1974.

Subparagraph (B) shall not apply if the break in service rules under the plan would have been in violation of any law or rule of law in effect on January 1, 1974.

PART 3—FUNDING

COVERAGE

29 USC 1081.

SEC. 301. (a) This part shall apply to any employee pension benefit plan described in section 4(a), (and not exempted under section 4(b)), other than—

(1) an employee welfare benefit plan;

(2) an insurance contract plan described in subsection (b);

(3) a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees;

(4) (A) a plan which is established and maintained by a society, order, or association described in section 501(c) (8) or (9) of the Internal Revenue Code of 1954, if no part of the contributions to or under such plan are made by employers of participants in such plan; or

(B) a trust described in section 501(c) (18) of such Code;

(5) a plan which has not at any time after the date of enactment of this Act provided for employer contributions;

(6) an agreement providing payments to a retired partner or deceased partner or a deceased partner's successor in interest as described in section 736 of the Internal Revenue Code of 1954;

(7) an individual retirement account or annuity as described in section 408(a) of the Internal Revenue Code of 1954, or a retirement bond described in section 409 of such Code;

(8) an individual account plan (other than a money purchase plan) and a defined benefit plan to the extent it is treated as an individual account plan (other than a money purchase plan) under section 3(35) (B) of this title; or

(9) an excess benefit plan.

26 USC 501.

26 USC 736.

Post, p. 959.

(b) For the purposes of paragraph (2) of subsection (a) a plan is an "insurance contract plan" if— "Insurance contract plan."

(1) the plan is funded exclusively by the purchase of individual insurance contracts,

(2) such contracts provide for level annual premium payments to be paid extending not later than the retirement age for each individual participating in the plan, and commencing with the date the individual became a participant in the plan (or, in the case of an increase in benefits, commencing at the time such increase becomes effective),

(3) benefits provided by the plan are equal to the benefits provided under each contract at normal retirement age under the plan and are guaranteed by an insurance carrier (licensed under the laws of a State to do business with the plan) to the extent premiums have been paid,

(4) premiums payable for the plan year, and all prior plan years under such contracts have been paid before lapse or there is reinstatement of the policy,

(5) no rights under such contracts have been subject to a security interest at any time during the plan year, and

(6) no policy loans are outstanding at any time during the plan year.

A plan funded exclusively by the purchase of group insurance contracts which is determined under regulations prescribed by the Secretary of the Treasury to have the same characteristics as contracts described in the preceding sentence shall be treated as a plan described in this subsection.

MINIMUM FUNDING STANDARDS

SEC. 302. (a) (1) Every employee pension benefit plan subject to this part shall satisfy the minimum funding standard (or the alternative minimum funding standard under section 305) for any plan year to which this part applies. A plan to which this part applies shall have satisfied the minimum funding standard for such plan for a plan year if as of the end of such plan year the plan does not have an accumulated funding deficiency.

29 USC 1082.

(2) For the purposes of this part, the term "accumulated funding deficiency" means for any plan the excess of the total charges to the funding standard account for all plan years (beginning with the first plan year to which this part applies) over the total credits to such account for such years or, if less, the excess of the total charges to the alternative minimum funding standard account for such plan years over the total credits to such account for such years.

"Accumulated funding deficiency."

(b) (1) Each plan to which this part applies shall establish and maintain a funding standard account. Such account shall be credited and charged solely as provided in this section.

Funding standard account.

(2) For a plan year, the funding standard account shall be charged with the sum of—

- (A) the normal cost of the plan for the plan year,
- (B) the amounts necessary to amortize in equal annual installments (until fully amortized)—

(i) in the case of a plan in existence on January 1, 1974, the unfunded past service liability under the plan on the first day of the first plan year to which this part applies, over a period of 40 plan years,

(ii) in the case of a plan which comes into existence after January 1, 1974, the unfunded past service liability under the plan on the first day of the first plan year to which this

part applies, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

(iii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

(iv) separately, with respect to each plan year, the net experience loss (if any) under the plan, over a period of 15 plan years (20 plan years in the case of a multiemployer plan), and

(v) separately, with respect to each plan year, the net loss (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 30 plan years,

(C) the amount necessary to amortize each waived funding deficiency (within the meaning of section 303 (c)) for each prior plan year in equal annual installments (until fully amortized) over a period of 15 plan years, and

(D) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 5 plan years any amount credited to the funding standard account under paragraph (3) (D).

(3) For a plan year, the funding standard account shall be credited with the sum of—

(A) the amount considered contributed by the employer to or under the plan for the plan year,

(B) the amount necessary to amortize in equal annual installments (until fully amortized)—

(i) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

(ii) separately, with respect to each plan year, the net experience gain (if any) under the plan, over a period of 15 plan years (20 plan years in the case of a multiemployer plan), and

(iii) separately, with respect to each plan year, the net gain (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 30 plan years.

(C) the amount of the waived funding deficiency (within the meaning of section 303 (c)) for the plan year, and

(D) in the case of a plan year for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard, the excess (if any) of any debit balance in the funding standard account (determined without regard to this subparagraph) over any debit balance in the alternative minimum funding standard account.

(4) Under regulations prescribed by the Secretary of the Treasury, amounts required to be amortized under paragraph (2) or paragraph (3), as the case may be—

(A) may be combined into one amount under such paragraph to be amortized over a period determined on the basis of the remaining amortization period for all items entering into such combined amount, and

(B) may be offset against amounts required to be amortized under the other such paragraph, with the resulting amount to be amortized over a period determined on the basis of the remaining

amortization periods for all items entering into whichever of the two amounts being offset is the greater.

(5) The funding standard account (and items therein) shall be charged or credited (as determined under regulations prescribed by the Secretary of the Treasury) with interest at the appropriate rate consistent with the rate or rates of interest used under the plan to determine costs.

(c) (1) For purposes of this part, normal costs, accrued liability, past service liabilities, and experience gains and losses shall be determined under the funding method used to determine costs under the plan.

(2) (A) For purposes of this part, the value of the plan's assets shall be determined on the basis of any reasonable actuarial method of valuation which takes into account fair market value and which is permitted under regulations prescribed by the Secretary of the Treasury.

(B) For purposes of this part, the value of a bond or other evidence of indebtedness which is not in default as to principal or interest may, at the election of the plan administrator, be determined on an amortized basis running from initial cost at purchase to par value at maturity or earliest call date. Any election under this subparagraph shall be made at such time and in such manner as the Secretary of the Treasury shall by regulations provide, shall apply to all such evidences of indebtedness, and may be revoked only with the consent of the Secretary of the Treasury.

(3) For purposes of this part, all costs, liabilities, rates of interest, and other factors under the plan shall be determined on the basis of actuarial assumptions and methods which, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations) and which, in combination, offer the actuary's best estimate of anticipated experience under the plan.

(4) For purposes of this section, if—

(A) a change in benefits under the Social Security Act or in other retirement benefits created under Federal or State law, or

42 USC 1305.

(B) a change in the definition of the term "wages" under section 3121 of the Internal Revenue Code of 1954, or a change in the amount of such wages taken into account under regulations prescribed for purposes of section 401(a)(5) of the Internal Revenue Code of 1954,

26 USC 3121.

26 USC 401.

results in an increase or decrease in accrued liability under a plan, such increase or decrease shall be treated as an experience loss or gain.

(5) If the funding method for a plan is changed, the new funding method shall become the funding method used to determine costs and liabilities under the plan only if the change is approved by the Secretary of the Treasury. If the plan year for a plan is changed, the new plan year shall become the plan year for the plan only if the change is approved by the Secretary of the Treasury.

(6) If, as of the close of a plan year, a plan would (without regard to this paragraph) have an accumulated funding deficiency (determined without regard to the alternative minimum funding standard account permitted under subsection (g)) in excess of the full funding limitation—

(A) the funding standard account shall be credited with the amount of such excess, and

(B) all amounts described in paragraphs (2), (B), (C), and (D) and (3) (B) of subsection (b) which are required to be amortized shall be considered fully amortized for purposes of such paragraphs.

“Full funding limitation.”

(7) For purposes of paragraph (6), the term “full funding limitation” means the excess (if any) of—

(A) the accrued liability (including normal cost) under the plan (determined under the entry age normal funding method if such accrued liability cannot be directly calculated under the funding method used for the plan), over

(B) the lesser of the fair market value of the plan’s assets or the value of such assets determined under paragraph (2).

(8) For purposes of this part, any amendment applying to a plan year which—

(A) is adopted after the close of such plan year but no later than 2½ months after the close of the plan year (or, in the case of a multiemployer plan, no later than 2 years after the close of such plan year),

(B) does not reduce the accrued benefit of any participant determined as of the beginning of the first plan year to which the amendment applies, and

(C) does not reduce the accrued benefit of any participant determined as of the time of adoption except to the extent required by the circumstances,

shall, at the election of the plan administrator, be deemed to have been made on the first day of such plan year. No amendment described in this paragraph which reduces the accrued benefits of any participant shall take effect unless the plan administrator files a notice with the Secretary notifying him of such amendment and the Secretary has approved such amendment or, within 90 days after the date on which such notice was filed, failed to disapprove such amendment. No amendment described in this subsection shall be approved by the Secretary unless he determines that such amendment is necessary because of a substantial business hardship (as determined under section 303(b)) and that waiver under section 303(a) is unavailable or inadequate.

(9) For purposes of this part, a determination of experience gains and losses and a valuation of the plan’s liability shall be made not less frequently than once every 3 years, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary of the Treasury.

(10) For purposes of this part, any contributions for a plan year made by an employer after the last day of such plan year, but not later than 2½ months after such day, shall be deemed to have been made on such last day. For purposes of this paragraph, such 2½ month period may be extended for not more than 6 months under regulations prescribed by the Secretary of the Treasury.

(d) CROSS REFERENCE.—For alternative amortization method for certain multiemployer plans see section 1013(d) of this Act.

Post, p. 914.

VARIANCE FROM MINIMUM FUNDING STANDARD

29 USC 1083.

SEC. 303. (a) If an employer, or in the case of a multiemployer plan, 10 percent or more of the number of employers contributing to or under the plan are unable to satisfy the minimum funding standard for a plan year without substantial business hardship and if application of the standard would be adverse to the interests of plan participants in the aggregate, the Secretary of the Treasury may waive the requirements of section 302(a) for such year with respect to all or any portion of the minimum funding standard other than the portion thereof determined under section 302(b)(2)(C). The Secretary of the Treasury shall not waive the minimum funding standard with respect to a plan for more than 5 of any 15 consecutive plan years.

Waiver.

Substantial business hardship.

(b) For purposes of this part, the factors taken into account in determining substantial business hardship shall include (but shall not

be limited to) whether—

- (1) the employer is operating at an economic loss,
- (2) there is substantial unemployment or underemployment in the trade or business and in the industry concerned,
- (3) the sales and profits of the industry concerned are depressed or declining, and
- (4) it is reasonable to expect that the plan will be continued only if the waiver is granted.

(c) For purposes of this part, the term “waived funding deficiency” means the portion of the minimum funding standard (determined without regard to subsection (b) (3) (C) of section 302) for a plan year waived by the Secretary of the Treasury and not satisfied by employer contributions.

“Waived funding deficiency.”

(d) CROSS REFERENCE.—

For corresponding duties of the Secretary of the Treasury with regard to implementation of the Internal Revenue Code of 1954, see section 412(d) of such Code.

EXTENSION OF AMORTIZATION PERIODS

SEC. 304. (a) The period of years required to amortize any unfunded liability (described in any clause of subsection (b) (2) (B) of section 302) of any plan may be extended by the Secretary for a period of time (not in excess of 10 years) if he determines that such extension would carry out the purposes of this Act and would provide adequate protection for participants under the plan and their beneficiaries and if he determines that the failure to permit such extension would—

29 USC 1084.

(1) result in—

(A) a substantial risk to the voluntary continuation of the plan, or

(B) a substantial curtailment of pension benefit levels or employee compensation, and

(2) be adverse to the interests of plan participants in the aggregate.

(b) (1) No amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted if a waiver under section 303(a) or an extension of time under subsection (a) of this section is in effect with respect to the plan, or if a plan amendment described in section 302(c) (8) has been made at any time in the preceding 12 months (24 months in the case of a multiemployer plan). If a plan is amended in violation of the preceding sentence, any such waiver, or extension of time, shall not apply to any plan year ending on or after the date on which such amendment is adopted.

(2) Paragraph (1) shall not apply to any plan amendment which—

Nonapplicability.

(A) the Secretary determines to be reasonable and which provides for only de minimis increases in the liabilities of the plan.

(B) only repeals an amendment described in section 302(c) (8), or

(C) is required as a condition of qualification under part I of subchapter D, of chapter 1, of the Internal Revenue Code of 1954.

ALTERNATIVE MINIMUM FUNDING STANDARD

SEC. 305. (a) A plan which uses a funding method that requires contributions in all years not less than those required under the entry age normal funding method may maintain an alternative minimum funding standard account for any plan year. Such account shall be credited and charged solely as provided in this section.

(b) For a plan year the alternative minimum funding standard

Post, pp. 959, 964, 898, 924, 979.

26 USC 401.
29 USC 1085.

accounts shall be—

(1) charged with the sum of—

(A) the lesser of normal cost under the funding method used under the plan or normal cost determined under the unit credit method,

(B) the excess, if any, of the present value of accrued benefits under the plan over the fair market value of the assets, and

(C) an amount equal to the excess, if any, of credits to the alternative minimum funding standard account for all prior plan years over charges to such account for all such years, and

(2) credited with the amount considered contributed by the employer to or under the plan (within the meaning of section 302(c)(10)) for the plan year.

(c) The alternative minimum funding standard account (and items therein) shall be charged or credited with interest in the manner provided under section 302(b)(5) with respect to the funding standard account.

EFFECTIVE DATES

29 USC 1086.

SEC. 306. (a) Except as otherwise provided in this section, this part shall apply in the case of plan years beginning after the date of the enactment of this Act.

(b) Except as otherwise provided in subsections (c) and (d), in the case of a plan in existence on January 1, 1974, this part shall apply in the case of plan years beginning after December 31, 1975.

(c) (1) In the case of a plan maintained on January 1, 1974, pursuant to one or more agreements which the Secretary finds to be collective bargaining agreements between employee representatives and one or more employers, this part shall apply only with respect to plan years beginning after the earlier of the date specified in subparagraph (A) or (B) of section 211(c)(1).

(2) This subsection shall apply with respect to a plan if (and only if) the application of this subsection results in a later effective date for this part than the effective date required by subsection (b).

Post, p. 932.

(d) In the case of a plan the administrator of which elects under section 1017(d) of this Act to have the provisions of the Internal Revenue Code of 1954 relating to participation, vesting, funding, and form of benefit to apply to a plan year and to all subsequent plan years, this part shall apply to plan years beginning on the earlier of the first plan year to which such election applies or the first plan year determined under subsections (a), (b), and (c) of this section.

26 USC 501.

(e) In the case of a plan maintained by a labor organization which is exempt from tax under section 501(c)(5) of the Internal Revenue Code of 1954 exclusively for the benefit of its employees and their beneficiaries, this part shall be applied by substituting for the term "December 31, 1975" in subsection (b), the earlier of—

(1) the date on which the second convention of such labor organization held after the date of the enactment of this Act ends, or

(2) December 31, 1980,

but in no event shall a date earlier than the later of December 31, 1975, or the date determined under subsection (c) be substituted.

PART 4—FIDUCIARY RESPONSIBILITY

COVERAGE

29 USC 1101.

Ante, p. 11.

SEC. 401. (a) This part shall apply to any employee benefit plan described in section 4(a) (and not exempted under section 4(b)),

other than—

(1) a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees; or

(2) any agreement described in section 736 of the Internal Revenue Code of 1954, which provides payments to a retired partner or deceased partner or a deceased partner's successor in interest.

26 USC 736.

(b) For purposes of this part:

(1) In the case of a plan which invests in any security issued by an investment company registered under the Investment Company Act of 1940, the assets of such plan shall be deemed to include such security but shall not, solely by reason of such investment, be deemed to include any assets of such investment company.

15 USC 80a-51.

(2) In the case of a plan to which a guaranteed benefit policy is issued by an insurer, the assets of such plan shall be deemed to include such policy, but shall not, solely by reason of the issuance of such policy, be deemed to include any assets of such insurer. For purposes of this paragraph:

(A) The term "insurer" means an insurance company, insurance service, or insurance organization, qualified to do business in a State.

"Insurer."

(B) The term "guaranteed benefit policy" means an insurance policy or contract to the extent that such policy or contract provides for benefits the amount of which is guaranteed by the insurer. Such term includes any surplus in a separate account, but excludes any other portion of a separate account.

"Guaranteed benefit policy."

ESTABLISHMENT OF PLAN

SEC. 402. (a) (1) Every employee benefit plan shall be established and maintained pursuant to a written instrument. Such instrument shall provide for one or more named fiduciaries who jointly or severally shall have authority to control and manage the operation and administration of the plan.

29 USC 1102.

(2) For purposes of this title, the term "named fiduciary" means a fiduciary who is named in the plan instrument, or who, pursuant to a procedure specified in the plan, is identified as a fiduciary (A) by a person who is an employer or employee organization with respect to the plan or (B) by such an employer and such an employee organization acting jointly.

"Named fiduciary."

(b) Every employee benefit plan shall—

(1) provide a procedure for establishing and carrying out a funding policy and method consistent with the objectives of the plan and the requirements of this title,

(2) describe any procedure under the plan for the allocation of responsibilities for the operation and administration of the plan (including any procedure described in section 405(c)(1)),

(3) provide a procedure for amending such plan, and for identifying the persons who have authority to amend the plan, and

(4) specify the basis on which payments are made to and from the plan.

(c) Any employee benefit plan may provide—

(1) that any person or group of persons may serve in more than one fiduciary capacity with respect to the plan (including service both as trustee and administrator);

(2) that a named fiduciary, or a fiduciary designated by a named fiduciary pursuant to a plan procedure described in section 405(c)(1), may employ one or more persons to render advice with regard to any responsibility such fiduciary has under the plan; or

(3) that a person who is a named fiduciary with respect to control or management of the assets of the plan may appoint an investment manager or managers to manage (including the power to acquire and dispose of) any assets of a plan.

ESTABLISHMENT OF TRUST

29 USC 1103.

SEC. 403. (a) Except as provided in subsection (b), all assets of an employee benefit plan shall be held in trust by one or more trustees. Such trustee or trustees shall be either named in the trust instrument or in the plan instrument described in section 402(a) or appointed by a person who is a named fiduciary, and upon acceptance of being named or appointed, the trustee or trustees shall have exclusive authority and discretion to manage and control the assets of the plan, except to the extent that—

(1) the plan expressly provides that the trustee or trustees are subject to the direction of a named fiduciary who is not a trustee, in which case the trustees shall be subject to proper directions of such fiduciary which are made in accordance with the terms of the plan and which are not contrary to this title, or

(2) authority to manage, acquire, or dispose of assets of the plan is delegated to one or more investment managers pursuant to section 402(c)(3).

(b) The requirements of subsection (a) of this section shall not apply—

(1) to any assets of a plan which consist of insurance contracts or policies issued by an insurance company qualified to do business in a State;

(2) to any assets of such an insurance company or any assets of a plan which are held by such an insurance company;

(3) to a plan—

(i) some or all of the participants of which are employees described in section 401(c)(1) of the Internal Revenue Code of 1954; or

(ii) which consists of one or more individual retirement accounts described in section 408 of the Internal Revenue Code of 1954, to the extent that such plan's assets are held in one or more custodial accounts which qualify under section 401(f) or 408(h) of such Code, whichever is applicable;

(4) to a plan which the Secretary exempts from the requirement of subsection (a) and which is not subject to any of the following provisions of this Act—

(A) part 2 of this subtitle,

(B) part 3 of this subtitle, or

(C) title IV of this Act; or

(5) to a contract established and maintained under section 403

(b) of the Internal Revenue Code of 1954 to the extent that the assets of the contract are held in one or more custodial accounts pursuant to section 403(b)(7) of such Code.

(c) (1) Except as provided in paragraph (2) or (3) or subsection (d), or under section 4042 and 4044 (relating to termination of insured plans), the assets of a plan shall never inure to the benefit of any employer and shall be held for the exclusive purposes of providing benefits to participants in the plan and their beneficiaries and defraying reasonable expenses of administering the plan.

(2) (A) In the case of a contribution which is made by an employer by a mistake of fact, paragraph (1) shall not prohibit the return of such contribution to the employer within one year after the payment of the contribution.

26 USC 401.

Post, p. 959.

Ante, p. 852.

Ante, p. 868.

Post, p. 1003.

Post, p. 986.

26 USC 403.

Post, p. 940.

Post, pp. 1021,
1025.

(B) If a contribution is conditioned on qualification of the plan under section 401, 403(a), or 405(a) of the Internal Revenue Code of 1954, and if the plan does not qualify, then paragraph (1) shall not prohibit the return of such contribution to the employer within one year after the date of denial of qualification of the plan.

26 USC 401,
403, 405.

(C) If a contribution is conditioned upon the deductibility of the contribution under section 404 of the Internal Revenue Code of 1954, then, to the extent the deduction is disallowed, paragraph (1) shall not prohibit the return to the employer of such contribution (to the extent disallowed) within one year after the disallowance of the deduction.

Post, p. 921.

(3) In the case of a contribution which would otherwise be an excess contribution (as defined in section 4972(b) of the Internal Revenue Code of 1954) paragraph (1) shall not prohibit a correcting distribution with respect to such contribution from the plan to the employer to the extent permitted in such section to avoid payment of an excise tax on excess contributions under such section.

Post, p. 955.

(d)(1) Upon termination of a pension plan to which section 4021 does not apply at the time of termination and to which this part applies (other than a plan to which no employer contributions have been made) the assets of the plan shall be allocated in accordance with the provisions of section 4044 of this Act, except as otherwise provided in regulations of the Secretary.

Post, p. 1025.

(2) The assets of a welfare plan which terminates shall be distributed in accordance with the terms of the plan, except as otherwise provided in regulations of the Secretary.

FIDUCIARY DUTIES

SEC. 404. (a) (1) Subject to sections 403 (c) and (d), 4042, and 4044, a fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and—

29 USC 1104.
Ante, p. 876;
Post, pp. 1021,
1025.

(A) for the exclusive purpose of:

(i) providing benefits to participants and their beneficiaries; and

(ii) defraying reasonable expenses of administering the plan;

(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(C) by diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

(D) in accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the provisions of this title.

(2) In the case of an eligible individual account plan (as defined in section 407(d)(3)), the diversification requirement of paragraph (1)(C) and the prudence requirement (only to the extent that it requires diversification) of paragraph (1)(B) is not violated by acquisition or holding of qualifying employer real property or qualifying employer securities (as defined in section 407(d)(4) and (5)).

(b) Except as authorized by the Secretary by regulation, no fiduciary may maintain the indicia of ownership of any assets of a plan outside the jurisdiction of the district courts of the United States.

(c) In the case of a pension plan which provides for individual accounts and permits a participant or beneficiary to exercise control over assets in his account, if a participant or beneficiary exercises con-

trol over the assets in his account (as determined under regulations of the Secretary)—

(1) such participant or beneficiary shall not be deemed to be a fiduciary by reason of such exercise, and

(2) no person who is otherwise a fiduciary shall be liable under this part for any loss, or by reason of any breach, which results from such participant's or beneficiary's exercise of control.

LIABILITY FOR BREACH BY CO-FIDUCIARY

29 USC 1105.

SEC. 405. (a) In addition to any liability which he may have under any other provision of this part, a fiduciary with respect to a plan shall be liable for a breach of fiduciary responsibility of another fiduciary with respect to the same plan in the following circumstances:

(1) if he participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is a breach;

(2) if, by his failure to comply with section 404(a)(1) in the administration of his specific responsibilities which give rise to his status as a fiduciary, he has enabled such other fiduciary to commit a breach; or

(3) if he has knowledge of a breach by such other fiduciary, unless he makes reasonable efforts under the circumstances to remedy the breach.

(b)(1) Except as otherwise provided in subsection (d) and in section 403(a)(1) and (2), if the assets of a plan are held by two or more trustees—

(A) each shall use reasonable care to prevent a co-trustee from committing a breach; and

(B) they shall jointly manage and control the assets of the plan, except that nothing in this subparagraph (B) shall preclude any agreement, authorized by the trust instrument, allocating specific responsibilities, obligations, or duties among trustees, in which event a trustee to whom certain responsibilities, obligations, or duties have not been allocated shall not be liable by reason of this subparagraph (B) either individually or as a trustee for any loss resulting to the plan arising from the acts or omissions on the part of another trustee to whom such responsibilities, obligations, or duties have been allocated.

(2) Nothing in this subsection shall limit any liability that a fiduciary may have under subsection (a) or any other provision of this part.

(3)(A) In the case of a plan the assets of which are held in more than one trust, a trustee shall not be liable under paragraph (1) except with respect to an act or omission of a trustee of a trust of which he is a trustee.

(B) No trustee shall be liable under this subsection for following instructions referred to in section 403(a)(1).

(c)(1) The instrument under which a plan is maintained may expressly provide for procedures (A) for allocating fiduciary responsibilities (other than trustee responsibilities) among named fiduciaries, and (B) for named fiduciaries to designate persons other than named fiduciaries to carry out fiduciary responsibilities (other than trustee responsibilities) under the plan.

(2) If a plan expressly provides for a procedure described in paragraph (1), and pursuant to such procedure any fiduciary responsibility of a named fiduciary is allocated to any person, or a person is designated to carry out any such responsibility, then such named fiduciary

shall not be liable for an act or omission of such person in carrying out such responsibility except to the extent that—

- (A) the named fiduciary violated section 404(a)(1)—
 - (i) with respect to such allocation or designation,
 - (ii) with respect to the establishment or implementation of the procedure under paragraph (1), or
 - (iii) in continuing the allocation or designation; or

(B) the named fiduciary would otherwise be liable in accordance with subsection (a).

(3) For purposes of this subsection, the term “trustee responsibility” means any responsibility provided in the plan’s trust instrument (if any) to manage or control the assets of the plan, other than a power under the trust instrument of a named fiduciary to appoint an investment manager in accordance with section 402(c)(3).

“Trustee responsibility.”

(d)(1) If an investment manager or managers have been appointed under section 402(c)(3), then, notwithstanding subsections (a)(2) and (3) and subsection (b), no trustee shall be liable for the acts or omissions of such investment manager or managers, or be under an obligation to invest or otherwise manage any asset of the plan which is subject to the management of such investment manager.

Liability.

(2) Nothing in this subsection shall relieve any trustee of any liability under this part for any act of such trustee.

PROHIBITED TRANSACTIONS

SEC. 406. (a) Except as provided in section 408:

29 USC 1106.

(1) A fiduciary with respect to a plan shall not cause the plan to engage in a transaction, if he knows or should know that such transaction constitutes a direct or indirect—

(A) sale or exchange, or leasing, of any property between the plan and a party in interest;

(B) lending of money or other extension of credit between the plan and a party in interest;

(C) furnishing of goods, services, or facilities between the plan and a party in interest;

(D) transfer to, or use by or for the benefit of, a party in interest, of any assets of the plan; or

(E) acquisition, on behalf of the plan, of any employer security or employer real property in violation of section 407(a).

(2) No fiduciary who has authority or discretion to control or manage the assets of a plan shall permit the plan to hold any employer security or employer real property if he knows or should know that holding such security or real property violates section 407(a).

(b) A fiduciary with respect to a plan shall not—

(1) deal with the assets of the plan in his own interest or for his own account,

(2) in his individual or in any other capacity act in any transaction involving the plan on behalf of a party (or represent a party) whose interests are adverse to the interests of the plan or the interests of its participants or beneficiaries, or

(3) receive any consideration for his own personal account from any party dealing with such plan in connection with a transaction involving the assets of the plan.

(c) A transfer of real or personal property by a party in interest to a plan shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the plan assumes or if it is subject to a mortgage or similar lien which a party-in-interest placed

on the property within the 10-year period ending on the date of the transfer.

**10 PERCENT LIMITATION WITH RESPECT TO ACQUISITION AND HOLDING OF
EMPLOYER SECURITIES AND EMPLOYER REAL PROPERTY BY CERTAIN PLANS**

29 USC 1107.

SEC. 407. (a) Except as otherwise provided in this section and section 414:

(1) A plan may not acquire or hold—

(A) any employer security which is not a qualifying employer security, or

(B) any employer real property which is not qualifying employer real property.

(2) A plan may not acquire any qualifying employer security or qualifying employer real property, if immediately after such acquisition the aggregate fair market value of employer securities and employer real property held by the plan exceeds 10 percent of the fair market value of the assets of the plan.

(3) (A) After December 31, 1984, a plan may not hold any qualifying employer securities or qualifying employer real property (or both) to the extent that the aggregate fair market value of such securities and property determined on December 31, 1984, exceeds 10 percent of the greater of—

(i) the fair market value of the assets of the plan, determined on December 31, 1984, or

(ii) the fair market value of the assets of the plan determined on January 1, 1975.

(B) Subparagraph (A) of this paragraph shall not apply to any plan which on any date after December 31, 1974; and before January 1, 1985, did not hold employer securities or employer real property (or both) the aggregate fair market value of which determined on such date exceeded 10 percent of the greater of

(i) the fair market value of the assets of the plan, determined on such date, or

(ii) the fair market value of the assets of the plan determined on January 1, 1975.

(4) (A) After December 31, 1979, a plan may not hold any employer securities or employer real property in excess of the amount specified in regulations under subparagraph (B). This subparagraph shall not apply to a plan after the earliest date after December 31, 1974, on which it complies with such regulations.

Regulations.

(B) Not later than December 31, 1976, the Secretary shall prescribe regulations which shall have the effect of requiring that a plan divest itself of 50 percent of the holdings of employer securities and employer real property which the plan would be required to divest before January 1, 1985, under paragraph (2) or subsection (c) (whichever is applicable).

(b) (1) Subsection (a) of this section shall not apply to any acquisition or holding of qualifying employer securities or qualifying employer real property by an eligible individual account plan.

(2) CROSS REFERENCES.—

(A) For exemption from diversification requirements for holding of qualifying employer securities and qualifying employer real property by eligible individual account plans, see section 404(a)(2).

(B) For exemption from prohibited transactions for certain acquisitions of qualifying employer securities and qualifying employer real property which are not in violation of 10 percent limitation, see section 408(e).

(C) For transitional rules respecting securities or real property subject to binding contracts in effect on June 30, 1974, see section 414(c).

(c) (1) A plan which makes the election, under paragraph (3) shall be treated as satisfying the requirement of subsection (a) (3) if and only if employer securities held on any date after December 31, 1974 and before January 1, 1985 have a fair market value, determined as of December 31, 1974, not in excess of 10 percent of the lesser of—

(A) the fair market value of the assets of the plan determined on such date (disregarding any portion of the fair market value of employer securities which is attributable to appreciation of such securities after December 31, 1974) but not less than the fair market value of plan assets on January 1, 1975, or

(B) an amount equal to the sum of (i) the total amount of the contributions to the plan received after December 31, 1974, and prior to such date, plus (ii) the fair market value of the assets of the plan, determined on January 1, 1975.

(2) For purposes of this subsection, in the case of an employer security held by a plan after January 1, 1975, the ownership of which is derived from ownership of employer securities held by the plan on January 1, 1975, or from the exercise of rights derived from such ownership, the value of such security held after January 1, 1975, shall be based on the value as of January 1, 1975, of the security from which ownership was derived. The Secretary shall prescribe regulations to carry out this paragraph.

(3) An election under this paragraph may not be made after December 31, 1975. Such an election shall be made in accordance with regulations prescribed by the Secretary, and shall be irrevocable. A plan may make an election under this paragraph only if on January 1, 1975, the plan holds no employer real property. After such election and before January 1, 1985 the plan may not acquire any employer real property.

(d) For purposes of this section—

(1) The term “employer security” means a security issued by an employer of employees covered by the plan, or by an affiliate of such employer. A contract to which section 408(b) (5) applies shall not be treated as a security for purposes of this section.

(2) The term “employer real property” means real property (and related personal property) which is leased to an employer of employees covered by the plan, or to an affiliate of such employer. For purposes of determining the time at which a plan acquires employer real property for purposes of this section, such property shall be deemed to be acquired by the plan on the date on which the plan acquires the property or on the date on which the lease to the employer (or affiliate) is entered into, whichever is later.

(3) (A) The term “eligible individual account plan” means an individual account plan which is (i) a profit-sharing, stock bonus, thrift, or savings plan; (ii) an employee stock ownership plan; or (iii) a money purchase plan which was in existence on the date of enactment of this Act and which on such date invested primarily in qualifying employer securities. Such term excludes an individual retirement account or annuity described in section 408 of the Internal Revenue Code of 1954.

(B) Notwithstanding subparagraph (A), a plan shall be treated as an eligible individual account plan with respect to the acquisition or holding of qualifying employer real property or qualifying employer securities only if such plan explicitly provides for acquisition and holding of qualifying employer securities or qualifying employer real property (as the case may be). In the case of a plan in existence on the date of enactment of this Act, this subparagraph shall not take effect until January 1, 1976.

Definitions.

Post, p. 959.

(4) The term “qualifying employer real property” means parcels of employer real property—

(A) if a substantial number of the parcels are dispersed geographically;

(B) if each parcel of real property and the improvements thereon are suitable (or adaptable without excessive cost) for more than one use;

(C) even if all of such real property is leased to one lessee (which may be an employer, or an affiliate of an employer); and

(D) if the acquisition and retention of such property comply with the provisions of this part (other than section 404

(a) (1) (B) to the extent it requires diversification, and sections 404(a) (1) (C), 406, and subsection (a) of this section).

(5) The term “qualifying employer security” means an employer security which is stock or a marketable obligation (as defined in subsection (e)).

(6) The term “employee stock ownership plan” means an individual account plan—

(A) which is a stock bonus plan which is qualified, or a stock bonus plan and money purchase both of which are qualified, under section 401 of the Internal Revenue Code of 1954, and which is designed to invest primarily in qualifying employee securities, and

(B) which meets such other requirements as the Secretary of the Treasury may prescribe by regulation.

(7) A corporation is an affiliate of an employer if it is a member of any controlled group of corporations (as defined in section 1563(a) of the Internal Revenue Code of 1954, except that “applicable percentage” shall be substituted for “80 percent” wherever the latter percentage appears in such section) of which the employer who maintains the plan is a member. For purposes of the preceding sentence, the term “applicable percentage” means 50 percent, or such lower percentage as the Secretary may prescribe by regulation. A person other than a corporation shall be treated as an affiliate of an employer to the extent provided in regulations of the Secretary. An employer which is a person other than a corporation shall be treated as affiliated with another person to the extent provided by regulations of the Secretary. Regulations under this paragraph shall be prescribed only after consultation and coordination with the Secretary of the Treasury.

(8) The Secretary may prescribe regulations specifying the extent to which conversions, splits, the exercise of rights, and similar transactions are not treated as acquisitions.

(e) For purposes of subsection (d) (5), the term “marketable obligation” means a bond, debenture, note, or certificate, or other evidence of indebtedness (hereinafter in this subsection referred to as “obligation”) if—

(1) such obligation is acquired—

(A) on the market, either (i) at the price of the obligation prevailing on a national securities exchange which is registered with the Securities and Exchange Commission, or (ii) if the obligation is not traded on such a national securities exchange, at a price not less favorable to the plan than the offering price for the obligation as established by current bid and asked prices quoted by persons independent of the issuer;

(B) from an underwriter, at a price (i) not in excess of the public offering price for the obligation as set forth in a prospectus or offering circular filed with the Securities and

26 USC 401.

26 USC 1563.

Regulations.

“Marketable obligation.”

Exchange Commission, and (ii) at which a substantial portion of the same issue is acquired by persons independent of the issuer; or

(C) directly from the issuer, at a price not less favorable to the plan than the price paid currently for a substantial portion of the same issue by persons independent of the issuer;

(2) immediately following acquisition of such obligation—

(A) not more than 25 percent of the aggregate amount of obligations issued in such issue and outstanding at the time of acquisition is held by the plan, and

(B) at least 50 percent of the aggregate amount referred to in subparagraph (A) is held by persons independent of the issuer; and

(3) immediately following acquisition of the obligation, not more than 25 percent of the assets of the plan is invested in obligations of the employer or an affiliate of the employer.

EXEMPTIONS FROM PROHIBITED TRANSACTIONS

SEC. 408. (a) The Secretary shall establish an exemption procedure for purposes of this subsection. Pursuant to such procedure, he may grant a conditional or unconditional exemption of any fiduciary or transaction, or class of fiduciaries or transactions, from all or part of the restrictions imposed by sections 406 and 407(a). Action under this subsection may be taken only after consultation and coordination with the Secretary of the Treasury. An exemption granted under this section shall not relieve a fiduciary from any other applicable provision of this Act. The Secretary may not grant an exemption under this subsection unless he finds that such exemption is—

- (1) administratively feasible,
- (2) in the interests of the plan and of its participants and beneficiaries, and
- (3) protective of the rights of participants and beneficiaries of such plan.

Before granting an exemption under this subsection from section 406 (a) or 407(a), the Secretary shall publish notice in the Federal Register of the pendency of the exemption, shall require that adequate notice be given to interested persons, and shall afford interested persons opportunity to present views. The Secretary may not grant an exemption under this subsection from section 406(b) unless he affords an opportunity for a hearing and makes a determination on the record with respect to the findings required by paragraphs (1), (2), and (3) of this subsection.

(b) The prohibitions provided in section 406 shall not apply to any of the following transactions:

(1) Any loans made by the plan to parties in interest who are participants or beneficiaries of the plan if such loans (A) are available to all such participants and beneficiaries on a reasonably equivalent basis, (B) are not made available to highly compensated employees, officers, or shareholders in an amount greater than the amount made available to other employees, (C) are made in accordance with specific provisions regarding such loans set forth in the plan, (D) bear a reasonable rate of interest, and (E) are adequately secured.

(2) Contracting or making reasonable arrangements with a party in interest for office space, or legal, accounting, or other services necessary for the establishment or operation of the plan, if no more than reasonable compensation is paid therefor.

29 USC 1108.

Publication in
Federal Register.

Nonapplica-
bility.

(3) A loan to an employee stock ownership plan (as defined in section 407(d)(6)), if—

(A) such loan is primarily for the benefit of participants and beneficiaries of the plan, and

(B) such loan is at an interest rate which is not in excess of a reasonable rate.

If the plan gives collateral to a party in interest for such loan, such collateral may consist only of qualifying employer securities (as defined in section 407(d)(5)).

(4) The investment of all or part of a plan's assets in deposits which bear a reasonable interest rate in a bank or similar financial institution supervised by the United States or a State, if such bank or other institution is a fiduciary of such plan and if—

(A) the plan covers only employees of such bank or other institution and employees of affiliates of such bank or other institution, or

(B) such investment is expressly authorized by a provision of the plan or by a fiduciary (other than such bank or institution or affiliate thereof) who is expressly empowered by the plan to so instruct the trustee with respect to such investment.

(5) Any contract for life insurance, health insurance, or annuities with one or more insurers which are qualified to do business in a State, if the plan pays no more than adequate consideration, and if each such insurer or insurers is—

(A) the employer maintaining the plan, or

(B) a party in interest which is wholly owned (directly or indirectly) by the employer maintaining the plan, or by any person which is a party in interest with respect to the plan, but only if the total premiums and annuity considerations written by such insurers for life insurance, health insurance, or annuities for all plans (and their employers) with respect to which such insurers are parties in interest (not including premiums or annuity considerations written by the employer maintaining the plan) do not exceed 5 percent of the total premiums and annuity considerations written for all lines of insurance in that year by such insurers (not including premiums or annuity considerations written by the employer maintaining the plan).

(6) The providing of any ancillary service by a bank or similar financial institution supervised by the United States or a State, if such bank or other institution is a fiduciary of such plan, and if—

(A) such bank or similar financial institution has adopted adequate internal safeguards which assure that the providing of such ancillary service is consistent with sound banking and financial practice, as determined by Federal or State supervisory authority, and

(B) the extent to which such ancillary service is provided is subject to specific guidelines issued by such bank or similar financial institution (as determined by the Secretary after consultation with Federal and State supervisory authority), and adherence to such guidelines would reasonably preclude such bank or similar financial institution from providing such ancillary service (i) in an excessive or unreasonable manner, and (ii) in a manner that would be inconsistent with the best interests of participants and beneficiaries of employee benefit plans.

Such ancillary services shall not be provided at more than reasonable compensation.

(7) The exercise of a privilege to convert securities, to the extent provided in regulations of the Secretary, but only if the plan receives no less than adequate consideration pursuant to such conversion.

(8) Any transaction between a plan and (i) a common or collective trust fund or pooled investment fund maintained by a party in interest which is a bank or trust company supervised by a State or Federal agency or (ii) a pooled investment fund of an insurance company qualified to do business in a State, if—

(A) the transaction is a sale or purchase of an interest in the fund,

(B) the bank, trust company, or insurance company receives not more than reasonable compensation, and

(C) such transaction is expressly permitted by the instrument under which the plan is maintained, or by a fiduciary (other than the bank, trust company, or insurance company, or an affiliate thereof) who has authority to manage and control the assets of the plan.

(9) The making by a fiduciary of a distribution of the assets of the plan in accordance with the terms of the plan if such assets are distributed in the same manner as provided under section 4044 of this Act (relating to allocation of assets).

Post, p. 1025.

(c) Nothing in section 406 shall be construed to prohibit any fiduciary from—

(1) receiving any benefit to which he may be entitled as a participant or beneficiary in the plan, so long as the benefit is computed and paid on a basis which is consistent with the terms of the plan as applied to all other participants and beneficiaries;

(2) receiving any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the plan; except that no person so serving who already receives full-time pay from an employer or an association of employers, whose employees are participants in the plan, or from an employee organization whose members are participants in such plan shall receive compensation from such plan, except for reimbursement of expenses properly and actually incurred; or

(3) serving as a fiduciary in addition to being an officer, employee, agent, or other representative of a party in interest.

(d) Section 407(b) and subsections (a), (b), (c), and (e) of this section shall not apply to any transaction in which a plan, directly or indirectly—

(1) lends any part of the corpus or income of the plan to;

(2) pays any compensation for personal services rendered to the plan to; or

(3) acquires for the plan any property from or sells any property to;

any person who is with respect to the plan an owner-employee (as defined in section 401(c)(3) of the Internal Revenue Code of 1954), a member of the family (as defined in section 267(c)(4) of such Code) of any such owner-employee, or a corporation controlled by any such owner-employee through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation. For purposes of this subsection a shareholder employee (as defined in section 1379 of the Internal

26 USC 401.

26 USC 267.

26 USC 1379.

Post, pp. 959,
964.

Revenue Code of 1954) and a participant or beneficiary of an individual retirement account, individual retirement annuity, or an individual retirement bond (as defined in section 408 or 409 of the Internal Revenue Code of 1954) and an employer or association of employers which establishes such an account or annuity under section 408(c) of such code shall be deemed to be an owner-employee.

(e) Sections 406 and 407 shall not apply to the acquisition or sale by a plan of qualifying employer securities (as defined in section 407(d)(5)) or acquisition, sale or lease by a plan of qualifying employer real property (as defined in section 407(d)(4))—

(1) if such acquisition, sale, or lease is for adequate consideration (or in the case of a marketable obligation, at a price not less favorable to the plan than the price determined under Section 407(e)(1)),

(2) if no commission is charged with respect thereto, and

(3) if—

(A) the plan is an eligible individual account plan (as defined in section 407(d)(3)), or

(B) in the case of an acquisition or lease of qualifying employer real property by a plan which is not an eligible individual account plan, or of an acquisition of qualifying employer securities by such a plan, the lease or acquisition is not prohibited by section 407(a).

LIABILITY FOR BREACH OF FIDUCIARY DUTY

29 USC 1109.

SEC. 409. (a) Any person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title shall be personally liable to make good to such plan any losses to the plan resulting from each such breach, and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan by the fiduciary, and shall be subject to such other equitable or remedial relief as the court may deem appropriate, including removal of such fiduciary. A fiduciary may also be removed for a violation of section 411 of this Act.

(b) No fiduciary shall be liable with respect to a breach of fiduciary duty under this title if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary.

EXCULPATORY PROVISIONS; INSURANCE

29 USC 1110.

SEC. 410. (a) Except as provided in sections 405(b)(1) and 405(d), any provision in an agreement or instrument which purports to relieve a fiduciary from responsibility or liability for any responsibility, obligation, or duty under this part shall be void as against public policy.

(b) Nothing in this subpart shall preclude—

(1) a plan from purchasing insurance for its fiduciaries or for itself to cover liability or losses occurring by reason of the act or omission of a fiduciary, if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary;

(2) a fiduciary from purchasing insurance to cover liability under this part from and for his own account; or

(3) an employer or an employee organization from purchasing insurance to cover potential liability of one or more persons who serve in a fiduciary capacity with regard to an employee benefit plan.

PROHIBITION AGAINST CERTAIN PERSONS HOLDING CERTAIN POSITIONS

SEC. 411. (a) No person who has been convicted of, or has been imprisoned as a result of his conviction of, robbery, bribery, extortion, embezzlement, fraud, grand larceny, burglary, arson, a felony violation of Federal or State law involving substances defined in section 102(6) of the Comprehensive Drug Abuse Prevention and Control Act of 1970, murder, rape, kidnaping, perjury, assault with intent to kill, any crime described in section 9(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(a)(1)), a violation of any provision of this Act, a violation of section 302 of the Labor-Management Relations Act, 1947 (29 U.S.C. 186), a violation of chapter 63 of title 18, United States Code, a violation of section 874, 1027, 1503, 1505, 1506, 1510, 1951, or 1954 of title 18, United States Code, a violation of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 401), or conspiracy to commit any such crimes or attempt to commit any such crimes, or a crime in which any of the foregoing crimes is an element, shall serve or be permitted to serve—

(1) as an administrator, fiduciary, officer, trustee, custodian, counsel, agent, or employee of any employee benefit plan, or

(2) as a consultant to any employee benefit plan,

during or for five years after such conviction or after the end of such imprisonment, whichever is the later, unless prior to the end of such five-year period, in the case of a person so convicted or imprisoned, (A) his citizenship rights, having been revoked as a result of such conviction, have been fully restored, or (B) the Board of Parole of the United States Department of Justice determines that such person's service in any capacity referred to in paragraph (1) or (2) would not be contrary to the purposes of this title. Prior to making any such determination the Board shall hold an administrative hearing and shall give notice of such proceeding by certified mail to the State, county, and Federal prosecuting officials in the jurisdiction or jurisdictions in which such person was convicted. The Board's determination in any such proceeding shall be final. No person shall knowingly permit any other person to serve in any capacity referred to in paragraph (1) or (2) in violation of this subsection. Notwithstanding the preceding provisions of this subsection, no corporation or partnership will be precluded from acting as an administrator, fiduciary, officer, trustee, custodian, counsel, agent, or employee, of any employee benefit plan or as a consultant to any employee benefit plan without a notice, hearing, and determination by such Board of Parole that such service would be inconsistent with the intention of this section.

(b) Any person who intentionally violates this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(c) For the purposes of this section:

(1) A person shall be deemed to have been "convicted" and under the disability of "conviction" from the date of the judgment of the trial court or the date of the final sustaining of such judgment on appeal, whichever is the later event.

(2) The term "consultant" means any person who, for compensation, advises or represents an employee benefit plan or who provides other assistance to such plan, concerning the establishment or operation of such plan.

(3) A period of parole shall not be considered as part of a period of imprisonment.

29 USC 1111.

21 USC 802.

18 USC 1341.

29 USC 401
note.

Penalty.

Definitions.

BONDING

29 USC 1112.

SEC. 412. (a) Every fiduciary of an employee benefit plan and every person who handles funds or other property of such a plan (hereafter in this section referred to as "plan official") shall be bonded as provided in this section; except that—

(1) where such plan is one under which the only assets from which benefits are paid are the general assets of a union or of an employer, the administrator, officers, and employees of such plan shall be exempt from the bonding requirements of this section, and

(2) no bond shall be required of a fiduciary (or of any director, officer, or employee of such fiduciary) if such fiduciary—

(A) is a corporation organized and doing business under the laws of the United States or of any State;

(B) is authorized under such laws to exercise trust powers or to conduct an insurance business;

(C) is subject to supervision or examination by Federal or State authority; and

(D) has at all times a combined capital and surplus in excess of such a minimum amount as may be established by regulations issued by the Secretary, which amount shall be at least \$1,000,000. Paragraph (2) shall apply to a bank or other financial institution which is authorized to exercise trust powers and the deposits of which are not insured by the Federal Deposit Insurance Corporation, only if such bank or institution meets bonding or similar requirements under State law which the Secretary determines are at least equivalent to those imposed on banks by Federal law.

Limitation.

The amount of such bond shall be fixed at the beginning of each fiscal year of the plan. Such amount shall be not less than 10 per centum of the amount of funds handled. In no case shall such bond be less than \$1,000 nor more than \$500,000, except that the Secretary, after due notice and opportunity for hearing to all interested parties, and after consideration of the record, may prescribe an amount in excess of \$500,000, subject to the 10 per centum limitation of the preceding sentence. For purposes of fixing the amount of such bond, the amount of funds handled shall be determined by the funds handled by the person, group, or class to be covered by such bond and by their predecessor or predecessors, if any, during the preceding reporting year, or if the plan has no preceding reporting year, the amount of funds to be handled during the current reporting year by such person, group, or class, estimated as provided in regulations of the Secretary. Such bond shall provide protection to the plan against loss by reason of acts of fraud or dishonesty on the part of the plan official, directly or through connivance with others. Any bond shall have as surety thereon a corporate surety company which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury pursuant to sections 6 through 13 of title 6, United States Code. Any bond shall be in a form or of a type approved by the Secretary, including individual bonds or schedule or blanket forms of bonds which cover a group or class.

(b) It shall be unlawful for any plan official to whom subsection (a) applies, to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of any employee benefit plan, without being bonded as required by subsection (a) and it shall be unlawful for any plan official of such plan, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any plan official, with respect to whom the requirements of subsection (a) have not been met.

(c) It shall be unlawful for any person to procure any bond required by subsection (a) from any surety or other company or through any agent or broker in whose business operations such plan or any party in interest in such plan has any control or significant financial interest, direct or indirect.

(d) Nothing in any other provision of law shall require any person, required to be bonded as provided in subsection (a) because he handles funds or other property of an employee benefit plan, to be bonded insofar as the handling by such person of the funds or other property of such plan is concerned.

(e) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section including exempting a plan from the requirements of this section where he finds that (1) other bonding arrangements or (2) the overall financial condition of the plan would be adequate to protect the interests of the beneficiaries and participants. When, in the opinion of the Secretary, the administrator of a plan offers adequate evidence of the financial responsibility of the plan, or that other bonding arrangements would provide adequate protection of the beneficiaries and participants, he may exempt such plan from the requirements of this section.

Regulations.

LIMITATION ON ACTIONS

SEC. 413. (a) No action may be commenced under this title with respect to a fiduciary's breach of any responsibility, duty, or obligation under this part, or with respect to a violation of this part, after the earlier of—

29 USC 1113.

(1) six years after (A) the date of the last action which constituted a part of the breach or violation, or (B) in the case of an omission, the latest date on which the fiduciary could have cured the breach or violation, or

(2) three years after the earliest date (A) on which the plaintiff had actual knowledge of the breach or violation, or (B) on which a report from which he could reasonably be expected to have obtained knowledge of such breach or violation was filed with the Secretary under this title;

except that in the case of fraud or concealment, such action may be commenced not later than six years after the date of discovery of such breach or violation.

EFFECTIVE DATE

SEC. 414. (a) Except as provided in subsections (b), (c), and (d), this part shall take effect on January 1, 1975.

29 USC 1114.

(b) (1) The provisions of this part authorizing the Secretary to promulgate regulations shall take effect on the date of enactment of this Act.

(2) Upon application of a plan, the Secretary may postpone until not later than January 1, 1976, the applicability of any provision of sections 402, 403 (other than 403(c)), 405 (other than 405 (a) and (d)), and 410(a), as it applies to any plan in existence on the date of enactment of this Act if he determines such postponement is (A) necessary to amend the instrument establishing the plan under which the plan is maintained and (B) not adverse to the interest of participants and beneficiaries.

(3) This part shall take effect on the date of enactment of this Act with respect to a plan which terminates after June 30, 1974, and before January 1, 1975, and to which at the time of termination section 4021 applies.

Post, p. 1014.

(c) Section 406 and 407(a) (relating to prohibited transactions) shall not apply—

(1) until June 30, 1984, to a loan of money or other extension of credit between a plan and a party in interest under a binding contract in effect on July 1, 1974 (or pursuant to renewals of such a contract), if such loan or other extension of credit remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be, and if the execution of the contract, the making of the loan, or the extension of credit was not, at the time of such execution, making, or extension, a prohibited transaction (within the meaning of section 503(b) of the Internal Revenue Code of 1954 or the corresponding provisions of prior law);

26 USC 503.

(2) until June 30, 1984, to a lease or joint use of property involving the plan and a party in interest pursuant to a binding contract in effect on July 1, 1974 (or pursuant to renewals of such a contract), if such lease or joint use remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be and if the execution of the contract was not, at the time of such execution, a prohibited transaction (within the meaning of section 503(b) of the Internal Revenue Code of 1954) or the corresponding provisions of prior law;

(3) until June 30, 1984, to the sale, exchange, or other disposition of property described in paragraph (2) between a plan and a party in interest if—

(A) in the case of a sale, exchange, or other disposition of the property by the plan to the party in interest, the plan receives an amount which is not less than the fair market value of the property at the time of such disposition; and

(B) in the case of the acquisition of the property by the plan, the plan pays an amount which is not in excess of the fair market value of the property at the time of such acquisition;

(4) Until June 30, 1977, to the provision of services, to which paragraphs (1), (2), and (3) do not apply between a plan and a party in interest—

(A) under a binding contract in effect on July 1, 1974 (or pursuant to renewals of such contract), or

(B) if the party in interest ordinarily and customarily furnished such services on June 30, 1974, if such provision of services remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be and if such provision of services was not, at the time of such provision, a prohibited transaction (within the meaning of section 503(b) of the Internal Revenue Code of 1954) or the corresponding provisions of prior law; or

(5) the sale, exchange, or other disposition of property which is owned by a plan on June 30, 1974, and all times thereafter, to a party in interest, if such plan is required to dispose of such property in order to comply with the provisions of section 407(a) (relating to the prohibition against holding excess employer securities and employer real property), and if the plan receives not less than adequate consideration.

(d) Any election, or failure to elect, by a disqualified person under section 2003(c)(1)(B) of this Act shall be treated for purposes of this part (but not for purposes of section 514) as an act or omission occurring before the effective date of this part.

Post, p. 971.

PART 5—ADMINISTRATION AND ENFORCEMENT

CRIMINAL PENALTIES

SEC. 501. Any person who willfully violates any provision of part 1 of this subtitle, or any regulation or order issued under any such provision, shall upon conviction be fined not more than \$5,000 or imprisoned not more than one year, or both; except that in the case of such violation by a person not an individual, the fine imposed upon such person shall be a fine not exceeding \$100,000.

29 USC 1131.
Ante, p. 840.

CIVIL ENFORCEMENT

SEC. 502. (a) A civil action may be brought—

29 USC 1132.

(1) by a participant or beneficiary—

(A) for the relief provided for in subsection (c) of this section, or

(B) to recover benefits due to him under the terms of his plan, to enforce his rights under the terms of the plan, or to clarify his rights to future benefits under the terms of the plan;

(2) by the Secretary, or by a participant, beneficiary or fiduciary for appropriate relief under section 409;

(3) by a participant, beneficiary, or fiduciary (A) to enjoin any act or practice which violates any provision of this title or the terms of the plan, or (B) to obtain other appropriate equitable relief (i) to redress such violations or (ii) to enforce any provisions of this title or the terms of the plan;

(4) by the Secretary, or by a participant, or beneficiary for appropriate relief in the case of a violation of 105(c);

Ante, p. 849.

(5) except as otherwise provided in subsection (b), by the Secretary (A) to enjoin any act or practice which violates any provision of this title, or (B) to obtain other appropriate equitable relief (i) to redress such violation or (ii) to enforce any provision of this title; or

(6) by the Secretary to collect any civil penalty under subsection (i).

(b) In the case of a plan which is qualified under section 401(a), 403(a), or 405(a) of the Internal Revenue Code of 1954 (or with respect to which an application to so qualify has been filed and has not been finally determined) the Secretary may exercise his authority under subsection (a) (5) with respect to a violation of, or the enforcement of, parts 2 and 3 of this subtitle (relating to participation, vesting, and funding), only if—

26 USC 401,
403, 405.

(1) requested by the Secretary of the Treasury, or

(2) one or more participants, beneficiaries, or fiduciaries, of such plan request in writing (in such manner as the Secretary shall prescribe by regulation) that he exercise such authority on their behalf. In the case of such a request under this paragraph he may exercise such authority only if he determines that such violation affects, or such enforcement is necessary to protect, claims of participants or beneficiaries to benefits under the plan.

Ante, pp. 852,
858.

(c) Any administrator who fails or refuses to comply with a request for any information which such administrator is required by this title to furnish to a participant or beneficiary (unless such failure or refusal results from matters reasonably beyond the control of the administrator) by mailing the material requested to the last known address of the requesting participant or beneficiary within 30 days after such request may in the court's discretion be personally liable to such participant or beneficiary in the amount of up to \$100 a day from the

date of such failure or refusal, and the court may in its discretion order such other relief as it deems proper.

(d) (1) An employee benefit plan may sue or be sued under this title as an entity. Service of summons, subpoena, or other legal process of a court upon a trustee or an administrator of an employee benefit plan in his capacity as such shall constitute service upon the employee benefit plan. In a case where a plan has not designated in the summary plan description of the plan an individual as agent for the service of legal process, service upon the Secretary shall constitute such service. The Secretary, not later than 15 days after receipt of service under the preceding sentence, shall notify the administrator or any trustee of the plan of receipt of such service.

(2) Any money judgment under this title against an employee benefit plan shall be enforceable only against the plan as an entity and shall not be enforceable against any other person unless liability against such person is established in his individual capacity under this title.

Jurisdiction.

(e) (1) Except for actions under subsection (a) (1) (B) of this section, the district courts of the United States shall have exclusive jurisdiction of civil actions under this title brought by the Secretary or by a participant, beneficiary, or fiduciary. State courts of competent jurisdiction and district courts of the United States shall have concurrent jurisdiction of actions under subsection (a) (1) (B) of this section.

(2) Where an action under this title is brought in a district court of the United States, it may be brought in the district where the plan is administered, where the breach took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found.

(f) The district courts of the United States shall have jurisdiction, without respect to the amount in controversy or the citizenship of the parties, to grant the relief provided for in subsection (a) of this section in any action.

(g) In any action under this title by a participant, beneficiary, or fiduciary, the court in its discretion may allow a reasonable attorney's fee and costs of action to either party.

(h) A copy of the complaint in any action under this title by a participant, beneficiary, or fiduciary (other than an action brought by one or more participants or beneficiaries under subsection (a) (1) (B) which is solely for the purpose of recovering benefits due such participants under the terms of the plan) shall be served upon the Secretary and the Secretary of the Treasury by certified mail. Either Secretary shall have the right in his discretion to intervene in any action, except that the Secretary of the Treasury may not intervene in any action under part 4 of this subtitle. If the Secretary brings an action under subsection (a) on behalf of a participant or beneficiary, he shall notify the Secretary of the Treasury.

Ante, p. 874.

Penalty.

(i) In the case of a transaction prohibited by section 406 by a party in interest with respect to a plan to which this part applies, the Secretary may assess a civil penalty against such party in interest. The amount of such penalty may not exceed 5 percent of the amount involved (as defined in section 4975(f) (4) of the Internal Revenue Code of 1954); except that if the transaction is not corrected (in such manner as the Secretary shall prescribe by regulation, which regulations shall be consistent with section 4975(f) (5) of such Code) within 90 days after notice from the Secretary (or such longer period as the Secretary may permit), such penalty may be in an amount not more than 100 percent of the amount involved. This subsection shall not

Post, p. 971.

apply to a transaction with respect to a plan described in section 4975 (e) (1) of such Code.

Post, p. 971.

(j) In all civil actions under this title, attorneys appointed by the Secretary may represent the Secretary (except as provided in section 518(a) of title 28, United States Code), but all such litigation shall be subject to the direction and control of the Attorney General.

(k) Suits by an administrator, fiduciary, participant, or beneficiary of an employee benefit plan to review a final order of the Secretary, to restrain the Secretary from taking any action contrary to the provisions of this Act, or to compel him to take action required under this title, may be brought in the district court of the United States for the district where the plan has its principal office, or in the United States District Court for the District of Columbia.

CLAIMS PROCEDURE

SEC. 503. In accordance with regulations of the Secretary, every employee benefit plan shall—

29 USC 1133.

(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant, and

(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

INVESTIGATIVE AUTHORITY

SEC. 504. (a) The Secretary shall have the power, in order to determine whether any person has violated or is about to violate any provision of this title or any regulation or order thereunder—

29 USC 1134.

(1) to make an investigation, and in connection therewith to require the submission of reports, books, and records, and the filing of data in support of any information required to be filed with the Secretary under this title, and

(2) to enter such places, inspect such books and records and question such persons as he may deem necessary to enable him to determine the facts relative to such investigation, if he has reasonable cause to believe there may exist a violation of this title or any rule or regulation issued thereunder or if the entry is pursuant to an agreement with the plan.

The Secretary may make available to any person actually affected by any matter which is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter which may be the subject of such investigation; except that any information obtained by the Secretary pursuant to section 6103(g) of the Internal Revenue Code of 1954 shall be made available only in accordance with regulations prescribed by the Secretary of the Treasury.

Post, p. 941.

(b) The Secretary may not under the authority of this section require any plan to submit to the Secretary any books or records of the plan more than once in any 12 month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order thereunder.

Books or records, accessibility.

(c) For the purposes of any investigation provided for in this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, records, and documents) of the Federal Trade Commission Act (15 U.S.C. 49, 50) are hereby made applicable (without regard to any limitation in such sections respect-

ing persons, partnerships, banks, or common carriers) to the jurisdiction, powers, and duties of the Secretary or any officers designated by him. To the extent he considers appropriate, the Secretary may delegate his investigative functions under this section with respect to insured banks acting as fiduciaries of employee benefit plans to the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q))).

REGULATIONS

29 USC 1135.
Post, p. 995;
Ante, p. 850.

SEC. 505. Subject to title III and section 109, the Secretary may prescribe such regulations as he finds necessary or appropriate to carry out the provisions of this title. Among other things, such regulations may define accounting, technical and trade terms used in such provisions; may prescribe forms; and may provide for the keeping of books and records, and for the inspection of such books and records (subject to section 504(a) and (b)).

OTHER AGENCIES AND DEPARTMENTS

29 USC 1136.

SEC. 506. In order to avoid unnecessary expense and duplication of functions among Government agencies, the Secretary may make such arrangements or agreements for cooperation or mutual assistance in the performance of his functions under this title and the functions of any such agency as he may find to be practicable and consistent with law. The Secretary may utilize, on a reimbursable or other basis, the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision of a State, including the services of any of its employees, with the lawful consent of such department, agency, or establishment; and each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary and, to the extent permitted by law, to provide such information and facilities as he may request for his assistance in the performance of his functions under this title. The Attorney General or his representative shall receive from the Secretary for appropriate action such evidence developed in the performance of his functions under this title as may be found to warrant consideration for criminal prosecution under the provisions of this title or other Federal law.

ADMINISTRATION

29 USC 1137.
5 USC 551,
701.

SEC. 507. (a) Subchapter II of chapter 5, and chapter 7, of title 5, United States Code (relating to administrative procedure), shall be applicable to this title.

(b) Section 5108 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

“(f) In addition to the number of positions authorized by subsection (a), the Secretary of Labor is authorized, without regard to any other provision of this section, to place 1 position in the Department of Labor in grade GS-18, and a total of 20 positions in the Department of Labor in grades GS-16 and 17.”

26 USC 1 et
seq.

(c) No employee of the Department of Labor or the Department of the Treasury shall administer or enforce this title or the Internal Revenue Code of 1954 with respect to any employee benefit plan under which he is a participant or beneficiary, any employee organization of which he is a member, or any employer organization in which he has an interest. This subsection does not apply to an employee benefit plan which covers only employees of the United States.

APPROPRIATIONS

SEC. 508. There are hereby authorized to be appropriated such sums as may be necessary to enable the Secretary to carry out his functions and duties under this Act.

29 USC 1138.

SEPARABILITY PROVISIONS

SEC. 509. If any provision of this Act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

29 USC 1139.

INTERFERENCE WITH RIGHTS PROTECTED UNDER ACT

SEC. 510. It shall be unlawful for any person to discharge, fine, suspend, expel, discipline, or discriminate against a participant or beneficiary for exercising any right to which he is entitled under the provisions of an employee benefit plan, this title, section 3001, or the Welfare and Pension Plans Disclosure Act, or for the purpose of interfering with the attainment of any right to which such participant may become entitled under the plan, this title, or the Welfare and Pension Plans Disclosure Act. It shall be unlawful for any person to discharge, fine, suspend, expel, or discriminate against any person because he has given information or has testified or is about to testify in any inquiry or proceeding relating to this Act or the Welfare and Pension Plans Disclosure Act. The provisions of section 502 shall be applicable in the enforcement of this section.

29 USC 1140.

Post, p. 995.
29 USC 301
note.

COERCIVE INTERFERENCE

SEC. 511. It shall be unlawful for any person through the use of fraud, force, violence, or threat of the use of force or violence, to restrain, coerce, intimidate, or attempt to restrain, coerce, or intimidate any participant or beneficiary for the purpose of interfering with or preventing the exercise of any right to which he is or may become entitled under the plan, this title, section 3001, or the Welfare and Pension Plans Disclosure Act. Any person who willfully violates this section shall be fined \$10,000 or imprisoned for not more than one year, or both.

29 USC 1141.

Penalty.

ADVISORY COUNCIL

SEC. 512. (a) (1) There is hereby established an Advisory Council on Employee Welfare and Pension Benefit Plans (hereinafter in this section referred to as the "Council") consisting of fifteen members appointed by the Secretary. Not more than eight members of the Council shall be members of the same political party.

Advisory Council on Employee Welfare and Pension Benefit Plans.
Establishment.
29 USC 1142.
Membership.

(2) Members shall be persons qualified to appraise the programs instituted under this Act.

(3) Of the members appointed, three shall be representatives of employee organizations (at least one of whom shall be representative of any organization members of which are participants in a multiemployer plan); three shall be representatives of employers (at least one of whom shall be representative of employers maintaining or contributing to multiemployer plans); three representatives shall be appointed from the general public, one of whom shall be a person representing those receiving benefits from a pension plan; and there shall

be one representative each from the fields of insurance, corporate trust, actuarial counseling, investment counseling, investment management, and the accounting field.

Terms.

(4) Members shall serve for terms of three years except that of those first appointed, five shall be appointed for terms of one year, five shall be appointed for terms of two years, and five shall be appointed for terms of three years. A member may be reappointed. A member appointed to fill a vacancy shall be appointed only for the remainder of such term. A majority of members shall constitute a quorum and action shall be taken only by a majority vote of those present and voting.

Duties.

(b) It shall be the duty of the Council to advise the Secretary with respect to the carrying out of his functions under this Act and to submit to the Secretary recommendations with respect thereto. The Council shall meet at least four times each year and at such other times as the Secretary requests. In his annual report submitted pursuant to section 513(b), the Secretary shall include each recommendation which he has received from the Council during the preceding calendar year.

(c) The Secretary shall furnish to the Council an executive secretary and such secretarial, clerical, and other services as are deemed necessary to conduct its business. The Secretary may call upon other agencies of the Government for statistical data, reports, and other information which will assist the Council in the performance of its duties.

5 USC 5332
and note.

(d) (1) Members of the Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Council.

Travel ex-
penses.

(2) While away from their homes or regular places of business in the performance of services for Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

5 USC app. 14.

(e) Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.

RESEARCH, STUDIES, AND ANNUAL REPORT

29 USC 1143.

SEC. 513. (a) (1) The Secretary is authorized to undertake research and surveys and in connection therewith to collect, compile, analyze and publish data, information, and statistics relating to employee benefit plans, including retirement, deferred compensation, and welfare plans, and types of plans not subject to this Act.

(2) The Secretary is authorized and directed to undertake research studies relating to pension plans, including but not limited to (A) the effects of this title upon the provisions and costs of pension plans, (B) the role of private pensions in meeting the economic security needs of the Nation, and (C) the operation of private pension plans including types and levels of benefits, degree of reciprocity or portability, and financial and actuarial characteristics and practices, and methods of encouraging the growth of the private pension system.

(3) The Secretary may, as he deems appropriate or necessary, undertake other studies relating to employee benefit plans, the matters regulated by this title, and the enforcement procedures provided for under this title.

(4) The research, surveys, studies, and publications referred to in this subsection may be conducted directly, or indirectly through grant or contract arrangements.

(b) The Secretary shall submit annually a report to the Congress covering his administration of this title for the preceding year, and including (1) an explanation of any variances or extensions granted under section 110, 207, 303, or 304 and the projected date for terminating the variance; (2) the status of cases in enforcement status; (3) recommendations received from the Advisory Council during the preceding year; and (4) such information, data, research findings, studies, and recommendations for further legislation in connection with the matters covered by this title as he may find advisable.

Report to Congress.

Ante, pp. 851, 865, 872, 873.

(c) The Secretary is authorized and directed to cooperate with the Congress and its appropriate committees, subcommittees, and staff in supplying data and any other information, and personnel and services, required by the Congress in any study, examination, or report by the Congress relating to pension benefit plans established or maintained by States or their political subdivisions.

EFFECT ON OTHER LAWS

SEC. 514. (a) Except as provided in subsection (b) of this section, the provisions of this title and title IV shall supersede any and all State laws insofar as they may now or hereafter relate to any employee benefit plan described in section 4(a) and not exempt under section 4(b). This section shall take effect on January 1, 1975.

29 USC 1144.

Post, p. 1003.

Ante, p. 839.

(b) (1) This section shall not apply with respect to any cause of action which arose, or any act or omission which occurred, before January 1, 1975.

(2) (A) Except as provided in subparagraph (B), nothing in this title shall be construed to exempt or relieve any person from any law of any State which regulates insurance, banking, or securities.

(B) Neither an employee benefit plan described in section 4(a), which is not exempt under section 4(b) (other than a plan established primarily for the purpose of providing death benefits), nor any trust established under such a plan, shall be deemed to be an insurance company or other insurer, bank, trust company, or investment company or to be engaged in the business of insurance or banking for purposes of any law of any State purporting to regulate insurance companies, insurance contracts, banks, trust companies, or investment companies.

(3) Nothing in this section shall be construed to prohibit use by the Secretary of services or facilities of a State agency as permitted under section 506 of this Act.

(4) Subsection (a) shall not apply to any generally applicable criminal law of a State.

(c) For purposes of this section:

(1) The term "State law" includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

"State law."

(2) The term "State" includes a State, any political subdivisions thereof, or any agency or instrumentality of either, which purports to regulate, directly or indirectly, the terms and conditions of employee benefit plans covered by this title.

"State."

(d) Nothing in this title shall be construed to alter, amend, modify, invalidate, impair, or supersede any law of the United States (except as provided in sections 111 and 507(b)) or any rule or regulation issued under any such law.

Ante, pp. 851, 894.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE RELATING TO RETIREMENT PLANS

SEC. 1001. AMENDMENT OF INTERNAL REVENUE CODE OF 1954.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

26 USC 1 et
seq.

Subtitle A—Participation, Vesting, Funding, Administration, Etc.

PART 1—PARTICIPATION, VESTING, AND FUNDING

SEC. 1011. MINIMUM PARTICIPATION STANDARDS.

Part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus, plans, etc.) is amended by adding at the end thereof the following:

“Subpart B—Special Rules

“Sec. 410. Minimum participation standards.

“Sec. 411. Minimum vesting standards.

“Sec. 412. Minimum funding standards.

“Sec. 413. Collectively bargained plans.

“Sec. 414. Definitions and special rules.

“Sec. 415. Limitations on benefits and contributions under qualified plans.

26 USC 410.

“SEC. 410. MINIMUM PARTICIPATION STANDARDS.

“(a) PARTICIPATION.—

“(1) MINIMUM AGE AND SERVICE CONDITIONS.—

“(A) GENERAL RULE.—A trust shall not constitute a qualified trust under section 401(a) if the plan of which it is a part requires, as a condition of participation in the plan, that an employee complete a period of service with the employer or employers maintaining the plan extending beyond the later of the following dates—

“(i) the date on which the employee attains the age of 25; or

“(ii) the date on which he completes 1 year of service.

“(B) SPECIAL RULES FOR CERTAIN PLANS.—

“(i) In the case of any plan which provides that after not more than 3 years of service each participant has a right to 100 percent of his accrued benefit under the plan which is nonforfeitable (within the meaning of section 411) at the time such benefit accrues, clause (ii) of subparagraph (A) shall be applied by substituting ‘3 years of service’ for ‘1 year of service’.

“(ii) In the case of any plan maintained exclusively for employees of an educational institution (as defined in section 170(b)(1)(A)(ii)) by an employer which is exempt from tax under section 501(a) which provides that each participant having at least 1 year of service has a right to 100 percent of his accrued benefit under the plan which is nonforfeitable (within the meaning of section 411) at the time such benefit accrues, clause (i) of

Post, p. 901.

26 USC 170.

26 USC 501.

Post, p. 901.

subparagraph (A) shall be applied by substituting '30' for '25'. This clause shall not apply to any plan to which clause (i) applies.

"(2) **MAXIMUM AGE CONDITIONS.**—A trust shall not constitute a qualified trust under section 401(a) if the plan of which it is a part excludes from participation (on the basis of age) employees who have attained a specified age, unless—

26 USC 401.

"(A) the plan is a—

"(i) defined benefit plan, or

"(ii) target benefit plan (as defined under regulations prescribed by the Secretary or his delegate), and

"(B) such employees begin employment with the employer after they have attained a specified age which is not more than 5 years before the normal retirement age under the plan.

"(3) **DEFINITION OF YEAR OF SERVICE.**—

"(A) **GENERAL RULE.**—For purposes of this subsection, the term 'year of service' means a 12-month period during which the employee has not less than 1,000 hours of service. For purposes of this paragraph, computation of any 12-month period shall be made with reference to the date on which the employee's employment commenced, except that, under regulations prescribed by the Secretary of Labor, such computation may be made by reference to the first day of a plan year in the case of an employee who does not complete 1,000 hours of service during the 12-month period beginning on the date his employment commenced.

"(B) **SEASONAL INDUSTRIES.**—In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term 'year of service' shall be such period as may be determined under regulations prescribed by the Secretary of Labor.

"(C) **HOURS OF SERVICE.**—For purposes of this subsection, the term 'hour of service' means a time of service determined under regulations prescribed by the Secretary of Labor.

"(D) **MARITIME INDUSTRIES.**—For purposes of this subsection, in the case of any maritime industry, 125 days of service shall be treated as 1,000 hours of service. The Secretary of Labor may prescribe regulations to carry out this subparagraph.

"(4) **TIME OF PARTICIPATION.**—A plan shall be treated as not meeting the requirements of paragraph (1) unless it provides that any employee who has satisfied the minimum age and service requirements specified in such paragraph, and who is otherwise entitled to participate in the plan, commences participation in the plan no later than the earlier of—

"(A) the first day of the first plan year beginning after the date on which such employee satisfied such requirements, or

"(B) the date 6 months after the date on which he satisfied such requirements,

unless such employee was separated from the service before the date referred to in subparagraph (A) or (B), whichever is applicable.

"(5) **BREAKS IN SERVICE.**—

"(A) **GENERAL RULE.**—Except as otherwise provided in subparagraphs (B), (C), and (D), all years of service with the employer or employers maintaining the plan shall be taken into account in computing the period of service for purposes of paragraph (1).

Post, p. 901.

“(B) EMPLOYEES UNDER 3-YEAR 100 PERCENT VESTING.—In the case of any employee who has any 1-year break in service (as defined in section 411(a)(6)(A)) under a plan to which the service requirements of clause (i) of paragraph (1) (B) apply, if such employee has not satisfied such requirements, service before such break shall not be required to be taken into account.

“(C) 1-YEAR BREAK IN SERVICE.—In computing an employee's period of service for purposes of subsection (a)(1) in the case of any participant who has any 1-year break in service (as defined in section 411(a)(6)(A)), service before such break shall not be required to be taken into account under the plan until he has completed a year of service (as defined in paragraph (3)) after his return.

“(D) NONVESTED PARTICIPANTS.—In the case of a participant who does not have any nonforfeitable right to an accrued benefit derived from employer contributions, years of service with the employer or employers maintaining the plan before a break in service shall not be required to be taken into account in computing the period of service for purposes of subsection (a)(1) if the number of consecutive 1-year breaks in service equals or exceeds the aggregate number of such years of service before such break. Such aggregate number of years of service before such break shall be deemed not to include any years of service not required to be taken into account under this subparagraph by reason of any prior break in service.

“(b) ELIGIBILITY.—

26 USC 401.

“(1) IN GENERAL.—A trust shall not constitute a qualified trust under section 401(a) unless the trust, or two or more trusts, or the trust or trusts and annuity plan or plans are designated by the employer as constituting parts of a plan intended to qualify under section 401(a) which benefits either—

“(A) 70 percent or more of all employees, or 80 percent or more of all the employees who are eligible to benefit under the plan if 70 percent or more of all the employees are eligible to benefit under the plan, excluding in each case employees who have not satisfied the minimum age and service requirements, if any, prescribed by the plan as a condition of participation, or

“(B) such employees as qualify under a classification set up by the employer and found by the Secretary or his delegate not to be discriminatory in favor of employees who are officers, shareholders, or highly compensated.

“(2) EXCLUSION OF CERTAIN EMPLOYEES.—For purposes of paragraph (1), there shall be excluded from consideration—

“(A) employees not included in the plan who are included in a unit of employees covered by an agreement which the Secretary of Labor finds to be a collective bargaining agreement between employee representatives and one or more employers, if there is evidence that retirement benefits were the subject of good faith bargaining between such employee representatives and such employer or employers,

“(B) in the case of a trust established or maintained pursuant to an agreement which the Secretary of Labor finds to be a collective bargaining agreement between air pilots represented in accordance with title II of the Railway Labor Act and one or more employers, all employees not covered by such agreement, and

45 USC 181.

“(C) employees who are nonresident aliens and who receive no earned income (within the meaning of section 911(b)) from the employer which constitutes income from sources within the United States (within the meaning of section 861(a)(3)).

26 USC 911.

26 USC 861.

Subparagraph (B) shall not apply in the case of a plan which provides contributions or benefits for employees whose principal duties are not customarily performed aboard aircraft in flight.

“(c) APPLICATION OF PARTICIPATION STANDARDS TO CERTAIN PLANS.—

“(1) The provisions of this section (other than paragraph (2) of this subsection) shall not apply to—

“(A) a governmental plan (within the meaning of section 414(d)),

Post, p. 925.

“(B) a church plan (within the meaning of section 414(e)) with respect to which the election provided by subsection (d) of this section has not been made,

“(C) a plan which has not at any time after the date of the enactment of the Employee Retirement Income Security Act of 1974 provided for employer contributions, and

“(D) a plan established and maintained by a society, order, or association described in section 501(c)(8) or (9) if no part of the contributions to or under such plan are made by employers of participants in such plan.

26 USC 501.

“(2) A plan described in paragraph (1) shall be treated as meeting the requirements of this section, for purposes of section 401(a), if such plan meets the requirements of section 401(a)(3) as in effect on the day before the date of the enactment of this section.

26 USC 401.

“(d) ELECTION BY CHURCH TO HAVE PARTICIPATION, VESTING, FUNDING, ETC., PROVISIONS APPLY.—

“(1) IN GENERAL.—If the church or convention or association of churches which maintains any church plan makes an election under this subsection (in such form and manner as the Secretary or his delegate may by regulations prescribe), then the provisions of this title relating to participation, vesting, funding, etc. (as in effect from time to time) shall apply to such church plan as if such provisions did not contain an exclusion for church plans.

“(2) ELECTION IRREVOCABLE.—An election under this subsection with respect to any church plan shall be binding with respect to such plan, and, once made, shall be irrevocable.”

SEC. 1012. MINIMUM VESTING STANDARDS.

(a) IN GENERAL.—Subpart B of part I of subchapter D of chapter 1 is amended by adding after section 410 the following new section:

“SEC. 411. MINIMUM VESTING STANDARDS.

26 USC 411.

“(a) GENERAL RULE.—A trust shall not constitute a qualified trust under section 401(a) unless the plan of which such trust is a part provides that an employee's right to his normal retirement benefit is nonforfeitable upon the attainment of normal retirement age (as defined in subsection (a)(8)) and in addition satisfies the requirements of paragraphs (1) and (2) of this subsection and the requirements of paragraph (2) of subsection (b), and in the case of a defined benefit plan, also satisfies the requirements of paragraph (1) of subsection (b).

“(1) EMPLOYEE CONTRIBUTIONS.—A plan satisfies the requirements of this paragraph if an employee's rights in his accrued benefit derived from his own contributions are nonforfeitable.

“(2) **EMPLOYER CONTRIBUTIONS.**—A plan satisfies the requirements of this paragraph if it satisfies the requirements of subparagraph (A), (B), or (C).

“(A) **10-YEAR VESTING.**—A plan satisfies the requirements of this subparagraph if an employee who has at least 10 years of service has a nonforfeitable right to 100 percent of his accrued benefit derived from employer contributions.

“(B) **5- TO 15-YEAR VESTING.**—A plan satisfies the requirements of this subparagraph if an employee who has completed at least 5 years of service has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions which percentage is not less than the percentage determined under the following table:

Years of service:	Nonforfeitable percentage
5	25
6	30
7	35
8	40
9	45
10	50
11	60
12	70
13	80
14	90
15 or more	100.

“(C) **RULE OF 45.**—

“(i) A plan satisfies the requirements of this subparagraph if an employee who is not separated from the service, who has completed at least 5 years of service, and with respect to whom the sum of his age and years of service equals or exceeds 45, has a nonforfeitable right to a percentage of his accrued benefit derived from employer contributions determined under the following table:

If years of service equal or exceed—	and sum of age and service equals or exceeds—	then the nonforfeitable percentage is—
5	45	50
6	47	60
7	49	70
8	51	80
9	53	90
10	55	100.

“(ii) Notwithstanding clause (i), a plan shall not be treated as satisfying the requirements of this subparagraph unless any employee who has completed at least 10 years of service has a nonforfeitable right to not less than 50 percent of his accrued benefit derived from employer contributions and to not less than an additional 10 percent for each additional year of service thereafter.

“(3) **CERTAIN PERMITTED FORFEITURES, SUSPENSIONS, ETC.**—For purposes of this subsection—

“(A) **FORFEITURE ON ACCOUNT OF DEATH.**—A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that it is not payable if the participant dies (except in the case of a survivor annuity which is payable as provided in section 401(a)(11)).

“(B) **SUSPENSION OF BENEFITS UPON REEMPLOYMENT OF RETIREE.**—A right to an accrued benefit derived from employer

contributions shall not be treated as forfeitable solely because the plan provides that the payment of benefits is suspended for such period as the employee is employed, subsequent to the commencement of payment of such benefits—

“(i) in the case of a plan other than a multiemployer plan, by the employer who maintains the plan under which such benefits were being paid; and

“(ii) in the case of a multiemployer plan, in the same industry, the same trade or craft, and the same geographic area covered by the plan as when such benefits commenced.

The Secretary of Labor shall prescribe such regulations as may be necessary to carry out the purposes of this subparagraph, including regulations with respect to the meaning of the term ‘employed’.

Regulations.

“(C) EFFECT OF RETROACTIVE PLAN AMENDMENTS.—A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because plan amendments may be given retroactive application as provided in section 412(c)(8).

Post, p. 914.

“(D) WITHDRAWAL OF MANDATORY CONTRIBUTION.—

“(i) A right to an accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that, in the case of a participant who does not have a nonforfeitable right to at least 50 percent of his accrued benefit derived from employer contributions, such accrued benefit may be forfeited on account of the withdrawal by the participant of any amount attributable to the benefit derived from mandatory contributions (as defined in subsection (c)(2)(C)) made by such participant.

“(ii) Clause (i) shall not apply to a plan unless the plan provides that any accrued benefit forfeited under a plan provision described in such clause shall be restored upon repayment by the participant of the full amount of the withdrawal described in such clause plus, in the case of a defined benefit plan, interest. Such interest shall be computed on such amount at the rate determined for purposes of subsection (c)(2)(C) on the date of such repayment (computed annually from the date of such withdrawal). In the case of a defined contribution plan, the plan provision required under this clause may provide that such repayment must be made before the participant has any one-year break in service commencing after the withdrawal.

“(iii) In the case of accrued benefits derived from employer contributions which accrued before the date of the enactment of the Employee Retirement Income Security Act of 1974, a right to such accrued benefit derived from employer contributions shall not be treated as forfeitable solely because the plan provides that an amount of such accrued benefit may be forfeited on account of the withdrawal by the participant of an amount attributable to the benefit derived from mandatory contributions (as defined in subsection (c)(2)(C)) made by such participant before the date of the enactment of the Act if such amount forfeited is proportional to such amount withdrawn. This clause shall not apply to any plan to which any mandatory contribution is made after the date of the enactment of such Act. The Secretary or

Ante, p. 829.

Regulations.

his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this clause.

“(iv) For purposes of this subparagraph, in the case of any class-year plan, a withdrawal of employee contributions shall be treated as a withdrawal of such contributions on a plan year by plan year basis in succeeding order of time.

“(v) For nonforfeitability where the employee has a nonforfeitable right to at least 50 percent of his accrued benefit, see section 401(a)(19).

26 USC 401.

“(4) SERVICE INCLUDED IN DETERMINATION OF NONFORFEITABLE PERCENTAGE.—In computing the period of service under the plan for purposes of determining the nonforfeitable percentage under paragraph (2), all of an employee's years of service with the employer or employers maintaining the plan shall be taken into account, except that the following may be disregarded:

“(A) years of service before age 22, except that in the case of a plan which does not satisfy subparagraph (A) or (B) of paragraph (2), the plan may not disregard any such year of service during which the employee was a participant;

“(B) years of service during a period for which the employee declined to contribute to a plan requiring employee contributions;

“(C) years of service with an employer during any period for which the employer did not maintain the plan or a predecessor plan (as defined under regulations prescribed by the Secretary or his delegate);

“(D) service not required to be taken into account under paragraph (6);

“(E) years of service before January 1, 1971, unless the employee has had at least 3 years of service after December 31, 1970; and

“(F) years of service before the first plan year to which this section applies, if such service would have been disregarded under the rules of the plan with regard to breaks in service as in effect on the applicable date.

“(5) YEAR OF SERVICE.—

“(A) GENERAL RULE.—For purposes of this subsection, except as provided in subparagraph (C), the term ‘year of service’ means a calendar year, plan year, or other 12-consecutive month period designated by the plan (and not prohibited under regulations prescribed by the Secretary of Labor) during which the participant has completed 1,000 hours of service.

“(B) HOURS OF SERVICE.—For purposes of this subsection, the term ‘hours of service’ has the meaning provided by section 410(a)(3)(C).

“(C) SEASONAL INDUSTRIES.—In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term ‘year of service’ shall be such period as may be determined under regulations prescribed by the Secretary of Labor.

“(D) MARITIME INDUSTRIES.—For purposes of this subsection, in the case of any maritime industry, 125 days of service shall be treated as 1,000 hours of service. The Secretary of Labor may prescribe regulations to carry out the purposes of this subparagraph.

“(6) BREAKS IN SERVICE.—

“(A) DEFINITION OF 1-YEAR BREAK IN SERVICE.—For purposes of this paragraph, the term ‘1-year break in service’

Ante, p. 898.

means a calendar year, plan year, or other 12-consecutive-month period designated by the plan (and not prohibited under regulations prescribed by the Secretary of Labor) during which the participant has not completed more than 500 hours of service.

“(B) 1 YEAR OF SERVICE AFTER 1-YEAR BREAK IN SERVICE.—For purposes of paragraph (4), in the case of any employee who has any 1-year break in service, years of service before such break shall not be required to be taken into account until he has completed a year of service after his return.

“(C) 1-YEAR BREAK IN SERVICE UNDER DEFINED CONTRIBUTION PLAN.—For purposes of paragraph (4), in the case of any participant in a defined contribution plan, or an insured defined benefit plan which satisfies the requirements of subsection (b) (1) (F), who has any 1-year break in service, years of service after such break shall not be required to be taken into account for purposes of determining the nonforfeitable percentage of his accrued benefit derived from employer contributions which accrued before such break.

“(D) NONVESTED PARTICIPANTS.—For purposes of paragraph (4), in the case of a participant who, under the plan, does not have any nonforfeitable right to an accrued benefit derived from employer contributions, years of service before any 1-year break in service shall not be required to be taken into account if the number of consecutive 1-year breaks in service equals or exceeds the aggregate number of such years of service prior to such break. Such aggregate number of years of service before such break shall be deemed not to include any years of service not required to be taken into account under this subparagraph by reason of any prior break in service.

“(7) ACCRUED BENEFIT.—

“(A) IN GENERAL.—For purposes of this section, the term ‘accrued benefit’ means—

“(i) in the case of a defined benefit plan, the employee’s accrued benefit determined under the plan and, except as provided in subsection (c) (3), expressed in the form of an annual benefit commencing at normal retirement age, or

“(ii) in the case of a plan which is not a defined benefit plan, the balance of the employee’s account.

“(B) EFFECT OF CERTAIN DISTRIBUTIONS.—Notwithstanding paragraph (4), for purposes of determining the employee’s accrued benefit under the plan, the plan may disregard service performed by the employee with respect to which he has received—

“(i) a distribution of the present value of his entire nonforfeitable benefit if such distribution was in an amount (not more than \$1,750) permitted under regulations prescribed by the Secretary or his delegate, or

“(ii) a distribution of the present value of his nonforfeitable benefit attributable to such service which he elected to receive.

Clause (i) of this subparagraph shall apply only if such distribution was made on termination of the employee’s participation in the plan. Clause (ii) of this subparagraph shall apply only if such distribution was made on termination of the employee’s participation in the plan or under such other

circumstances as may be provided under regulations prescribed by the Secretary or his delegate.

“(C) REPAYMENT OF SUBPARAGRAPH (b) DISTRIBUTIONS.—For purposes of determining the employee's accrued benefit under a plan, the plan may not disregard service as provided in subparagraph (B) unless the plan provides an opportunity for the participant to repay the full amount of the distribution described in such subparagraph (B) with, in the case of a defined benefit plan, interest at the rate determined for purposes of subsection (c) (2) (C) and provides that upon such repayment the employee's accrued benefit shall be recomputed by taking into account service so disregarded. This subparagraph shall apply only in the case of a participant who—

“(i) received such a distribution in any plan year to which this section applies, which distribution was less than the present value of his accrued benefit,

“(ii) resumes employment covered under the plan, and

“(iii) repays the full amount of such distribution with, in the case of a defined benefit plan, interest at the rate determined for purposes of subsection (c) (2) (C).

In the case of a defined contribution plan, the plan provision required under this subparagraph may provide that such repayment must be made before the participant has any one-year break in service commencing after such withdrawal.

“(8) NORMAL RETIREMENT AGE.—For purposes of this section, the term ‘normal retirement age’ means the earlier of—

“(A) the time a plan participant attains normal retirement age under the plan, or

“(B) the later of—

“(i) the time a plan participant attains age 65, or

“(ii) the 10th anniversary of the time a plan participant commenced participation in the plan.

“(9) NORMAL RETIREMENT BENEFIT.—For purposes of this section, the term ‘normal retirement benefit’ means the greater of the early retirement benefit under the plan, or the benefit under the plan commencing at normal retirement age. The normal retirement benefit shall be determined without regard to—

“(A) medical benefits, and

“(B) disability benefits not in excess of the qualified disability benefit.

For purposes of this paragraph, a qualified disability benefit is a disability benefit provided by a plan which does not exceed the benefit which would be provided for the participant if he separated from the service at normal retirement age. For purposes of this paragraph, the early retirement benefit under a plan shall be determined without regard to any benefits commencing before benefits payable under title II of the Social Security Act become payable which—

“(i) do not exceed such social security benefits, and

“(ii) terminate when such social security benefits commence.

“(10) CHANGES IN VESTING SCHEDULE.—

“(A) GENERAL RULE.—A plan amendment changing any vesting schedule under the plan shall be treated as not satisfy-

ing the requirements of paragraph (2) if the nonforfeitable percentage of the accrued benefit derived from employer contributions (determined as of the later of the date such amendment is adopted, or the date such amendment becomes effective) of any employee who is a participant in the plan is less than such nonforfeitable percentage computed under the plan without regard to such amendment.

“(B) ELECTION OF FORMER SCHEDULE.—A plan amendment changing any vesting schedule under the plan shall be treated as not satisfying the requirements of paragraph (2) unless each participant having not less than 5 years of service is permitted to elect, within a reasonable period after the adoption of such amendment, to have his nonforfeitable percentage computed under the plan without regard to such amendment.

“(b) ACCRUED BENEFIT REQUIREMENTS.—

(1) GENERAL RULES.—

“(A) 3-PERCENT METHOD.—A defined benefit plan satisfies the requirements of this paragraph if the accrued benefit to which each participant is entitled upon his separation from the service is not less than—

“(i) 3 percent of the normal retirement benefit to which he would be entitled if he commenced participation at the earliest possible entry age under the plan and served continuously until the earlier of age 65 or the normal retirement age specified under the plan, multiplied by

“(ii) the number of years (not in excess of $33\frac{1}{3}$) of his participation in the plan.

In the case of a plan providing retirement benefits based on compensation during any period, the normal retirement benefit to which a participant would be entitled shall be determined as if he continued to earn annually the average rate of compensation which he earned during consecutive years of service, not in excess of 10, for which his compensation was the highest. For purposes of this subparagraph, social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after such current year.

“(B) $133\frac{1}{3}$ PERCENT RULE.—A defined benefit plan satisfies the requirements of this paragraph for a particular plan year if under the plan the accrued benefit payable at the normal retirement age is equal to the normal retirement benefit and the annual rate at which any individual who is or could be a participant can accrue the retirement benefits payable at normal retirement age under the plan for any later plan year is not more than $133\frac{1}{3}$ percent of the annual rate at which he can accrue benefits for any plan year beginning on or after such particular plan year and before such later plan year. For purposes of this subparagraph—

“(i) any amendment to the plan which is in effect for the current year shall be treated as in effect for all other plan years;

“(ii) any change in an accrual rate which does not apply to any individual who is or could be a participant in the current year shall be disregarded;

“(iii) the fact that benefits under the plan may be payable to certain employees before normal retirement age shall be disregarded; and

“(iv) social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after the current year.

“(C) FRACTIONAL RULE.—A defined benefit plan satisfies the requirements of this paragraph if the accrued benefit to which any participant is entitled upon his separation from the service is not less than a fraction of the annual benefit commencing at normal retirement age to which he would be entitled under the plan as in effect on the date of his separation if he continued to earn annually until normal retirement age the same rate of compensation upon which his normal retirement benefit would be computed under the plan, determined as if he had attained normal retirement age on the date on which any such determination is made (but taking into account no more than the 10 years of service immediately preceding his separation from service). Such fraction shall be a fraction, not exceeding 1, the numerator of which is the total number of his years of participation in the plan (as of the date of his separation from the service) and the denominator of which is the total number of years he would have participated in the plan if he separated from the service at the normal retirement age. For purposes of this subparagraph, social security benefits and all other relevant factors used to compute benefits shall be treated as remaining constant as of the current year for all years after such current year.

“(D) ACCRUAL FOR SERVICE BEFORE EFFECTIVE DATE.—Subparagraphs (A), (B), and (C) shall not apply with respect to years of participation before the first plan year to which this section applies, but a defined benefit plan satisfies the requirements of this subparagraph with respect to such years of participation only if the accrued benefit of any participant with respect to such years of participation is not less than the greater of—

“(i) his accrued benefit determined under the plan, as in effect from time to time prior to the date of the enactment of the Employee Retirement Income Security Act of 1974, or

“(ii) an accrued benefit which is not less than one-half of the accrued benefit to which such participant would have been entitled if subparagraph (A), (B), or (C) applied with respect to such years of participation.

“(E) FIRST TWO YEARS OF SERVICE.—Notwithstanding subparagraphs (A), (B), and (C) of this paragraph, a plan shall not be treated as not satisfying the requirements of this paragraph solely because the accrual of benefits under the plan does not become effective until the employee has two continuous years of service. For purposes of this subparagraph, the term ‘years of service’ has the meaning provided by section 410(a)(3)(A).

“(F) CERTAIN INSURED DEFINED BENEFIT PLANS.—Notwithstanding subparagraphs (A), (B), and (C), a defined benefit

plan satisfies the requirements of this paragraph if such plan—

“(i) is funded exclusively by the purchase of insurance contracts, and

“(ii) satisfies the requirements of paragraphs (2) and (3) of section 412(i) (relating to certain insurance contract plans),

but only if an employee's accrued benefit as of any applicable date is not less than the cash surrender value his insurance contracts would have on such applicable date if the requirements of paragraphs (4), (5), and (6) of section 412(i) were satisfied.

“(G) ACCRUED BENEFIT MAY NOT DECREASE ON ACCOUNT OF INCREASING AGE OR SERVICE.—Notwithstanding the preceding subparagraphs, a defined benefit plan shall be treated as not satisfying the requirements of this paragraph if the participant's accrued benefit is reduced on account of any increase in his age or service. The preceding sentence shall not apply to benefits under the plan commencing before entitlement to benefits payable under title II of the Social Security Act which benefits under the plan—

“(i) do not exceed such social security benefits, and

“(ii) terminate when such social security benefits commence.

“(2) SEPARATE ACCOUNTING REQUIRED IN CERTAIN CASES.—A plan satisfies the requirements of this paragraph if—

“(A) in the case of a defined benefit plan, the plan requires separate accounting for the portion of each employee's accrued benefit derived from any voluntary employee contributions permitted under the plan; and

“(B) in the case of any plan which is not a defined benefit plan, the plan requires separate accounting for each employee's accrued benefit.

“(3) YEAR OF PARTICIPATION.—

“(A) DEFINITION.—For purposes of determining an employee's accrued benefit, the term ‘year of participation’ means a period of service (beginning at the earliest date on which the employee is a participant in the plan and which is included in a period of service required to be taken into account under section 410(a)(5)) as determined under regulations prescribed by the Secretary of Labor which provide for the calculation of such period on any reasonable and consistent basis.

“(B) LESS THAN FULL TIME SERVICE.—For purposes of this paragraph, except as provided in subparagraph (C), in the case of any employee whose customary employment is less than full time, the calculation of such employee's service on any basis which provides less than a ratable portion of the accrued benefit to which he would be entitled under the plan if his customary employment were full time shall not be treated as made on a reasonable and consistent basis.

“(C) LESS THAN 1,000 HOURS OF SERVICE DURING YEAR.—For purposes of this paragraph, in the case of any employee whose service is less than 1,000 hours during any calendar year, plan year or other 12-consecutive month period designated by the plan (and not prohibited under regulations prescribed by the Secretary of Labor) the calculation of his period of service shall not be treated as not made on a reasonable and consistent basis solely because such service is not taken into account.

Post, p. 914.

42 USC 401.

Ante, p. 898.

"(D) SEASONAL INDUSTRIES.—In the case of any seasonal industry where the customary period of employment is less than 1,000 hours during a calendar year, the term 'year of participation' shall be such period as determined under regulations prescribed by the Secretary of Labor.

Regulations.

"(E) MARITIME INDUSTRIES.—For purposes of this subsection, in the case of any maritime industry, 125 days of service shall be treated as a year of participation. The Secretary of Labor may prescribe regulations to carry out the purposes of this subparagraph.

"(c) ALLOCATION OF ACCRUED BENEFITS BETWEEN EMPLOYER AND EMPLOYEE CONTRIBUTIONS.—

"(1) ACCRUED BENEFIT DERIVED FROM EMPLOYER CONTRIBUTIONS.—For purposes of this section, an employee's accrued benefit derived from employer contributions as of any applicable date is the excess, if any, of the accrued benefit for such employee as of such applicable date over the accrued benefit derived from contributions made by such employee as of such date.

"(2) ACCRUED BENEFIT DERIVED FROM EMPLOYEE CONTRIBUTIONS.—

"(A) PLANS OTHER THAN DEFINED BENEFIT PLANS.—In the case of a plan other than a defined benefit plan, the accrued benefit derived from contributions made by an employee as of any applicable date is—

"(i) except as provided in clause (ii), the balance of the employee's separate account consisting only of his contributions and the income, expenses, gains, and losses attributable thereto, or

"(ii) if a separate account is not maintained with respect to an employee's contributions under such a plan, the amount which bears the same ratio to his total accrued benefit as the total amount of the employee's contributions (less withdrawals) bears to the sum of such contributions and the contributions made on his behalf by the employer (less withdrawals).

"(B) DEFINED BENEFIT PLANS.—

"(i) IN GENERAL.—In the case of a defined benefit plan providing an annual benefit in the form of a single life annuity (without ancillary benefits) commencing at normal retirement age, the accrued benefit derived from contributions made by an employee as of any applicable date is the annual benefit equal to the employee's accumulated contributions multiplied by the appropriate conversion factor.

"(ii) APPROPRIATE CONVERSION FACTOR.—For purposes of clause (i), the term 'appropriate conversion factor' means the factor necessary to convert an amount equal to the accumulated contributions to a single life annuity (without ancillary benefits) commencing at normal retirement age and shall be 10 percent for a normal retirement age of 65 years. For other normal retirement ages the conversion factor shall be determined in accordance with regulations prescribed by the Secretary or his delegate.

"(C) DEFINITION OF ACCUMULATED CONTRIBUTIONS.—For purposes of this subsection, the term 'accumulated contributions' means the total of—

"(i) all mandatory contributions made by the employee,

“(ii) interest (if any) under the plan to the end of the last plan year to which subsection (a) (2) does not apply (by reason of the applicable effective date), and

“(iii) interest on the sum of the amounts determined under clauses (i) and (ii) compounded annually at the rate of 5 percent per annum from the beginning of the first plan year to which subsection (a) (2) applies (by reason of the applicable effective date) to the date upon which the employee would attain normal retirement age.

For purposes of this subparagraph, the term ‘mandatory contributions’ means amounts contributed to the plan by the employee which are required as a condition of employment, as a condition of participation in such plan, or as a condition of obtaining benefits under the plan attributable to employer contributions.

“Mandatory contributions.”

“(D) ADJUSTMENTS.—The Secretary or his delegate is authorized to adjust by regulation the conversion factor described in subparagraph (B), the rate of interest described in clause (iii) of subparagraph (C), or both, from time to time as he may deem necessary. The rate of interest shall bear the relationship to 5 percent which the Secretary or his delegate determines to be comparable to the relationship which the long-term money rates and investment yields for the last period of 10 calendar years ending at least 12 months before the beginning of the plan year bear to the long-term money rates and investment yields for the 10-calendar year period 1964 through 1973. No such adjustment shall be effective for a plan year beginning before the expiration of 1 year after such adjustment is determined and published.

“(E) LIMITATION.—The accrued benefit derived from employee contributions shall not exceed the greater of—

“(i) the employee’s accrued benefit under the plan, or

“(ii) the accrued benefit derived from employee contributions determined as though the amounts calculated under clauses (ii) and (iii) of subparagraph (C) were zero.

“(3) ACTUARIAL ADJUSTMENT.—For purposes of this section, in the case of any defined benefit plan, if an employee’s accrued benefit is to be determined as an amount other than an annual benefit commencing at normal retirement age, or if the accrued benefit derived from contributions made by an employee is to be determined with respect to a benefit other than an annual benefit in the form of a single life annuity (without ancillary benefits) commencing at normal retirement age, the employee’s accrued benefit, or the accrued benefits derived from contributions made by an employee, as the case may be, shall be the actuarial equivalent of such benefit or amount determined under paragraph (1) or (2).

“(d) SPECIAL RULES.—

“(1) COORDINATION WITH SECTION 401(a)(4).—A plan which satisfies the requirements of this section shall be treated as satisfying any vesting requirements resulting from the application of section 401(a)(4) unless—

“(A) there has been a pattern of abuse under the plan (such as a dismissal of employees before their accrued benefits become nonforfeitable) tending to discriminate in favor of employees who are officers, shareholders, or highly compensated, or

Post, p. 938.

“(B) there have been, or there is reason to believe there will be, an accrual of benefits or forfeitures tending to discriminate in favor of employees who are officers, shareholders, or highly compensated.

Post, p. 938.

“(2) PROHIBITED DISCRIMINATION.—Subsection (a) shall not apply to benefits which may not be provided for designated employees in the event of early termination of the plan under provisions of the plan adopted pursuant to regulations prescribed by the Secretary or his delegate to preclude the discrimination prohibited by section 401(a)(4).

Post, p. 914.

“(3) TERMINATION OR PARTIAL TERMINATION; DISCONTINUANCE OF CONTRIBUTIONS.—Notwithstanding the provisions of subsection (a), a trust shall not constitute a qualified trust under section 401(a) unless the plan of which such trust is a part provides that—

“(A) upon its termination or partial termination, or

“(B) in the case of a plan to which section 412 does not apply, upon complete discontinuance of contributions under the plan,

the rights of all affected employees to benefits accrued to the date of such termination, partial termination, or discontinuance, to the extent funded as of such date, or the amounts credited to the employees' accounts, are nonforfeitable. This paragraph shall not apply to benefits or contributions which, under provisions of the plan adopted pursuant to regulations prescribed by the Secretary or his delegate to preclude the discrimination prohibited by section 401(a)(4), may not be used for designated employees in the event of early termination of the plan.

“(4) CLASS YEAR PLANS.—The requirements of subsection (a)(2) shall be deemed to be satisfied in the case of a class year plan if such plan provides that 100 percent of each employee's right to or derived from the contributions of the employer on his behalf with respect to any plan year are nonforfeitable not later than the end of the 5th plan year following the plan year for which such contributions were made. For purposes of this section, the term ‘class year plan’ means a profit-sharing, stock bonus, or money purchase plan which provides for the separate nonforfeitability of employees' rights to or derived from the contributions for each plan year.

“(5) TREATMENT OF VOLUNTARY EMPLOYEE CONTRIBUTIONS.—In the case of a defined benefit plan which permits voluntary employee contributions, the portion of an employee's accrued benefit derived from such contributions shall be treated as an accrued benefit derived from employee contributions under a plan other than a defined benefit plan.

“(6) ACCRUED BENEFIT NOT TO BE DECREASED BY AMENDMENT.—A plan shall be treated as not satisfying the requirements of this section if the accrued benefit of a participant is decreased by an amendment of the plan, other than an amendment described in section 412(c)(8).

“(e) APPLICATION OF VESTING STANDARDS TO CERTAIN PLANS.—

“(1) The provisions of this section (other than paragraph (2)) shall not apply to—

Post, p. 925.

“(A) a governmental plan (within the meaning of section 414(d)),

Ante, p. 898.

“(B) a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made,

“(C) a plan which has not, at any time after the date of the enactment of the Employee Retirement Income Security Act of 1974, provided for employer contributions, and

“(D) a plan established and maintained by a society, order, or association described in section 501(c) (8) or (9), if no part of the contributions to or under such plan are made by employers of participants in such plan.

26 USC 501.

“(2) A plan described in paragraph (1) shall be treated as meeting the requirements of this section, for purposes of section 401(a), if such plan meets the vesting requirements resulting from the application of sections 401(a)(4) and 401(a)(7) as in effect on the day before the date of the enactment of the Employee Retirement Income Security Act of 1974.”

Post, p. 938.
26 USC 401.

(b) COMPARABILITY OF PLANS.—Section 401(a) (relating to requirements for qualification) is amended by adding at the end of paragraph (5) the following: “For purposes of determining whether two or more plans of an employer satisfy the requirements of paragraph (4) when considered as a single plan, if the amount of contributions on behalf of the employees allowed as a deduction under section 404 for the taxable year with respect to such plans, taken together, bears a uniform relationship to the total compensation, or the basic or regular rate of compensation, of such employees, the plans shall not be considered discriminatory merely because the rights of employees to, or derived from, the employer contributions under the separate plans do not become nonforfeitable at the same rate. For the purposes of determining whether two or more plans of an employer satisfy the requirements of paragraph (4) when considered as a single plan, if the employees’ rights to benefits under the separate plans do not become nonforfeitable at the same rate, but the levels of benefits provided by the separate plans satisfy the requirements of regulations prescribed by the Secretary or his delegate to take account of the differences in such rates, the plans shall not be considered discriminatory merely because of the difference in such rates.”

(c) VARIATIONS FROM CERTAIN VESTING AND ACCRUED BENEFITS REQUIREMENTS.—In the case of any plan maintained on January 1, 1974, if, not later than 2 years after the date of the enactment of this Act, the plan administrator petitions the Secretary of Labor, the Secretary of Labor may prescribe an alternate method which shall be treated as satisfying the requirements of subsection (a)(2) of section 411 of the Internal Revenue Code of 1954, or of subsection (b)(1) (other than subparagraph (D) thereof) of such section 411, or of both such provisions for a period of not more than 4 years. The Secretary may prescribe such alternate method only when he finds that—

26 USC 411
note.

(1) the application of such requirements would increase the costs of the plan to such an extent that there would result a substantial risk to the voluntary continuation of the plan or a substantial curtailment of benefit levels or the levels of employees’ compensation,

(2) the application of such requirements or discontinuance of the plan would be adverse to the interests of plan participants in the aggregate, and

Ante, p. 901.

(3) a waiver or extension of time granted under section 412(d) or (e) would be inadequate.

Post, p. 914.

In the case of any plan with respect to which an alternate method has been prescribed under the preceding provisions of this subsection for a period of not more than 4 years, if, not later than 1 year before the expiration of such period, the plan administrator petitions the Secretary of Labor for an extension of such alternate method, and the Secretary makes the findings required by the preceding sentence, such alternate method may be extended for not more than 3 years.

SEC. 1013. MINIMUM FUNDING STANDARDS.

(a) **IN GENERAL.**—Subpart B of part I of subchapter D of chapter 1 is amended by adding after section 411 the following new section:

26 USC 412.

“SEC. 412. MINIMUM FUNDING STANDARDS.

“(a) **GENERAL RULE.**—Except as provided in subsection (h), this section applies to a plan if, for any plan year beginning on or after the effective date of this section for such plan—

26 USC 401.

“(1) such plan included a trust which qualified (or was determined by the Secretary or his delegate to have qualified) under section 401(a), or

“(2) such plan satisfied (or was determined by the Secretary or his delegate to have satisfied) the requirements of section 403(a) or 405(a).

Post, pp. 969,
991.

26 USC 405.

A plan to which this section applies shall have satisfied the minimum funding standard for such plan for a plan year if as of the end of such plan year, the plan does not have an accumulated funding deficiency. For purposes of this section and section 4971, the term ‘accumulated funding deficiency’ means for any plan the excess of the total charges to the funding standard account for all plan years (beginning with the first plan year to which this section applies) over the total credits to such account for such years or, if less, the excess of the total charges to the alternative minimum funding standard account for such plan years over the total credits to such account for such years.

“Accumulated
funding defi-
ciency.”
Post, p. 920.

“(b) **FUNDING STANDARD ACCOUNT.**—

“(1) **ACCOUNT REQUIRED.**—Each plan to which this section applies shall establish and maintain a funding standard account. Such account shall be credited and charged solely as provided in this section.

“(2) **CHARGES TO ACCOUNT.**—For a plan year, the funding standard account shall be charged with the sum of—

“(A) the normal cost of the plan for the plan year,

“(B) the amounts necessary to amortize in equal annual installments (until fully amortized)—

“(i) in the case of a plan in existence on January 1, 1974, the unfunded past service liability under the plan on the first day of the first plan year to which this section applies, over a period of 40 plan years,

“(ii) in the case of a plan which comes into existence after January 1, 1974, the unfunded past service liability under the plan on the first day of the first plan year to which this section applies, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

“(iii) separately, with respect to each plan year, the net increase (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

“(iv) separately, with respect to each plan year, the net experience loss (if any) under the plan, over a period of 15 plan years (20 plan years in the case of a multiemployer plan), and

“(v) separately, with respect to each plan year, the net loss (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 30 plan years,

“(C) the amount necessary to amortize each waived funding deficiency (within the meaning of subsection (d)(3)) for each prior plan year in equal annual installments (until fully amortized) over a period of 15 plan years, and

“(D) the amount necessary to amortize in equal annual installments (until fully amortized) over a period of 5 plan years any amount credited to the funding standard account under paragraph (3) (D).

“(3) CREDITS TO ACCOUNT.—For a plan year, the funding standard account shall be credited with the sum of—

“(A) the amount considered contributed by the employer to or under the plan for the plan year,

“(B) the amount necessary to amortize in equal annual installments (until fully amortized)—

“(i) separately, with respect to each plan year, the net decrease (if any) in unfunded past service liability under the plan arising from plan amendments adopted in such year, over a period of 30 plan years (40 plan years in the case of a multiemployer plan),

“(ii) separately, with respect to each plan year, the net experience gain (if any) under the plan, over a period of 15 plan years (20 plan years in the case of a multiemployer plan), and

“(iii) separately, with respect to each plan year, the net gain (if any) resulting from changes in actuarial assumptions used under the plan, over a period of 30 plan years,

“(C) the amount of the waived funding deficiency (within the meaning of subsection (d) (3) for the plan year, and

“(D) in the case of a plan year for which the accumulated funding deficiency is determined under the funding standard account if such plan year follows a plan year for which such deficiency was determined under the alternative minimum funding standard, the excess (if any) of any debit balance in the funding standard account (determined without regard to this subparagraph) over any debit balance in the alternative minimum funding standard account.

“(4) COMBINING AND OFFSETTING AMOUNTS TO BE AMORTIZED.—Under regulations prescribed by the Secretary or his delegate, amounts required to be amortized under paragraph (2) or paragraph (3), as the case may be—

“(A) may be combined into one amount under such paragraph to be amortized over a period determined on the basis of the remaining amortization period for all items entering into such combined amount, and

“(B) may be offset against amounts required to be amortized under the other such paragraph, with the resulting amount to be amortized over a period determined on the basis of the remaining amortization periods for all items entering into whichever of the two amounts being offset is the greater.

“(5) INTEREST.—The funding standard account (and items therein) shall be charged or credited (as determined under regulations prescribed by the Secretary or his delegate) with interest at the appropriate rate consistent with the rate or rates of interest used under the plan to determine costs.

“(c) SPECIAL RULES.—

“(1) DETERMINATIONS TO BE MADE UNDER FUNDING METHOD.—For purposes of this section, normal costs, accrued liability, past service liabilities, and experience gains and losses shall be determined under the funding method used to determine costs under the plan.

“(2) VALUATION OF ASSETS.—

“(A) IN GENERAL.—For purposes of this section, the value of the plan’s assets shall be determined on the basis of any reasonable actuarial method of valuation which takes into account fair market value and which is permitted under regulations prescribed by the Secretary or his delegate.

“(B) ELECTION WITH RESPECT TO BONDS.—The value of a bond or other evidence of indebtedness which is not in default as to principal or interest may, at the election of the plan administrator, be determined on an amortized basis running from initial cost at purchase to par value at maturity or earliest call date. Any election under this subparagraph shall be made at such time and in such manner as the Secretary or his delegate shall by regulations provide, shall apply to all such evidences of indebtedness, and may be revoked only with the consent of the Secretary or his delegate.

“(3) ACTUARIAL ASSUMPTIONS MUST BE REASONABLE.—For purposes of this section, all costs, liabilities, rates of interest, and other factors under the plan shall be determined on the basis of actuarial assumptions and methods which, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations) and which, in combination, offer the actuary’s best estimate of anticipated experience under the plan.

“(4) TREATMENT OF CERTAIN CHANGES AS EXPERIENCE GAIN OR LOSS.—For purposes of this section, if—

42 USC 1305.

“(A) a change in benefits under the Social Security Act or in other retirement benefits created under Federal or State law, or

26 USC 3121.

“(B) a change in the definition of the term ‘wages’ under section 3121, or a change in the amount of such wages taken into account under regulations prescribed for purposes of section 401(a) (5),

26 USC 401.

results in an increase or decrease in accrued liability under a plan, such increase or decrease shall be treated as an experience loss or gain.

“(5) CHANGE IN FUNDING METHOD OR IN PLAN YEAR REQUIRES APPROVAL.—If the funding method for a plan is changed, the new funding method shall become the funding method used to determine costs and liabilities under the plan only if the change is approved by the Secretary or his delegate. If the plan year for a plan is changed, the new plan year shall become the plan year for the plan only if the change is approved by the Secretary or his delegate.

“(6) FULL FUNDING.—If, as of the close of a plan year, a plan would (without regard to this paragraph) have an accumulated funding deficiency (determined without regard to the alternative minimum funding standard account permitted under subsection (g)) in excess of the full funding limitation—

“(A) the funding standard account shall be credited with the amount of such excess, and

“(B) all amounts described in paragraphs (2) (B), (C), and (D) and (3) (B) of subsection (b) which are required to be amortized shall be considered fully amortized for purposes of such paragraphs.

“(7) FULL FUNDING LIMITATION.—For purposes of paragraph

(6), the term 'full funding limitation' means the excess (if any) of—

"(A) the accrued liability (including normal cost) under the plan (determined under the entry age normal funding method if such accrued liability cannot be directly calculated under the funding method used for the plan), over

"(B) the lesser of the fair market value of the plan's assets or the value of such assets determined under paragraph (2).

"(8) CERTAIN RETROACTIVE PLAN AMENDMENTS.—For purposes of this section, any amendment applying to a plan year which—

"(A) is adopted after the close of such plan year but no later than 2 and one-half months after the close of the plan year (or, in the case of a multiemployer plan, no later than 2 years after the close of such plan year),

"(B) does not reduce the accrued benefit of any participant determined as of the beginning of the first plan year to which the amendment applies, and

"(C) does not reduce the accrued benefit of any participant determined as of the time of adoption except to the extent required by the circumstances,

shall, at the election of the plan administrator, be deemed to have been made on the first day of such plan year. No amendment described in this paragraph which reduces the accrued benefits of any participant shall take effect unless the plan administrator files a notice with the Secretary of Labor notifying him of such amendment and the Secretary of Labor has approved such amendment, or within 90 days after the date on which such notice was filed, failed to disapprove such amendment. No amendment described in this subsection shall be approved by the Secretary of Labor unless he determines that such amendment is necessary because of a substantial business hardship (as determined under subsection (d) (2)) and that a waiver under subsection (d) (1) is unavailable or inadequate.

Notification of amendment.

Approval.

"(9) 3-YEAR VALUATION.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan's liability shall be made not less frequently than once every 3 years, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary or his delegate.

"(10) TIME WHEN CERTAIN CONTRIBUTIONS DEEMED MADE.—For purposes of this section, any contributions for a plan year made by an employer after the last day of such plan year, but not later than two and one-half months after such day, shall be deemed to have been made on such last day. For purposes of this paragraph, such two and one-half month period may be extended for not more than six months under regulations prescribed by the Secretary or his delegate.

"(d) VARIANCE FROM MINIMUM FUNDING STANDARD.—

"(1) WAIVER IN CASE OF SUBSTANTIAL BUSINESS HARDSHIP.—If a employer or in the case of a multiemployer plan, 10 percent or more of the number of employers contributing to or under the plan, are unable to satisfy the minimum funding standard for a plan year without substantial business hardship and if application of the standard would be adverse to the interests of plan participants in the aggregate, the Secretary or his delegate may waive the requirements of subsection (a) for such year with respect to all or any portion of the minimum funding standard other than the portion thereof determined under subsection (b) (2) (C). The Secretary or his delegate shall not waive the mini-

minimum funding standard with respect to a plan for more than 5 of any 15 consecutive plan years.

“(2) DETERMINATION OF SUBSTANTIAL BUSINESS HARDSHIP.—For purposes of this section, the factors taken into account in determining substantial business hardship shall include (but shall not be limited to) whether or not—

“(A) the employer is operating at an economic loss,

“(B) there is substantial unemployment or underemployment in the trade or business and in the industry concerned,

“(C) the sales and profits of the industry concerned are depressed or declining, and

“(D) it is reasonable to expect that the plan will be continued only if the waiver is granted.

“(3) WAIVED FUNDING DEFICIENCY.—For purposes of this section, the term ‘waived funding deficiency’ means the portion of the minimum funding standard (determined without regard to subsection (b) (3) (C)) for a plan year waived by the Secretary or his delegate and not satisfied by employer contributions.

“(e) EXTENSION OF AMORTIZATION PERIODS.—The period of years required to amortize any unfunded liability (described in any clause of subsection (b) (2) (B)) of any plan may be extended by the Secretary of Labor for a period of time (not in excess of 10 years) if he determines that such extension would carry out the purposes of the Employee Retirement Income Security Act of 1974 and would provide adequate protection for participants under the plan and their beneficiaries and if he determines that the failure to permit such extension would—

“(1) result in—

“(A) a substantial risk to the voluntary continuation of the plan, or

“(B) a substantial curtailment of pension benefit levels or employee compensation, and

“(2) be adverse to the interests of plan participants in the aggregate.

“(f) BENEFITS MAY NOT BE INCREASED DURING WAIVER OR EXTENSION PERIOD.—

“(1) IN GENERAL.—No amendment of the plan which increases the liabilities of the plan by reason of any increase in benefits, any change in the accrual of benefits, or any change in the rate at which benefits become nonforfeitable under the plan shall be adopted if a waiver under subsection (d) (1) or an extension of time under subsection (e) is in effect with respect to the plan, or if a plan amendment described in subsection (c) (8) has been made at any time in the preceding 12 months (24 months for multiemployer plans). If a plan is amended in violation of the preceding sentence, any such waiver or extension of time shall not apply to any plan year ending on or after the date on which such amendment is adopted.

“(2) EXCEPTION.—Paragraph (1) shall not apply to any plan amendment which—

“(A) the Secretary of Labor determines to be reasonable and which provides for only de minimis increases in the liabilities of the plan,

“(B) only repeals an amendment described in subsection (c) (8), or

“(C) is required as a condition of qualification under this part.

“(g) **ALTERNATIVE MINIMUM FUNDING STANDARD.**—

“(1) **IN GENERAL.**—A plan which uses a funding method that requires contributions in all years not less than those required under the entry age normal funding method may maintain an alternative minimum funding standard account for any plan year. Such account shall be credited and charged solely as provided in this subsection.

“(2) **CHARGES AND CREDITS TO ACCOUNT.**—For a plan year the alternative minimum funding standard account shall be—

“(A) charged with the sum of—

“(i) the lesser of normal cost under the funding method used under the plan or normal cost determined under the unit credit method,

“(ii) the excess, if any, of the present value of accrued benefits under the plan over the fair market value of the assets, and

“(iii) an amount equal to the excess (if any) of credits to the alternative minimum standard account for all prior plan years over charges to such account for all such years, and

“(B) credited with the amount considered contributed by the employer to or under the plan for the plan year.

“(3) **SPECIAL RULES.**—The alternative minimum funding standard account (and items therein) shall be charged or credited with interest in the manner provided under subsection (b) (5) with respect to the funding standard account.

“(h) **EXCEPTIONS.**—This section shall not apply to—

“(1) any profit-sharing or stock bonus plan,

“(2) any insurance contract plan described in subsection (i),

“(3) any governmental plan (within the meaning of section 414(d)),

“(4) any church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made,

“(5) any plan which has not, at any time after the date of the enactment of the Employee Retirement Income Security Act of 1974, provided for employer contributions, or

“(6) any plan established and maintained by a society, order, or association described in section 501(c) (8) or (9), if no part of the contributions to or under such plan are made by employers of participants in such plan.

No plan described in paragraph (3), (4), or (6) shall be treated as a qualified plan for purposes of section 401(a) unless such plan meets the requirements of section 401(a)(7) as in effect on the day before the date of the enactment of the Employee Retirement Income Security Act of 1974.

“(i) **CERTAIN INSURANCE CONTRACT PLANS.**—A plan is described in this subsection if—

“(1) the plan is funded exclusively by the purchase of individual insurance contracts,

“(2) such contracts provide for level annual premium payments to be paid extending not later than the retirement age for each individual participating in the plan, and commencing with the date the individual became a participant in the plan (or, in the case of an increase in benefits, commencing at the time such increase becomes effective),

Post, p. 925.

Ante, p. 898.

Ante, p. 829.

26 USC 501.

26 USC 401.

“(3) benefits provided by the plan are equal to the benefits provided under each contract at normal retirement age under the plan and are guaranteed by an insurance carrier (licensed under the laws of a State to do business with the plan) to the extent premiums have been paid,

“(4) premiums payable for the plan year, and all prior plan years, under such contracts have been paid before lapse or there is reinstatement of the policy,

“(5) no rights under such contracts have been subject to a security interest at any time during the plan year, and

“(6) no policy loans are outstanding at any time during the plan year.

A plan funded exclusively by the purchase of group insurance contracts which is determined under regulations prescribed by the Secretary or his delegate to have the same characteristics as contracts described in the preceding sentence shall be treated as a plan described in this subsection.”

(b) EXCISE TAX ON FAILURE TO MEET MINIMUM FUNDING STANDARDS.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end thereof the following new chapter:

“CHAPTER 43—QUALIFIED PENSION, ETC., PLANS

“Sec. 4971. Taxes on failure to meet minimum funding standards.

26 USC 4971.

“SEC. 4971. TAXES ON FAILURE TO MEET MINIMUM FUNDING STANDARDS.

Ante, p. 914.

“(a) INITIAL TAX.—For each taxable year of an employer who maintains a plan to which section 412 applies, there is hereby imposed a tax of 5 percent on the amount of the accumulated funding deficiency under the plan, determined as of the end of the plan year ending with or within such taxable year. The tax imposed by this subsection shall be paid by the employer responsible for contributing to or under the plan the amount described in section 412(b)(3)(A).

“(b) ADDITIONAL TAX.—In any case in which an initial tax is imposed by subsection (a) on an accumulated funding deficiency and such accumulated funding deficiency is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of such accumulated funding deficiency to the extent not corrected. The tax imposed by this subsection shall be paid by the employer described in subsection (a).

“(c) DEFINITIONS.—For purposes of this section—

“(1) ACCUMULATED FUNDING DEFICIENCY.—The term ‘accumulated funding deficiency’ has the meaning given to such term by the last sentence of section 412(a).

“(2) CORRECT.—The term ‘correct’ means, with respect to an accumulated funding deficiency, the contribution, to or under the plan, of the amount necessary to reduce such accumulated funding deficiency as of the end of a plan year in which such deficiency arose to zero.

“(3) CORRECTION PERIOD.—The term ‘correction period’ means, with respect to an accumulated funding deficiency, the period beginning with the end of a plan year in which there is an accumulated funding deficiency and ending 90 days after the date of mailing of a notice of deficiency under section 6212 with respect to the tax imposed by subsection (b), extended—

“(A) by any period in which a deficiency cannot be assessed under section 6213(a), and

26 USC 6212.

26 USC 6213.

“(B) by any other period which the Secretary or his delegate determines is reasonable and necessary to permit a reduction of the accumulated funding deficiency to zero under this section.

“(d) NOTIFICATION OF THE SECRETARY OF LABOR.—Before issuing a notice of deficiency with respect to the tax imposed by subsection (a) or (b), the Secretary or his delegate shall notify the Secretary of Labor and provide him a reasonable opportunity (but not more than 60 days)—

“(1) to require the employer responsible for contributing to or under the plan to eliminate the accumulated funding deficiency, or

“(2) to comment on the imposition of such tax.

“(e) CROSS REFERENCES.—

“For disallowance of deduction for taxes paid under this section, see section 275.

“For liability for tax in case of an employer party to collective bargaining agreement, see section 413(b)(6).

“For provisions concerning notification of Secretary of Labor of imposition of tax under this section, waiver of the tax imposed by subsection (b), and other coordination between Secretary of the Treasury and Secretary of Labor with respect to compliance with this section, see section 3002(b) of title III of the Employee Retirement Income Security Act of 1974.”

(c) AMENDMENTS TO SECTION 404.—

(1) Paragraph (1) of section 404(a) (relating to deduction for employer contributions to pension trusts) is amended to read as follows:

26 USC 404.

“(1) PENSION TRUSTS.

“(A) IN GENERAL.—In the taxable year when paid, if the contributions are paid into a pension trust, and if such taxable year ends within or with a taxable year of the trust for which the trust is exempt under section 501(a), in an amount determined as follows:

26 USC 501.

“(i) the amount necessary to satisfy the minimum funding standard provided by section 412(a) for plan years ending within or with such taxable year (or for any prior plan year), if such amount is greater than the amount determined under clause (ii) or (iii) (whichever is applicable with respect to the plan),

Ante, p. 914.

“(ii) the amount necessary to provide with respect to all of the employees under the trust the remaining unfunded cost of their past and current service credits distributed as a level amount, or a level percentage of compensation, over the remaining future service of each such employee, as determined under regulations prescribed by the Secretary or his delegate, but if such remaining unfunded cost with respect to any 3 individuals is more than 50 percent of such remaining unfunded cost, the amount of such unfunded cost attributable to such individuals shall be distributed over a period of at least 5 taxable years.

“(iii) an amount equal to the normal cost of the plan, as determined under regulations prescribed by the Secretary or his delegate, plus, if past service or other supplementary pension or annuity credits are provided by the plan, an amount necessary to amortize such credits in equal annual payments (until fully amortized) over 10 years, as determined under regulations prescribed by the Secretary or his delegate.

In determining the amount deductible in such year under the foregoing limitations the funding method and the actuarial assumptions used shall be those used for such year under

Ante, p. 914.

section 412, and the maximum amount deductible for such year shall be an amount equal to the full funding limitation for such year determined under section 412.

“(B) SPECIAL RULE IN CASE OF CERTAIN AMENDMENTS.—In the case of a plan which the Secretary of Labor finds to be collectively bargained which makes an election under this subparagraph (in such manner and at such time as may be provided under regulations prescribed by the Secretary or his delegate), if the full funding limitation determined under section 412(c)(7) for such year is zero, if as a result of any plan amendment applying to such plan year, the amount determined under section 412(c)(7)(B) exceeds the amount determined under section 412(c)(7)(A), and if the funding method and the actuarial assumptions used are those used for such year under section 412, the maximum amount deductible in such year under the limitations of this paragraph shall be an amount equal to the lesser of—

“(i) the full funding limitation for such year determined by applying section 412(c)(7) but increasing the amount referred to in subparagraph (A) thereof by the decrease in the present value of all unamortized liabilities resulting from such amendment, or

“(ii) the normal cost under the plan reduced by the amount necessary to amortize in equal annual installments over 10 years (until fully amortized) the decrease described in clause (i).

In the case of any election under this subparagraph, the amount deductible under the limitations of this paragraph with respect to any of the plan years following the plan year for which such election was made shall be determined as provided under such regulations as may be prescribed by the Secretary or his delegate to carry out the purposes of this subparagraph.

“(C) CERTAIN COLLECTIVELY-BARGAINED PLANS.—In the case of a plan which the Secretary of Labor finds to be collectively bargained, established or maintained by an employer doing business in not less than 40 States and engaged in the trade or business of furnishing or selling services described in section 167(1)(3)(A)(iii), with respect to which the rates have been established or approved by a State or political subdivision thereof, by any agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of any State or political subdivision thereof, and in the case of any employer which is a member of a controlled group with such employer, subparagraph (B) shall be applied by substituting for the words ‘plan amendment’ the words ‘plan amendment or increase in benefits payable under title II of the Social Security Act’. For purposes of this subparagraph, the term ‘controlled group’ has the meaning provided by section 1563(a), determined without regard to section 1563(a)(4) and (e)(3)(C).

“(D) CARRYOVER.—Any amount paid in a taxable year in excess of the amount deductible in such year under the foregoing limitations shall be deductible in the succeeding taxable years in order of time to the extent of the difference between the amount paid and deductible in each such succeeding year and the maximum amount deductible for such year under the foregoing limitations.”

26 USC 167.

42 USC 401.
“Controlled
group.”

26 USC 1563.

(2) Paragraph (6) of section 404(a) (relating to taxpayers on accrual basis) is amended to read as follows:

26 USC 404.

“(6) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of paragraphs (1), (2), and (3), a taxpayer shall be deemed to have made a payment on the last day of the preceding taxable year if the payment is on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof).”

(3) Paragraph (7) of section 404(a) (relating to limit on deductions) is amended to read as follows:

“(7) LIMIT ON DEDUCTIONS.—If amounts are deductible under paragraphs (1) and (3), or (2) and (3), or (1), (2), and (3), in connection with two or more trusts, or one or more trusts and an annuity plan, the total amount deductible in a taxable year under such trusts and plans shall not exceed the greater of 25 percent of the compensation otherwise paid or accrued during the taxable year to the beneficiaries of the trusts or plans, or the amount of contributions made to or under the trusts or plans to the extent such contributions do not exceed the amount of employer contributions necessary to satisfy the minimum funding standard provided by section 412 for the plan year which ends with or within such taxable year (or for any prior plan year). In addition, any amount paid into such trust or under such annuity plans in any taxable year in excess of the amount allowable with respect to such year under the preceding provisions of this paragraph shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year together with the amount allowable under the first sentence of this paragraph shall not exceed 25 percent of the compensation otherwise paid or accrued during such taxable years to the beneficiaries under the trusts or plans. This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than one trust or a trust and an annuity plan.”

Ante, p. 914.

(d) ALTERNATIVE AMORTIZATION METHOD FOR CERTAIN MULTI-EMPLOYER PLANS.—

26 USC 412
note.

(1) GENERAL RULE.—In the case of any multiemployer plan (as defined in section 414(f) of the Internal Revenue Code of 1954) to which section 412 of such Code applies, if—

Post, p. 925.

(A) on January 1, 1974, the contributions under the plan were based on a percentage of pay,

(B) the actuarial assumptions with respect to pay are reasonably related to past and projected experience, and

(C) the rates of interest under the plan are determined on the basis of reasonable actuarial assumptions,

the plan may elect (in such manner and at such time as may be provided under regulations prescribed by the Secretary of the Treasury or his delegate) to fund the unfunded past service liability under the plan existing as of the date 12 months following the first date on which such section 412 first applies to the plan by charging the funding standard account with an equal annual percentage of the aggregate pay of all participants in the plan in lieu of the level dollar charges to such account required under clauses (i), (ii), and (iii) of section 412(b)(2)(B) of such Code and section 302(b)(2)(B)(i), (ii), and (iii) of this Act.

(2) LIMITATION.—In the case of a plan which makes an election under paragraph (1), the aggregate of the charges required under such paragraph for a plan year shall not be less than the interest

Ante, p. 914.

on the unfunded past service liabilities described in clauses (i), (ii), and (iii) of section 412(b)(2)(B) of the Internal Revenue Code of 1954.

SEC. 1014. COLLECTIVELY BARGAINED PLANS, ETC.

Subpart B of part I of subchapter D of chapter 1 (relating to special rules) is amended by inserting after section 412 the following new section:

26 USC 413.

“SEC. 413. COLLECTIVELY BARGAINED PLANS, ETC.

“(a) APPLICATION OF SUBSECTION (b).—Subsection (b) applies to—

“(1) a plan maintained pursuant to an agreement which the Secretary of Labor finds to be a collective-bargaining agreement between employee representatives and one or more employers, and

“(2) each trust which is a part of such plan.

“(b) GENERAL RULE.—If this subsection applies to a plan, notwithstanding any other provision of this title—

Ante, p. 898.

“(1) PARTICIPATION.—Section 410 shall be applied as if all employees of each of the employers who are parties to the collective-bargaining agreement and who are subject to the same benefit computation formula under the plan were employed by a single employer.

Post, p. 938;
Ante, p. 901.

“(2) DISCRIMINATION, ETC.—Sections 401(a)(4) and 411(d)(3) shall be applied as if all participants who are subject to the same benefit computation formula and who are employed by employers who are parties to the collective bargaining agreement were employed by a single employer.

“(3) EXCLUSIVE BENEFIT.—For purposes of section 401(a), in determining whether the plan of an employer is for the exclusive benefit of his employees and their beneficiaries, all plan participants shall be considered to be his employees.

“(4) VESTING.—Section 411 (other than subsection (d)(3)) shall be applied as if all employers who have been parties to the collective-bargaining agreement constituted a single employer, except that the application of any rules with respect to breaks in service shall be made under regulations prescribed by the Secretary of Labor.

“(5) FUNDING.—The minimum funding standard provided by section 412 shall be determined as if all participants in the plan were employed by a single employer.

Ante, p. 920.

“(6) LIABILITY FOR FUNDING TAX.—For a plan year the liability under section 4971 of each employer who is a party to the collective bargaining agreement shall be determined in a reasonable manner not inconsistent with regulations prescribed by the Secretary or his delegate—

“(A) first on the basis of their respective delinquencies in meeting required employer contributions under the plan, and

“(B) then on the basis of their respective liabilities for contributions under the plan.

26 USC 404.

“(7) DEDUCTION LIMITATIONS.—Each applicable limitation provided by section 404(a) shall be determined as if all participants in the plan were employed by a single employer. The amounts contributed to or under the plan by each employer who is a party to the agreement, for the portion of his taxable year which is included within such a plan year, shall be considered not to exceed such a limitation if the anticipated employer contributions for such plan year (determined in a manner consistent with the manner in which actual employer contributions for such plan year are determined) do not exceed such limitation. If such anticipated contributions exceed such a limitation, the portion of each such employer's contributions which is not deductible under section

404 shall be determined in accordance with regulations prescribed by the Secretary or his delegate.

26 USC 404.

“(8) **EMPLOYEES OF LABOR UNIONS.**—For purposes of this subsection, employees of employee representatives shall be treated as employees of an employer described in subsection (a)(1) if such representatives meet the requirements of sections 401(a)(4) and 410 with respect to such employees.

Post, p. 938;
Ante, p. 898.

“(c) **PLANS MAINTAINED BY MORE THAN ONE EMPLOYER.**—In the case of a plan maintained by more than one employer—

“(1) **PARTICIPATION.**—Section 410(a) shall be applied as if all employees of each of the employers who maintain the plan were employed by a single employer.

“(2) **EXCLUSIVE BENEFIT.**—For purposes of section 401(a), in determining whether the plan of an employer is for the exclusive benefit of his employees and their beneficiaries all plan participants shall be considered to be his employees.

Ante, p. 901.

“(3) **VESTING.**—Section 411 shall be applied as if all employers who maintain the plan constituted a single employer, except that the application of any rules with respect to breaks in service shall be made under regulations prescribed by the Secretary of Labor.

“(4) **FUNDING.**—The minimum funding standard provided by section 412 shall be determined as if all participants in the plan were employed by a single employer.

Ante, p. 914.

“(5) **LIABILITY FOR FUNDING TAX.**—For a plan year the liability under section 4971 of each employer who maintains the plan shall be determined in a reasonable manner not inconsistent with regulations prescribed by the Secretary or his delegate—

Ante, p. 920.

“(A) first on the basis of their respective delinquencies in meeting required employer contributions under the plan, and

“(B) then on the basis of their respective liabilities for contributions under the plan.

“(6) **DEDUCTION LIMITATIONS.**—Each applicable limitation provided by section 404(a) shall be determined as if all participants in the plan were employed by a single employer. The amounts contributed to or under the plan by each employer who maintains the plan, for the portion of this taxable year which is included within such a plan year, shall be considered not to exceed such a limitation if the anticipated employer contributions for such plan year (determined in a reasonable manner not inconsistent with regulations prescribed by the Secretary or his delegate) do not exceed such limitation. If such anticipated contributions exceed such a limitation, the portion of each such employer's contributions which is not deductible under section 404 shall be determined in accordance with regulations prescribed by the Secretary or his delegate.

Allocations of amounts under paragraphs (4), (5), and (6), among the employers maintaining the plan, shall not be inconsistent with regulations prescribed for this purpose by the Secretary or his delegate.”

SEC. 1015. DEFINITIONS AND SPECIAL RULES.

Subpart B of part I of subchapter D of chapter 1 is amended by inserting after section 413 the following new section:

“SEC. 414. DEFINITIONS AND SPECIAL RULES.

26 USC 414.

“(a) **SERVICE FOR PREDECESSOR EMPLOYER.**—For purposes of this part—

“(1) in any case in which the employer maintains a plan of a predecessor employer, service for such predecessor shall be treated as service for the employer, and

“(2) in any case in which the employer maintains a plan which is not the plan maintained by a predecessor employer, service for such predecessor shall, to the extent provided in regulations prescribed by the Secretary or his delegate, be treated as service for the employer.

26 USC 401.
Ante, pp. 898,
901; Post, p. 979.

26 USC 1563.

Ante, p. 920.

“(b) **EMPLOYEES OF CONTROLLED GROUP OF CORPORATIONS.**—For purposes of sections 401, 410, 411, and 415, all employees of all corporations which are members of a controlled group of corporations (within the meaning of section 1563(a), determined without regard to section 1563(a)(4) and (e)(3)(C)) shall be treated as employed by a single employer. With respect to a plan adopted by more than one such corporation, the minimum funding standard of section 412, the tax imposed by section 4971, and the applicable limitations provided by section 404(a) shall be determined as if all such employers were a single employer, and allocated to each employer in accordance with regulations prescribed by the Secretary or his delegate.

“(c) **EMPLOYEES OF PARTNERSHIPS, PROPRIETORSHIPS, ETC., WHICH ARE UNDER COMMON CONTROL.**—For purposes of sections 401, 410, 411, and 415, under regulations prescribed by the Secretary or his delegate, all employees of trades or businesses (whether or not incorporated) which are under common control shall be treated as employed by a single employer. The regulations prescribed under this subsection shall be based on principles similar to the principles which apply in the case of subsection (b).

45 USC 215-228
notes, 228a.

22 USC 288
note.

“(d) **GOVERNMENTAL PLAN.**—For purposes of this part, the term ‘governmental plan’ means a plan established and maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing. The term ‘governmental plan’ also includes any plan to which the Railroad Retirement Act of 1935 or 1937 applies and which is financed by contributions required under that Act and any plan of an international organization which is exempt from taxation by reason of the International Organizations Immunities Act (59 Stat. 669).

“(e) **CHURCH PLAN.**—

“(1) **IN GENERAL.**—For purposes of this part the term ‘church plan’ means—

26 USC 501.

“(A) a plan established and maintained for its employees by a church or by a convention or association of churches which is exempt from tax under section 501, or

“(B) a plan described in paragraph (3).

“(2) **CERTAIN UNRELATED BUSINESS OR MULTIEmployer PLANS.**—The term ‘church plan’ does not include a plan—

“(A) which is established and maintained primarily for the benefit of employees (or their beneficiaries) of such church or convention or association of churches who are employed in connection with one or more unrelated trades or businesses (within the meaning of section 513), or

“(B) which is a plan maintained by more than one employer, if one or more of the employers in the plan is not a church (or a convention or association of churches) which is exempt from tax under section 501.

“(3) **SPECIAL TEMPORARY RULE FOR CERTAIN CHURCH AGENCIES UNDER CHURCH PLAN.**—

“(A) Notwithstanding the provisions of paragraph (2)(B), a plan in existence on January 1, 1974, shall be

treated as a church plan if it is established and maintained by a church or convention or association of churches and one or more agencies of such church (or convention or association) for the employees of such church (or convention or association) and the employees of one or more agencies of such church (or convention or association), and if such church (or convention or association) and each such agency is exempt from tax under section 501.

26 USC 501.

“(B) Subparagraph (A) shall not apply to any plan maintained for employees of an agency with respect to which the plan was not maintained on January 1, 1974.

“(C) Subparagraph (A) shall not apply with respect to any plan for any plan year beginning after December 31, 1982.

“(f) **MULTIEMPLOYER PLAN.**—

“(1) **IN GENERAL.**—For purposes of this part, the term ‘multi-employer plan’ means a plan—

“(A) to which more than one employer is required to contribute,

“(B) which is maintained pursuant to a collective-bargaining agreement between employee representatives and more than one employer,

“(C) under which the amount of contributions made under the plan for a plan year by each employer making such contributions is less than 50 percent of the aggregate amount of contributions made under the plan for that plan year by all employers making such contributions,

“(D) under which benefits are payable with respect to each participant without regard to the cessation of contributions by the employer who employed that participant except to the extent that such benefits accrued as a result of service with the employer before such employer was required to contribute to such plan, and

“(E) which satisfies such other requirements as the Secretary of Labor may by regulations prescribe.

“(2) **SPECIAL RULES.**—For purposes of this subsection—

“(A) If a plan is a multiemployer plan within the meaning of paragraph (1) for any plan year, subparagraph (C) of paragraph (1) shall be applied by substituting ‘75 percent’ for ‘50 percent’ for each subsequent plan year until the first plan year following a plan year in which the plan had one employer who made contributions of 75 percent or more of the aggregate amount of contributions made under the plan for that plan year by all employers making such contributions.

“(B) All corporations which are members of a controlled group of corporations (within the meaning of section 1563 (a), determined without regard to section 1563(e) (3) (C)) shall be deemed to be one employer.

26 USC 1563.

“(g) **PLAN ADMINISTRATOR.**—For purposes of this part, the term ‘plan administrator’ means—

“(1) the person specifically so designated by the terms of the instrument under which the plan is operated;

“(2) in the absence of a designation referred to in paragraph (1)—

“(A) in the case of a plan maintained by a single employer, such employer,

“(B) in the case of a plan maintained by two or more employers or jointly by one or more employers and one or

more employee organizations, the association, committee, joint board of trustees, or other similar group of representatives of the parties who maintained the plan, or

“(C) in any case to which subparagraph (A) or (B) does not apply, such other person as the Secretary or his delegate may by regulation, prescribe.

“(h) **TAX TREATMENT OF CERTAIN CONTRIBUTIONS.**—

“(1) **IN GENERAL.**—Effective with respect to taxable years beginning after December 31, 1973, for purposes of this title, any amount contributed—

“(A) to an employees’ trust described in section 401(a), or

“(B) under a plan described in section 403(a) or 405(a), shall not be treated as having been made by the employer if it is designated as an employee contribution.

“(2) **DESIGNATION BY UNITS OF GOVERNMENT.**—For purposes of paragraph (1), in the case of any plan established by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, where the contributions of employing units are designated as employee contributions but where any employing unit picks up the contributions, the contributions so picked up shall be treated as employer contributions.

“(i) **DEFINED CONTRIBUTION PLAN.**—For purposes of this part, the term ‘defined contribution plan’ means a plan which provides for an individual account for each participant and for benefits based solely on the amount contributed to the participant’s account, and any income, expenses, gains and losses, and any forfeitures of accounts of other participants which may be allocated to such participant’s account.

“(j) **DEFINED BENEFIT PLAN.**—For purposes of this part, the term ‘defined benefit plan’ means any plan which is not a defined contribution plan.

“(k) **CERTAIN PLANS.**—A defined benefit plan which provides a benefit derived from employer contributions which is based partly on the balance of the separate account of a participant shall—

“(1) for purposes of section 410 (relating to minimum participation standards), be treated as a defined contribution plan,

“(2) for purposes of sections 411(a) (7) (A) (relating to minimum vesting standards) and 415 (relating to limitations on benefits and contributions under qualified plans), be treated as consisting of a defined contribution plan to the extent benefits are based on the separate account of a participant and as a defined benefit plan with respect to the remaining portion of benefits under the plan, and

“(3) for purposes of section 4975 (relating to tax or prohibited transactions), be treated as a defined benefit plan.

“(l) **MERGERS AND CONSOLIDATIONS OF PLANS OR TRANSFERS OF PLAN ASSETS.**—A trust which forms a part of a plan shall not constitute a qualified trust under section 401 and a plan shall be treated as not described in section 403(a) or 405 unless in the case of any merger or consolidation of the plan with, or in the case of any transfer of assets or liabilities of such plan to, any other trust plan after the date of the enactment of the Employee Retirement Income Security Act of 1974, each participant in the plan would (if the plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer (if the plan had then terminated). This paragraph

26 USC 401.
26 USC 403,
405.

Ante, p. 898.

Ante, p. 901.

Post, p. 979.

Post, p. 971.

Ante, p. 829.

shall apply in the case of a multiemployer plan only to the extent determined by the Pension Benefit Guaranty Corporation."

SEC. 1016. CONFORMING AND CLERICAL AMENDMENTS.

(a) CONFORMING AMENDMENTS.—

(1) Section 275(a) (relating to denial of deduction for certain taxes) is amended by adding at the end thereof the following new paragraph:

26 USC 275.

"(6) Taxes imposed by chapter 42 and chapter 43."

26 USC 4940.
Ante, p. 920.
26 USC 401.

(2) Section 401(a) (relating to requirements for qualification) is amended—

(A) by striking out paragraph (3) and inserting in lieu thereof:

"(3) if the plan of which such trust is a part satisfies the requirements of section 410 (relating to minimum participation standards); and",

Ante, p. 898.

(B) by striking out "paragraph (3)(B) or (4)" in paragraph (5) and inserting in lieu thereof "paragraph (4) or section 410(b) (without regard to paragraph (1)(A) thereof)", and

(C) by striking out paragraph (7) and inserting in lieu thereof:

"(7) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part satisfies the requirements of section 411 (relating to minimum vesting standards)."

Ante, p. 901.

(3) Section 404(a)(2) (relating to deduction for contributions of an employer to an employee's annuity plan) is amended by striking out "and (8)," and inserting in lieu thereof "(8), (11), (12), (13), (14), and (15)".

26 USC 404.

(4) Section 406(b)(1) (relating to certain employees of foreign subsidiaries) is amended by striking out "paragraphs (3)(B) and (4) of section 401(a)" and inserting in lieu thereof "section 401(a)(4) and section 410(b) (without regard to paragraph (1)(A) thereof)".

26 USC 406.

Post, p. 938.

(5) Section 407(b)(1) (relating to certain employees of domestic subsidiaries engaged in business outside the United States) is amended by striking out "paragraph (3)(B) and (4) of section 401(a)" and inserting in lieu thereof "section 401(a)(4) and section 410(b) (without regard to paragraph (1)(A) thereof)".

26 USC 407.

(6) Section 805(d)(1)(C) (relating to definition of pension plan reserves) is amended by striking out "and (8)" and inserting in lieu thereof "(8), (11), (12), (13), (14), and (15)".

26 USC 805.

(7) Section 6161(b)(1) (relating to extensions of time for paying tax) is amended by striking out "or 42" and inserting in lieu thereof "42 or 43". The second sentence of section 6161(b) is amended by striking out "or 42" and inserting in lieu thereof "42, or chapter 43".

26 USC 6161.

(8) Section 6201(d) (relating to assessment authority) is amended by striking out "and chapter 42" and inserting in lieu thereof "chapter 42, and chapter 43".

26 USC 6201.

(9) Section 6211 (defining deficiency) is amended—

26 USC 6211.

(A) by striking out so much of subsection (a) as precedes paragraph (1) thereof and inserting in lieu thereof the following:

"(a) IN GENERAL.—For purposes of this title in the case of income, estate, and gift taxes imposed by subtitles A and B and excise taxes imposed by chapters 42 and 43, the term 'deficiency' means the amount

26 USC 1, 2001.

26 USC 1,
2001, 4940.
Ante, p. 920.

by which the tax imposed by subtitle A or B, or chapter 42 or 43, exceeds the excess of—"; and

26 USC 6212.

(B) by striking out "chapter 42" in subsection (b) (2) and inserting in lieu thereof "chapter 42 or 43".

(10) Section 6212 (relating to notice of deficiency) is amended—

(A) by striking out "chapter 42" in subsection (a) and inserting in lieu thereof "chapter 42 or 43",

(B) by striking out "or chapter 42" in subsection (b) (1) and inserting in lieu thereof "chapter 42, or chapter 43",

(C) by striking out "chapter 42, and this chapter" in subsection (b) (1) and inserting in lieu thereof "chapter 42, chapter 43, and this chapter", and

(D) by striking out "of the same decedent," in subsection (c) and inserting in lieu thereof "of the same decedent, of chapter 43 tax for the same taxable years,".

(11) Section 6213 (relating to restrictions applicable to deficiencies and petition to Tax Court) is amended—

(A) by striking out "or chapter 42" in subsection (a) and inserting in lieu thereof ", chapter 42 or 43",

(B) by striking out the heading of subsection (e) and inserting in lieu thereof:

"(e) SUSPENSION OF FILING PERIOD FOR CERTAIN EXCISE TAXES.—",

(C) by striking out "or 4945 (relating to taxes on taxable expenditures)" in subsection (e) and inserting in lieu thereof "4945 (relating to taxes on taxable expenditures), 4971 (relating to excise taxes on failure to meet minimum funding standard), 4975 (relating to excise taxes on prohibited transactions)"; and

(D) by striking out "or 4945 (h) (2)" in subsection (e) and inserting in lieu thereof ", 4945(i) (2), 4971(c) (3), or 4975 (f) (4)".

(12) Section 6214 (relating to determinations by Tax Court) is amended—

(A) by amending the heading of subsection (c) to read as follows:

"(c) TAXES IMPOSED BY SECTION 507 OR CHAPTER 42 OR 43.—",

(B) by inserting after "chapter 42" each place it appears in subsection (c) "or 43"; and

(C) by striking out "chapter 42" in subsection (d) and inserting in lieu thereof "chapter 42 or 43".

26 USC 6344.

(13) Section 6344(a) (1) (relating to cross references) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 43".

26 USC 6501.

(14) Section 6501(e) (3) (relating to limitations on assessment and collection) is amended by striking out "chapter 42" and inserting in lieu thereof "chapter 42 or 43".

26 USC 6503.

(15) Section 6503 (relating to suspension of running of period of limitations) is amended—

(A) by striking out "chapter 42 taxes)" in subsection (a) (1) and inserting in lieu thereof "certain excise taxes)", and

(B) by inserting after "section 507" in subsection (h) "or section 4971 or section 4975", and by striking out "or 4945 (h) (2)" in subsection (h) and inserting in lieu thereof "4945(i) (2), 4971(c) (3), or 4975(f) (4)".

26 USC 6512.

(16) Section 6512 (relating to limitations in case of petition to Tax Court) is amended by striking out "chapter 42" each place it appears therein and inserting in lieu thereof "chapter 42 or 43".

26 USC 6601.

(17) Section 6601(d) (relating to interest on underpayment,

nonpayment, or extensions of time for payment of tax) is amended by—

(A) striking out in the heading thereof “CHAPTER 42” and inserting in lieu thereof “CHAPTER 42 OR 43”, and

26 USC 4940.
Ante, p. 920.

(B) striking out “chapter 42” and inserting in lieu thereof “certain excise”.

(18) Section 6653(c)(1) (relating to income, estate, gift, and chapter 42 taxes) is amended by striking out “chapter 42” each place it appears therein (including the heading) and inserting in lieu thereof “certain excise”.

26 USC 6653.

(19) Section 6659(b) (relating to applicable rules) is amended by striking out “chapter 42” and inserting in lieu thereof “certain excise”.

26 USC 6659.

(20) Section 6676(b) (relating to failure to supply identifying numbers) is amended by striking out “chapter 42” and inserting in lieu thereof “and certain excise”.

26 USC 6676.

(21) Section 6677(b) (relating to failure to file information returns with respect to certain foreign trusts) is amended by striking out “chapter 42” and inserting in lieu thereof “and certain excise”.

26 USC 6677.

(22) Section 6679(b) (relating to failure to file returns as to organization or reorganization of foreign corporations and as to acquisitions of their stock) is amended by striking out “chapter 42” and inserting in lieu thereof “and certain excise”.

26 USC 6679.

(23) Section 6682(b) (relating to false information with respect to withholding allowances based on itemized deductions) is amended by striking out “chapter 42” and inserting in lieu thereof “and certain excise”.

26 USC 6682.

(24) The heading of section 6861 (relating to jeopardy assessments of income, estate, and gift taxes) is amended by striking out “and gift taxes.”, and inserting in lieu thereof “, gift, and certain excise taxes.”.

26 USC 6861.

(25) Section 6862 (relating to jeopardy assessment of taxes other than income, estate, and gift taxes) is amended—

26 USC 6862.

(A) by striking out “and Gift Taxes.”, in the heading and inserting in lieu thereof “, Gift, and Certain Excise Taxes.”.

(B) by striking out “and gift tax)” in subsection (a) and inserting in lieu thereof “gift tax, and certain excise taxes)”.

(26) Section 7422 (relating to civil actions for refund) is amended—

26 USC 7422.

(A) by striking out “chapter 42” and inserting in lieu thereof “chapter 42 or 43” in subsection (e),

(B) by striking out “CHAPTER 42” in the heading of subsection (g) and inserting in lieu thereof “CHAPTER 42 OR 43”.

(C) by striking out “or 4945” in subsection (g)(1) and inserting in lieu thereof “4945, 4971, or 4975”.

26 USC 4945.
Ante, p. 920;
Post, p. 971.

(D) by striking out “section 4945(a) (relating to initial taxes on taxable expenditures)” in subsection (g)(1) and inserting in lieu thereof “section 4945(a) (relating to initial taxes on taxable expenditures), 4971(a) (relating to initial tax on failure to meet minimum funding standard), 4975(a) (relating to initial tax on prohibited transactions)”.

(E) by striking out “or section 4945(b) (relating to additional taxes on taxable expenditures)” in subsection (g)(1) and inserting in lieu thereof “section 4945(b) (relating to additional taxes on taxable expenditures), section 4971(b) (relating to additional tax on failure to meet minimum fund-

ing standard), or section 4975(b) (relating to additional tax on prohibited transactions)", and

(F) by striking out "or 4945" in paragraphs (2) and (3) of subsection (g) and inserting in lieu thereof "4945, 4971, or 4975".

26 USC 4945.
Ante, p. 920;
Post, p. 971.
26 USC 6204.

(27) Section 6204(b) (relating to supplemental assessments) is amended by striking out "and gift taxes" and inserting in lieu thereof "gift, and certain excise taxes".

(b) CLERICAL AMENDMENTS.—

(1) Part I of subchapter D of chapter 1 is amended by inserting after the heading and before the table of sections the following:

"Subpart A. General rule.

"Subpart B. Special rules.

"Subpart A—General Rule".

(2) The table of chapters for subtitle D is amended by adding at the end thereof the following new item:

"CHAPTER 43. Qualified pension, etc., plans."

(3) The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to the section captioned "Assessable penalties with respect to information required to be furnished under section 7654" and inserting in lieu thereof:

"Sec. 6688. Assessable penalties with respect to information required to be furnished under section 7654."

(4) Subchapter B of chapter 68 is amended by striking out the heading of the section immediately preceding section 6689 and inserting in lieu thereof:

26 USC 6688.

"SEC. 6688. ASSESSABLE PENALTIES WITH RESPECT TO INFORMATION REQUIRED TO BE FURNISHED UNDER SECTION 7654."

(5) The table of sections for part II of subchapter A of chapter 70 is amended by striking out "and gift taxes" in the items relating to sections 6861 and 6862 and inserting in lieu thereof "gift, and certain excise taxes".

26 USC 6861,
6862.

26 USC 410
note.

SEC. 1017. EFFECTIVE DATES AND TRANSITIONAL RULES.

(a) GENERAL RULE.—Except as otherwise provided in this section, the amendments made by this part shall apply for plan years beginning after the date of the enactment of this Act.

(b) EXISTING PLANS.—Except as otherwise provided in subsections (c) through (h), in the case of a plan in existence on January 1, 1974, the amendments made by this part shall apply for plan years beginning after December 31, 1975.

(c) EXISTING PLANS UNDER COLLECTIVE BARGAINING AGREEMENTS.—

(1) APPLICATION OF VESTING RULES TO CERTAIN PLAN PROVISIONS.—

(A) WAIVER OF APPLICATION.—In the case of a plan maintained on January 1, 1974, pursuant to one or more agreements which the Secretary of Labor finds to be collective bargaining agreements between employee representatives and one or more employers, during the special temporary waiver period the plan shall not be treated as not meeting the requirements of section 411(b) (1) or (2) of the Internal Revenue Code of

1954 solely by reason of a supplementary or special plan provision (within the meaning of subparagraph (D)).

Ante, p. 901.

(B) SPECIAL TEMPORARY WAIVER PERIOD.—For purposes of this paragraph, the term “special temporary waiver period” means plan years beginning after December 31, 1975, and before the earlier of—

(i) the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(ii) January 1, 1981.

For purposes of clause (i), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement contained in this Act shall not be treated as a termination of such collective bargaining agreement.

(C) DETERMINATION BY SECRETARY OF LABOR REQUIRED.—Subparagraph (A) shall not apply unless the Secretary of Labor determines that the participation and vesting rules in effect on the date of the enactment of this Act are not less favorable to the employees, in the aggregate, than the rules provided under sections 410 and 411 of the Internal Revenue Code of 1954.

Ante, pp. 898, 901.

(D) SUPPLEMENTARY OR SPECIAL PLAN PROVISIONS.—For purposes of this paragraph, the term “supplementary or special plan provision” means any plan provision which—

(i) provides supplementary benefits, not in excess of one-third of the basic benefit, in the form of an annuity for the life of the participant, or

(ii) provides that, under a contractual agreement based on medical evidence as to the effects of working in an adverse environment for an extended period of time, a participant having 25 years of service is to be treated as having 30 years of service.

(2) APPLICATION OF FUNDING RULES.—

(A) IN GENERAL.—In the case of a plan maintained on January 1, 1974, pursuant to one or more agreements which the Secretary of Labor finds to be collective bargaining agreements between employee representatives and one or more employers, section 412 of the Internal Revenue Code of 1954, and other amendments made by this part to the extent such amendments relate to such section 412, shall not apply during the special temporary waiver period (as defined in paragraph (1) (B)).

Ante, p. 914.

(B) WAIVER OF UNDERFUNDING.—In the case of a plan maintained on January 1, 1974, pursuant to one or more agreements which the Secretary of Labor finds to be collective bargaining agreements between employee representatives and one or more employers, if by reason of subparagraph (A) the requirements of section 401(a)(7) of the Internal Revenue Code of 1954 apply without regard to the amendment of such section 401(a)(7) by section 1016(a)(2)(C) of this Act, the plan shall not be treated as not meeting such requirements solely by reason of the application of the amendments made by sections 1011 and 1012 of this Act or related amendments made by this part.

26 USC 401.

Ante, p. 929.

Ante, pp. 898, 901.

(C) LABOR ORGANIZATION CONVENTIONS.—In the case of a plan maintained by a labor organization, which is exempt from tax under section 501(c)(5) of the Internal Revenue

26 USC 501.
Ante, p. 914.

Code of 1954, exclusively for the benefit of its employees and their beneficiaries, section 412 of such Code and other amendments made by this part to the extent such amendments relate to such section 412, shall be applied by substituting for the term "December 31, 1975" in subsection (b), the earlier of—

(i) the date on which the second convention of such labor organization held after the date of the enactment of this Act ends, or

(ii) December 31, 1980,

but in no event shall a date earlier than the later of December 31, 1975, or the date determined under subparagraph (A) or (B) be substituted.

26 USC 1 *et*
seq.

(d) **EXISTING PLANS MAY ELECT NEW PROVISIONS.**—In the case of a plan in existence on January 1, 1974, the provisions of the Internal Revenue Code of 1954 relating to participation, vesting, funding, and form of benefit (as in effect from time to time) shall apply in the case of the plan year (which begins after the date of the enactment of this Act but before the applicable effective date determined under subsection (b) or (c)) selected by the plan administrator and to all subsequent plan years, if the plan administrator elects (in such manner and at such time as the Secretary of the Treasury or his delegate shall by regulations prescribe) to have such provisions so apply. Any election made under this subsection, once made, shall be irrevocable.

Ante, p. 925.

(e) **CERTAIN DEFINITIONS AND SPECIAL RULES.**—Section 414 of the Internal Revenue Code of 1954 (other than subsections (b) and (c) of such section 414), as added by section 1015(a) of this Act, shall take effect on the date of the enactment of this Act.

(f) **TRANSITIONAL RULES WITH RESPECT TO BREAKS IN SERVICE.**—

Ante, p. 898.

(1) **PARTICIPATION.**—In the case of a plan to which section 410 of the Internal Revenue Code of 1954 applies, if any plan amendment with respect to breaks in service (which amendment is made or becomes effective after January 1, 1974, and before the date on which such section 410 first becomes effective with respect to such plan) provides that any employee's participation in the plan would commence at any date later than the later of—

(A) the date on which his participation would commence under the break in service rules of section 410(a)(5) of such Code, or

(B) the date on which his participation would commence under the plan as in effect on January 1, 1974,

26 USC 403, 405.

such plan shall not constitute a plan described in section 403(a) or 405(a) of such Code and a trust forming a part of such plan shall not constitute a qualified trust under section 401(a) of such Code.

26 USC 401.

Ante, p. 901.

(2) **VESTING.**—In the case of a plan to which section 411 of the Internal Revenue Code of 1954 applies, if any plan amendment with respect to breaks in service (which amendment is made or becomes effective after January 1, 1974, and before the date on which such section 411 first becomes effective with respect to such plan) provides that the nonforfeitable benefit derived from employer contributions to which any employee would be entitled is less than the lesser of the nonforfeitable benefit derived from employer contributions to which he would be entitled under—

(A) the break in service rules of section 411(a)(6) of such Code, or

(B) the plan as in effect on January 1, 1974,

such plan shall not constitute a plan described in section 403(a) or 405(a) of such Code and a trust forming a part of such plan shall not constitute a qualified trust under section 401(a) of such Code. Subparagraph (B) shall not apply if the break in service rules under the plan would have been in violation of any law or rule of law in effect on January 1, 1974.

(g) 3-YEAR DELAY FOR CERTAIN PROVISIONS.—Subparagraphs (B) and (C) of section 404(a) (1) shall apply only in the case of plan years beginning on or after 3 years after the date of the enactment of this Act.

Ante, p. 921.

(h) (1) Except as provided in paragraph (2), section 413 of the Internal Revenue Code of 1954 shall apply to plan years beginning after December 31, 1953.

Ante, p. 924.

(2) (A) For plan years beginning before the applicable effective date of section 410 of such Code, the provisions of paragraphs (1) and (8) of subsection (b) of such section 413 shall be applied by substituting “401(a) (3)” for “410”.

Ante, p. 898.

(B) For plan years beginning before the applicable effective date of section 411 of such Code, the provisions of subsection (b) (2) of such section 413 shall be applied by substituting “401(a) (7)” for “411(d) (3)”.

Ante, p. 901.

(C) (i) The provisions of subsection (b) (4) of such section 413 shall not apply to plan years beginning before the applicable effective date of section 411 of such Code.

(ii) The provisions of subsection (b) (5) (other than the second sentence thereof) of such section 413 shall not apply to plan years beginning before the applicable effective date of section 412 of such Code.

Ante, p. 914.

PART 2—CERTAIN OTHER PROVISIONS RELATING TO QUALIFIED RETIREMENT PLANS

SEC. 1021. ADDITIONAL PLAN REQUIREMENTS.

(a) JOINT AND SURVIVOR ANNUITY REQUIREMENT.—

(1) IN GENERAL.—Effective with respect to plan years beginning after December 31, 1975, section 401(a) (relating to requirements for qualification) is amended by inserting after paragraph (10) the following new paragraph:

26 USC 401
note.
26 USC 401.

“(11) (A) A trust shall not constitute a qualified trust under this section if the plan of which such trust is a part provides for the payment of benefits in the form of an annuity unless such plan provides for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity.

“(B) Notwithstanding the provisions of subparagraph (A), in the case of a plan which provides for the payment of benefits before the normal retirement age (as defined in section 411 (a) (8)), the plan is not required to provide for the payment of annuity benefits in a form having the effect of a qualified joint and survivor annuity during the period beginning on the date on which the employee enters into the plan as a participant and ending on the later of—

“(i) the date the employee reaches the earliest retirement age under the plan, or

“(ii) the first day of the 120th month beginning before the date on which the employee reaches normal retirement age.

“(C) A plan described in subparagraph (B) does not meet the requirements of subparagraph (A) unless, under the plan, a participant has a reasonable period during which he may elect the qualified joint and survivor annuity form with respect to the period beginning on the date on which the period described in subparagraph (B) ends and ending on the date on which he reaches normal retirement age (as defined in section 411(a) (8)) if he continues his employment during that period. A plan does not meet the requirements of this subparagraph unless, in the case of such an election, the payments under the survivor annuity are not less than the payments which would have been made under the

joint annuity to which the participant would have been entitled if he made an election described in this subparagraph immediately prior to his retirement and if his retirement had occurred on the day before his death and within the period within which an election can be made.

“(D) A plan shall not be treated as not satisfying the requirements of this paragraph solely because the spouse of the participant is not entitled to receive a survivor annuity (whether or not an election described in subparagraph (C) has been made under subparagraph (C)) unless the participant and his spouse have been married throughout the 1-year period ending on the date of such participant’s death.

“(E) A plan shall not be treated as satisfying the requirements of this paragraph unless, under the plan, each participant has a reasonable period (as described by the Secretary or his delegate by regulations) before the annuity starting date during which he may elect in writing (after having received a written explanation of the terms and conditions of the joint and survivor annuity and the effect of an election under this subparagraph) not to take such joint and survivor annuity.

“(F) A plan shall not be treated as not satisfying the requirements of this paragraph solely because under the plan there is a provision that any election described in subparagraph (C) or (E), and any revocation of any such election, does not become effective (or ceases to be effective) if the participant dies within a period (not in excess of 2 years) beginning on the date of such election or revocation, as the case may be. The preceding sentence does not apply unless the plan provision described in the preceding sentence also provides that such an election or revocation will be given effect in any case in which—

“(i) the participant dies from accidental causes,

“(ii) a failure to give effect to the election or revocation would deprive the participant’s survivor of a survivor annuity, and

“(iii) such election or revocation is made before such accident occurred.

Definitions.

“(G) For purposes of this paragraph—

“(i) the term ‘annuity starting date’ means the first day of the first period for which an amount is received as an annuity (whether by reason of retirement or by reason of disability),

“(ii) the term ‘earliest retirement age’ means the earliest date on which, under the plan, the participant could elect to receive retirement benefits, and

“(iii) the term ‘qualified joint and survivor annuity’ means an annuity for the life of the participant with a survivor annuity for the life of his spouse which is not less than one-half of, or greater than, the amount of the annuity payable during the joint lives of the participant and his spouse and which is the actuarial equivalent of a single life annuity for the life of the participant.

For purposes of this paragraph, a plan may take into account in any equitable manner (as determined by the Secretary or his delegate) any increased costs resulting from providing joint and survivor annuity benefits.

“(H) This paragraph shall apply only if—

"(i) the annuity starting date did not occur before the effective date of this paragraph, and

"(ii) the participant was an active participant in the plan on or after such effective date."

(2) CERTAIN ADDITIONAL REQUIREMENTS APPLY ONLY TO PLANS TO WHICH VESTING REQUIREMENTS APPLY.—Section 401(a) (relating to requirements for qualification) is amended by adding at the end thereof the following new sentence: "Paragraphs (11), (12), (13), (14), (15), and (19) shall apply only in the case of a plan to which section 411 (relating to minimum vesting standards) applies without regard to subsection (e) (2) of such section."

26 USC 401.

Ante, p. 901.

(b) REQUIREMENTS IN CASE OF MERGERS AND CONSOLIDATIONS OF PLANS OR TRANSFERS OF PLAN ASSETS.—Effective with respect to plan years beginning after December 31, 1975, section 401(a) is amended by inserting after paragraph (11) the following new paragraph:

26 USC 401
note.

Ante, p. 935.

"(12) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that in the case of any merger or consolidation with, or transfer of assets or liabilities to, any other plan after the date of the enactment of the Employee Retirement Income Security Act of 1974, each participant in the plan would (if the plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer (if the plan had then terminated). This paragraph shall apply in the case of a multiemployer plan only to the extent determined by the Pension Benefit Guaranty Corporation."

Ante, p. 829.

(c) RETIREMENT BENEFITS MAY NOT BE ASSIGNED OR ALIENATED.—Section 401(a) is amended by inserting after paragraph (12) the following new paragraph:

Supra.

"(13) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that benefits provided under the plan may not be assigned or alienated. For purposes of the preceding sentence, there shall not be taken into account any voluntary and revocable assignment of not to exceed 10 percent of any benefit payment made by any participant who is receiving benefits under the plan unless the assignment or alienation is made for purposes of defraying plan administration costs. For purposes of this paragraph a loan made to a participant or beneficiary shall not be treated as an assignment or alienation if such loan is secured by the participant's accrued nonforfeitable benefit and is exempt from the tax imposed by section 4975 (relating to tax on prohibited transactions) by reason of section 4975 (d) (1). This paragraph shall take effect on January 1, 1976 and shall not apply to assignments which were irrevocable on the date of the enactment of the Employee Retirement Income Security Act of 1974."

Post, p. 971.

(d) REQUIREMENT THAT PAYMENT OF BENEFITS BEGIN NOT LATER THAN WHEN THE PARTICIPANT ATTAINS AGE 65 OR HAS COMPLETED 10 YEARS OF PARTICIPATION.—Section 401(a) is amended by inserting after paragraph (13) the following new paragraph:

Supra.

"(14) A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that, unless the participant otherwise elects, the payment of benefits under the plan to the participant will begin not later than the 60th day after the latest of the close of the plan year in which—

“(A) the date on which the participant attains the earlier of age 65 or the normal retirement age specified under the plan,

“(B) occurs the 10th anniversary of the year in which the participant commenced participation in the plan, or

“(C) the participant terminates his service with the employer.

In the case of a plan which provides for the payment of an early retirement benefit, a trust forming a part of such plan shall not constitute a qualified trust under this section unless a participant who satisfied the service requirements for such early retirement benefit, but separated from the service (with any nonforfeitable right to an accrued benefit) before satisfying the age requirement for such early retirement benefit, is entitled upon satisfaction of such age requirement to receive a benefit not less than the benefit to which he would be entitled at the normal retirement age, actuarially, reduced under regulations prescribed by the Secretary or his delegate.”

(e) REQUIREMENT THAT PLAN BENEFITS ARE NOT DECREASED BY CERTAIN SOCIAL SECURITY INCREASES.—Section 401(a) is amended by inserting after paragraph (14) the following new paragraph:

Ante, p. 937.

“(15) a trust shall not constitute a qualified trust under this section unless under the plan of which such trust is a part—

“(A) in the case of a participant or beneficiary who is receiving benefits under such plan, or

“(B) in the case of a participant who is separated from the service and who has nonforfeitable rights to benefits, such benefits are not decreased by reason of any increase in the benefit levels payable under title II of the Social Security Act or any increase in the wage base under such title II, if such increase takes place after the date of the enactment of the Employee Retirement Income Security Act of 1974 or (if later) the earlier of the date of first receipt of such benefits or the date of such separation, as the case may be.”

42 USC 401.

(f) REQUIREMENT OF NONFORFEITABILITY IN CASE OF CERTAIN WITHDRAWALS.—Section 401(a) is amended by inserting after paragraph (18) the following new paragraph:

Post, p. 953.

“(19) A trust shall not constitute a qualified trust under this section if under the plan of which such trust is a part any part of a participant's accrued benefit derived from employer contributions (whether or not otherwise nonforfeitable), is forfeitable solely because of withdrawal by such participant of any amount attributable to the benefit derived from contributions made by such participant. The preceding sentence shall not apply to the accrued benefit of any participant unless, at the time of such withdrawal, such participant has a nonforfeitable right to at least 50 percent of such accrued benefit (as determined under section 411). The first sentence of this paragraph shall not apply to the extent that an accrued benefit is permitted to be forfeited in accordance with section 411(a)(3)(D)(iii) (relating to proportional forfeitures of benefits accrued before enactment of the Employee Retirement Income Security Act of 1974, in the event of withdrawal of certain mandatory contributions).”

Ante, p. 901.

SEC. 1022. MISCELLANEOUS PROVISIONS.

(a) REQUIREMENT THAT PLAN NOT BE DISCRIMINATORY.—Section 401(a)(4) (disqualifying discriminatory plans) is amended to read as follows:

26 USC 401.

“(4) If the contributions or the benefits provided under the plan do not discriminate in favor of employees who are—

“(A) officers,

“(B) shareholders, or

“(C) highly compensated.

For purposes of this paragraph, there shall be excluded from consideration employees described in section 410(b)(2) (A) and (C).”

Ante, p. 898.

(b) AMENDMENTS RELATING TO SELF-EMPLOYED INDIVIDUALS AND OWNER-EMPLOYEES.—

(1) AMENDMENT OF SECTION 401(a)(10).—So much of subparagraph (A) of section 401(a)(10) as precedes clause (i) thereof is amended to read as follows:

26 USC 401.

“(A) paragraph (3), the first and second sentences of paragraph (5), and section 410 shall not apply, but—”.

(2) AMENDMENT OF SECTION 401(d)(3).—Section 401(d)(3) (relating to additional requirements for qualification of trusts and plans benefiting owner-employees) is amended to read as follows:

“(3)(A) The plan benefits each employee having 3 or more years of service (within the meaning of section 410(a)(3)).

“(B) For purposes of subparagraph (A), the term ‘employee’ does not include—

“(i) any employee included in a unit of employees covered by a collective-bargaining agreement described in section 410(b)(2)(A), and

“(ii) any employee who is a nonresident alien individual described in section 410(b)(2)(C).”

(c) PERSONS OTHER THAN BANKS MAY BE TRUSTEES OF TRUSTS BENEFITING OWNER-EMPLOYEES.—

(1) The first sentence of section 401(d)(1) is amended to read as follows: “In the case of a trust which is created on or after October 10, 1962, or which was created before such date but is not exempt from tax under section 501(a) as an organization described in subsection (a) on the day before such date, the assets thereof are held by a bank or other person who demonstrates to the satisfaction of the Secretary or his delegate that the manner in which he will administer the trust will be consistent with the requirements of this section. A trust shall not be disqualified under this paragraph merely because a person (including the employer) other than the trustee or custodian so administering the trust may be granted, under the trust instrument, the power to control the investment of the trust funds either by directing investments (including reinvestments, disposals, and exchanges) or by disapproving proposed investments (including reinvestments, disposals, or exchanges).”

26 USC 501.

(2) The second sentence of section 401(d)(1) is amended by striking out “the date of the enactment of this subsection” and inserting in lieu thereof “October 10, 1962.”

(d) CERTAIN CUSTODIAL ACCOUNTS.—Effective as of January 1, 1974, subsection (f) of section 401 (relating to certain custodial accounts) is amended to read as follows:

26 USC 401
note.

“(f) CERTAIN CUSTODIAL ACCOUNTS AND ANNUITY CONTRACTS.—For purposes of this title, a custodial account or an annuity contract shall be treated as a qualified trust under this section if—

“(1) the custodial account or annuity contract would, except for the fact that it is not a trust, constitute a qualified trust under this section, and

“(2) in the case of a custodial account the assets thereof are held by a bank (as defined in subsection (d)(1)) or another person who demonstrates, to the satisfaction of the Secretary or his delegate, that the manner in which he will hold the assets will be consistent with the requirements of this section.

For purposes of this title, in the case of a custodial account or annuity contract treated as a qualified trust under this section by reason of this subsection, the person holding the assets of such account or holding such contract shall be treated as the trustee thereof.”

26 USC 403 and
note.

26 USC 501.

(e) CUSTODIAL ACCOUNTS FOR REGULATED INVESTMENT COMPANY STOCK.—Effective as of January 1, 1974, section 403(b) (relating to taxability of beneficiary under annuity purchased by section 501(c)(3) organization or public school) is amended by adding at the end thereof the following new paragraph:

“(7) CUSTODIAL ACCOUNTS FOR REGULATED INVESTMENT COMPANY STOCK.—

Ante, p. 939.

“(A) AMOUNTS PAID TREATED AS CONTRIBUTIONS.—For purposes of this title, amounts paid by an employer described in paragraph (1)(A) to a custodial account which satisfies the requirements of section 401(f)(2) shall be treated as amounts contributed by him for an annuity contract for his employee if the amounts are paid to provide a retirement benefit for that employee and are to be invested in regulated investment company stock to be held in that custodial account.

“(B) ACCOUNT TREATED AS PLAN.—For purposes of this title, a custodial account which satisfies the requirements of section 401(f)(2) shall be treated as an organization described in section 401(a) solely for purposes of subchapter F and subtitle F with respect to amounts received by it (and income from investment thereof).

26 USC 851.

26 USC 401 and
note.

“(C) REGULATED INVESTMENT COMPANY.—For purposes of this paragraph, the term ‘regulated investment company’ means a domestic corporation which is a regulated investment company within the meaning of section 851(a), and which issues only redeemable stock.”

12 USC 1752.

(f) INSURED CREDIT UNIONS.—Effective as of January 1, 1974, the last sentence of section 401(d)(1) is amended by striking out “section 581,” and inserting in lieu thereof “section 581, an insured credit union (within the meaning of section 101(6) of the Federal Credit Union Act).”

(g) PUBLIC INSPECTION OF CERTAIN INFORMATION WITH RESPECT TO PENSION, PROFIT-SHARING, AND STOCK BONUS PLANS.—

26 USC 6104.

(1) AMENDMENT OF SECTION 6104(a).—Paragraph (1) of section 6104(a) (relating to public inspection of applications for tax exemption) is amended—

(A) by redesignating subparagraph (B) as subparagraph (D) and by inserting after subparagraph (A) the following new subparagraphs:

“(B) PENSION, ETC., PLANS.—The following shall be open to public inspection at such times and in such places as the Secretary or his delegate may prescribe:

“(i) any application filed with respect to the qualification of a pension, profit-sharing, or stock bonus plan

under section 401(a), 403(a), or 405(a), an individual retirement account described in section 408(a), or an individual retirement annuity described in section 408(b),

26 USC 401,
403, 405.
26 USC 408.

“(ii) any application filed with respect to the exemption from tax under section 501(a) of an organization forming part of a plan or account referred to in clause (i),

26 USC 501.

“(iii) any papers submitted in support of an application referred to in clause (i) or (ii), and

“(iv) any letter or other document issued by the Internal Revenue Service and dealing with the qualification referred to in clause (i) or the exemption from tax referred to in clause (ii).

Except in the case of a plan participant, this subparagraph shall not apply to any plan referred to in clause (i) having not more than 25 participants.

“(C) CERTAIN NAMES AND COMPENSATION NOT TO BE OPENED TO PUBLIC INSPECTION.—In the case of any application, document, or other papers, referred to in subparagraph (B), information from which the compensation (including deferred compensation) of any individual may be ascertained shall not be open to public inspection under subparagraph (B).”

(B) The heading of subparagraph (A) of section 6104(a) (1) is amended to read as follows:

26 USC 6104.

“(A) ORGANIZATIONS DESCRIBED IN SECTION 501.—”

(C) The heading of subparagraph (D) of section 6104(a) (1) as redesignated by subparagraph (A) of this paragraph is amended to read as follows:

“(D) WITHHOLDING OF CERTAIN OTHER INFORMATION.—”

(D) Subparagraph (D) of section 6104(a)(1) (as so redesignated) is amended by striking out “subparagraph (A)” each place it appears and inserting in lieu thereof “subparagraph (A) or (B)”.

(2) AMENDMENT OF SECTION 6104(a)(2).—Subparagraph (A) of section 6104(a)(2) is amended by adding at the end thereof “any application referred to in subparagraph (B) of subsection (a)(1) of this section, and”.

(3) AMENDMENT OF SECTION 6104(b).—Section 6104(b) (relating to inspection of annual information returns) is amended by striking out “and 6056” and inserting in lieu thereof “6956, and 6058”.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to applications filed (or documents issued) after the date of enactment of this Act.

26 USC 6104
note.

(h) PUBLICITY OF RETURNS.—Effective on the date of the enactment of this Act, section 6103 (relating to publicity of returns and disclosure of information as to persons filing income tax returns) is amended by adding at the end thereof a new subsection (g) to read as follows:

26 USC 6103
and note.

“(g) DISCLOSURE OF INFORMATION WITH RESPECT TO DEFERRED COMPENSATION PLANS.—The Secretary or his delegate is authorized to furnish—

“(1) returns with respect to any tax imposed by this title or information with respect to such returns to the proper officers and employees of the Department of Labor and the Pension Benefit

Ante, p. 832.
Post, p. 1003.

26 USC 6057.

Post, p. 947.

Guaranty Corporation for purposes of administration of Titles I and IV of the Employee Retirement Income Security Act of 1974, and

“(2) registration statements (as described in section 6057) and information with respect to such statements to the proper officers and employees of the Department of Health, Education, and Welfare for purposes of administration of section 1131 of the Social Security Act.”

(i) **CERTAIN PUERTO RICAN PENSION, ETC., PLANS TO BE EXEMPT FROM TAX UNDER SECTION 501(a).**—

26 USC 501 and
note.

26 USC 501.

26 USC 401.

(1) **GENERAL RULE.**—Effective for taxable years beginning after December 31, 1973, for purposes of section 501(a) of the Internal Revenue Code of 1954 (relating to exemption from tax), any trust forming part of a pension, profit-sharing, or stock bonus plan all of the participants of which are residents of the Commonwealth of Puerto Rico shall be treated as an organization described in section 401(a) of such Code if such trust—

(A) forms part of a pension, profit-sharing, or stock bonus plan, and

(B) is exempt from income tax under the laws of the Commonwealth of Puerto Rico.

(2) **ELECTION TO HAVE PROVISIONS OF, AND AMENDMENTS MADE BY, TITLE II OF THIS ACT APPLY.**—

(A) If the administrator of a pension, profit-sharing, or stock bonus plan which is created or organized in Puerto Rico elects, at such time and in such manner as the Secretary of the Treasury may require, to have the provisions of this paragraph apply, for plan years beginning after the date of election any trust forming a part of such plan shall be treated as a trust created or organized in the United States for purposes of section 401(a) of the Internal Revenue Code of 1954.

(B) An election under subparagraph (A), once made, is irrevocable.

(C) This paragraph applies to plan years beginning after the date of enactment of this Act.

(D) The source of any distributions made under a plan which makes an election under this paragraph to participants and beneficiaries residing outside of the United States shall be determined, for purposes of subchapter N of chapter 1 of the Internal Revenue Code of 1954, by the Secretary of the Treasury in accordance with regulations prescribed by him. For purposes of this subparagraph the United States means the United States as defined in section 7701(a)(9) of the Internal Revenue Code of 1954.

26 USC 7701.

26 USC 404
note.

(j) **YEAR OF DEDUCTION FOR CERTAIN EMPLOYER CONTRIBUTIONS FOR SEVERANCE PAYMENTS REQUIRED BY FOREIGN LAW.**—Effective for taxable years beginning after December 31, 1973, if—

(1) an employer is engaged in a trade or business in a foreign country,

(2) such employer is required by the laws of that country to make payments, based on periods of service, to its employees or their beneficiaries after the employees' retirement, death, or other separation from the service, and

(3) such employer establishes a trust (whether organized

within or outside the United States) for the purpose of funding the payments required by such law, then, in determining for purposes of paragraph (5) of section 404(a) of the Internal Revenue Code of 1954 the taxable year in which any contribution to or under the plan is includible in the gross income of the nonresident alien employees of such employer, such paragraph (5) shall be treated as not requiring that separate accounts be maintained for such nonresident alien employees.

26 USC 404.

(k) **RECEIPTS FOR EMPLOYEES.**—Section 6051 (relating to receipts for employees) is amended by inserting after “exemption,” in subsection (a) the following: “or every employer engaged in a trade or business who pays remuneration for services performed by an employee, including the cash value of such remuneration paid in any medium other than cash,”.

26 USC 6051.

SEC. 1023. RETROACTIVE CHANGES IN PLAN.

Section 401(b) (relating to certain retroactive changes in plan) is amended to read as follows:

26 USC 401.

“(b) **CERTAIN RETROACTIVE CHANGES IN PLAN.**—A stock bonus, pension, profit-sharing, or annuity plan shall be considered as satisfying the requirements of subsection (a) for the period beginning with the date on which it was put into effect, or for the period beginning with the earlier of the date on which there was adopted or put into effect any amendment which caused the plan to fail to satisfy such requirements, and ending with the time prescribed by law for filing the return of the employer for his taxable year in which such plan or amendment was adopted (including extensions thereof) or such later time as the Secretary or his delegate may designate, if all provisions of the plan which are necessary to satisfy such requirements are in effect by the end of such period and have been made effective for all purposes for the whole of such period.”

SEC. 1024. EFFECTIVE DATES.

Except as otherwise provided in section 1021, the amendments made by section 1021 shall apply to plan years to which part I applies. Except as otherwise provided in section 1022, the amendments made by section 1022 shall apply to plan years to which part I applies. Section 1023 shall take effect on the date of the enactment of this Act.

26 USC 401
note.

PART 3—REGISTRATION AND INFORMATION

SEC. 1031. REGISTRATION AND INFORMATION.

(a) **ANNUAL REGISTRATION AND INFORMATION RETURNS.**—Part III of subchapter A of chapter 61 (relating to information returns) is amended by adding at the end thereof the following new subpart:

“SUBPART E—REGISTRATION OF AND INFORMATION CONCERNING PENSION, ETC., PLANS

“Sec. 6057. Annual registration, etc.

“Sec. 6058. Information required in connection with certain plans of deferred compensation.

“Sec. 6059. Periodic report by actuary.

“SEC. 6057. ANNUAL REGISTRATION, ETC.

26 USC 6057.

“(a) **ANNUAL REGISTRATION.**—

“(1) **GENERAL RULE.**—Within such period after the end of a plan year as the Secretary or his delegate may by regulations prescribe, the plan administrator (within the meaning of section 414(g)) of each plan to which the vesting standards of section 203 of part 2 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 applies for such plan year shall file a registration statement with the Secretary or his delegate.

Ante, p. 925.*Ante*, p. 854.

“(2) CONTENTS.—The registration statement required by paragraph (1) shall set forth—

“(A) the name of the plan,

“(B) the name and address of the plan administrator,

“(C) the name and taxpayer identifying number of each participant in the plan—

“(i) who, during such plan year, separated from the service covered by the plan,

“(ii) who is entitled to a deferred vested benefit under the plan as of the end of such plan year, and

“(iii) with respect to whom retirement benefits were not paid under the plan during such plan year,

“(D) the nature, amount, and form of the deferred vested benefit to which such participant is entitled, and

“(E) such other information as the Secretary or his delegate may require.

At the time he files the registration statement under this subsection, the plan administrator shall furnish evidence satisfactory to the Secretary or his delegate that he has complied with the requirement contained in subsection (e).

“(b) NOTIFICATION OF CHANGE IN STATUS.—Any plan administrator required to register under subsection (a) shall also notify the Secretary or his delegate, at such time as may be prescribed by regulations, of—

“(1) any change in the name of the plan,

“(2) any change in the name or address of the plan administrator,

“(3) the termination of the plan, or

“(4) the merger or consolidation of the plan with any other plan or its division into two or more plans.

“(c) VOLUNTARY REPORTS.—To the extent provided in regulations prescribed by the Secretary or his delegate, the Secretary or his delegate may receive from—

“(1) any plan to which subsection (a) applies, and

“(2) any other plan (including any governmental plan or church plan (within the meaning of section 414)),

such information (including information relating to plan years beginning before January 1, 1974) as the plan administrator may wish to file with respect to the deferred vested benefit rights of any participant separated from the service covered by the plan during any plan year.

“(d) TRANSMISSION OF INFORMATION TO SECRETARY OF HEALTH, EDUCATION, AND WELFARE.—The Secretary or his delegate shall transmit copies of any statements, notifications, reports, or other information obtained by him under this section to the Secretary of Health, Education, and Welfare.

“(e) INDIVIDUAL STATEMENT TO PARTICIPANT.—Each plan administrator required to file a registration statement under subsection (a) shall, before the expiration of the time prescribed for the filing of such registration statement, also furnish to each participant described in subsection (a)(2)(C) an individual statement setting forth the information with respect to such participant required to be contained in such registration statement.

“(f) REGULATIONS.—

“(1) IN GENERAL.—The Secretary, after consultation with the Secretary of Health, Education, and Welfare, may prescribe such regulations as may be necessary to carry out the provisions of this section.

“(2) PLANS TO WHICH MORE THAN ONE EMPLOYER CONTRIBUTES.—This section shall apply to any plan to which more than one

employer is required to contribute only to the extent provided in regulations prescribed under this subsection.

“(g) CROSS REFERENCES.—

“For provisions relating to penalties for failure to register or furnish statements required by this section, see section 6652(e) and section 6690.

“For coordination between Department of the Treasury and the Department of Labor with regard to administration of this section, see section 3004 of the Employee Retirement Income Security Act of 1974.

“SEC. 6058. INFORMATION REQUIRED IN CONNECTION WITH CERTAIN PLANS OF DEFERRED COMPENSATION.

26 USC 6058.

“(a) IN GENERAL.—Every employer who maintains a pension, annuity, stock bonus, profit-sharing, or other funded plan of deferred compensation described in part I of subchapter D of chapter 1, or the plan administrator (within the meaning of section 414(g)) of the plan, shall file an annual return stating such information as the Secretary or his delegate may by regulations prescribe with respect to the qualification, financial condition, and operations of the plan; except that, in the discretion of the Secretary or his delegate, the employer may be relieved from stating in its return any information which is reported in other returns.

26 USC 401.

Ante, p. 925.

“(b) ACTUARIAL STATEMENT IN CASE OF MERGERS, ETC.—Not less than 30 days before a merger, consolidation, or transfer of assets or liabilities of a plan described in subsection (a) to another plan, the plan administrator (within the meaning of section 414(g)) shall file an actuarial statement of valuation evidencing compliance with the requirements of section 401(a)(12).

Ante, p. 937.

“(c) EMPLOYER.—For purposes of this section, the term ‘employer’ includes a person described in section 401(c)(4) and an individual who establishes an individual retirement account or annuity described in section 408.

26 USC 401.

26 USC 408.

“(d) CROSS REFERENCES.—

“For provisions relating to penalties for failure to file a return required by this section, see section 6652(f).

“For coordination between the Department of the Treasury and the Department of Labor with respect to the information required under this section, see section 3004 of title III of the Employee Retirement Income Security Act of 1974.”.

(b) SANCTIONS.—

(1) FAILURE TO FILE REGISTRATION STATEMENTS OR NOTIFICATION OF CHANGE IN STATUS.—

(A) Section 6652 (relating to failure to file certain information returns) is amended by redesignating subsection (e) as subsection (g) and by inserting after subsection (d) the following new subsections:

26 USC 6652.

“(e) ANNUAL REGISTRATION AND OTHER NOTIFICATION BY PENSION PLAN.—

“(1) REGISTRATION.—In the case of any failure to file a registration statement required under section 6057(a) (relating to annual registration of certain plans) which includes all participants required to be included in such statement, on the date prescribed therefor (determined without regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause, there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file, an amount equal to \$1 for each participant with respect to whom there is a failure to file, multiplied by the number of days during which such failure continues, but the total amount imposed under this paragraph on any person for any failure to file with respect to any plan year shall not exceed \$5,000.

Ante, p. 943.

Ante, p. 943.

“(2) NOTIFICATION OF CHANGE OF STATUS.—In the case of failure to file a notification required under section 6057(b) (relating to notification of change of status) on the date prescribed therefor (determined without regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause, there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file, \$1 for each day during which such failure continues, but the total amounts imposed under this paragraph on any person for failure to file any notification shall not exceed \$1,000.

Ante, p. 945.

Post, p. 970.
26 USC 6047.

“(f) INFORMATION REQUIRED IN CONNECTION WITH CERTAIN PLANS OF DEFERRED COMPENSATION.—In the case of failure to file a return or statement required under section 6058 (relating to information required in connection with certain plans of deferred compensation) or 6047 (relating to information relating to certain trusts and annuity and bond purchase plans) on the date and in the manner prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that such failure is due to reasonable cause, there shall be paid (on notice and demand by the Secretary or his delegate and in the same manner as tax) by the person failing so to file, \$10 for each day during which such failure continues, but the total amount imposed under this subsection on any person for failure to file any return shall not exceed \$5,000.”

26 USC 6652.

(B) (i) The section heading for section 6652 is amended by adding “, Registration Statements, etc.” before the period at the end thereof.

(ii) The item relating to section 6652 in the table of contents for subchapter A of chapter 68 is amended by adding “, registration statements, etc.” before the period at the end thereof.

(2) FAILURE TO FURNISH STATEMENT TO PARTICIPANT.—

(A) Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

26 USC 6690.

“SEC. 6690. FRAUDULENT STATEMENT OR FAILURE TO FURNISH STATEMENT TO PLAN PARTICIPANT.

“Any person required under section 6057(e) to furnish a statement to a participant who willfully furnishes a false or fraudulent statement, or who willfully fails to furnish a statement in the manner, at the time, and showing the information required under section 6057(e), or regulations prescribed thereunder, shall for each such act, or for each such failure, be subject to a penalty under this subchapter of \$50, which shall be assessed and collected in the same manner as the tax on employers imposed by section 3111.”

26 USC 3111.

(B) The table of sections for such subchapter B is amended by adding at the end thereof the following new item:

“Sec. 6690. Fraudulent statement or failure to furnish statement to plan participant.”

(c) CLERICAL AMENDMENTS.—

(1) The table of subparts for such part III is amended by adding at the end thereof the following:

“Subpart E. Registration of and information concerning pension, etc., plans.”

26 USC 6033.

(2) Section 6033(c) (relating to cross references) is amended by adding at the end thereof the following:

“For provisions relating to information required in connection with certain plans of deferred compensation, see section 6058.”

(3) Subsection (d) of section 6047 (relating to information with respect to certain trusts and annuity and bond purchase plans) is amended to read as follows:

26 USC 6047.

“(d) CROSS REFERENCES.—

“(1) For provisions relating to penalties for failure to file a return required by this section, see section 6652(f).

“(2) For criminal penalty for furnishing fraudulent information, see section 7207.”

SEC. 1032. DUTIES OF SECRETARY OF HEALTH, EDUCATION, AND WELFARE.

Title XI of the Social Security Act (relating to general provisions) is amended by adding at the end of part A thereof the following new section:

“NOTIFICATION OF SOCIAL SECURITY CLAIMANT WITH RESPECT TO DEFERRED VESTED BENEFITS

“SEC. 1131. (a) Whenever—

42 USC 1320b-1.

“(1) the Secretary makes a finding of fact and a decision as to—

“(A) the entitlement of any individual to monthly benefits under section 202, 223, or 228,

42 USC 402, 423, 428.

“(B) the entitlement of any individual to a lump-sum death payment payable under section 202(i) on account of the death of any person to whom such individual is related by blood, marriage, or adoption, or

“(C) the entitlement under section 226 of any individual to hospital insurance benefits under part A of title XVIII, or

42 USC 426. 42 USC 1395c.

“(2) the Secretary is requested to do so—

“(A) by any individual with respect to whom the Secretary holds information obtained under section 6057 of the Internal Revenue Code of 1954, or

Ante, p. 943.

“(B) in the case of the death of the individual referred to in subparagraph (A), by the individual who would be entitled to payment under section 204(d) of this Act.

42 USC 404.

he shall transmit to the individual referred to in paragraph (1) or the individual making the request under paragraph (2) any information, as reported by the employer, regarding any deferred vested benefit transmitted to the Secretary pursuant to such section 6057 with respect to the individual referred to in paragraph (1) or (2) (A) or the person on whose wages and self-employment income entitlement (or claim of entitlement) is based.

“(b) (1) For purposes of section 201(g) (1), expenses incurred in the administration of subsection (a) shall be deemed to be expenses incurred for the administration of title II.

42 USC 401.

“(2) There are hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund for each fiscal year (commencing with the fiscal year ending June 30, 1974) such sums as the Secretary deems necessary on account of additional administrative expenses resulting from the enactment of the provisions of subsection (a).”

Appropriation.

SEC. 1033. REPORTS BY ACTUARIES.

(a) **REPORTS BY ACTUARIES.**—Subpart E of part III of subchapter A of chapter 61 (relating to registration of and information concerning pension, etc., plans) as added by section 1031(a) of this Act, is amended by adding at the end thereof the following new section:

Ante, p. 943.

“SEC. 6059. PERIODIC REPORT OF ACTUARY.

26 USC 6059.

“(a) **GENERAL RULE.**—The actuarial report described in subsection (b) shall be filed by the plan administrator (as defined in section

Ante, pp. 925,
914.

414(g) of each defined benefit plan to which section 412 applies, for the first plan year for which section 412 applies to the plan and for each third plan year thereafter (or more frequently if the Secretary or his delegate determines that more frequent reports are necessary).

26 USC 7701.

“(b) **ACTUARIAL REPORT.**—The actuarial report of a plan required by subsection (a) shall be prepared and signed by an enrolled actuary (within the meaning of section 7701(a)(35)) and shall contain—

“(1) a description of the funding method and actuarial assumptions used to determine costs under the plan,

“(2) a certification of the contribution necessary to reduce the accumulated funding deficiency (as defined in section 412(a)) to zero,

“(3) a statement—

“(A) that to the best of his knowledge the report is complete and accurate, and

“(B) the requirements of section 412(c) (relating to reasonable actuarial assumptions) have been complied with,

“(4) such other information as may be necessary to fully and fairly disclose the actuarial position of the plan, and

“(5) such other information regarding the plan as the Secretary or his delegate may by regulations require.

“(c) **TIME AND MANNER OF FILING.**—The actuarial report and statement required by this section shall be filed at the time and in the manner provided by regulations prescribed by the Secretary or his delegate.

“(d) **CROSS REFERENCE.**—

“For coordination between the Department of the Treasury and the Department of Labor with respect to the report required to be filed under this section, see section 3004 of title III of the Employee Retirement Income Security Act of 1974.”.

Ante, p. 946.

(b) **ASSESSABLE PENALTIES.**—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

26 USC 6692.

“**SEC. 6692. FAILURE TO FILE ACTUARIAL REPORT.**

Ante, p. 925.

“The plan administrator (as defined in section 414(g)) of each defined benefit plan to which section 412 applies who fails to file the report required by section 6059 at the time and in the manner required by section 6059, shall pay a penalty of \$1,000 for each such failure unless it is shown that such failure is due to reasonable cause.”

Ante, p. 914.

Ante, p. 947.

26 USC 6059
note.

(c) **CONSOLIDATION OF ACTUARIAL REPORTS.**—The Secretary of the Treasury and the Secretary of Labor shall take such steps as may be necessary to assure coordination to the maximum extent feasible between the actuarial reports required by section 6059 of the Internal Revenue Code of 1954 and by section 103(d) of title I of the Employee Retirement Income Security Act of 1974.

Ante, p. 841.

(d) **CLERICAL AMENDMENT.**—The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following new item:

“Sec. 6692. Failure to file actuarial report.”.

26 USC 6057
note.

SEC. 1034. EFFECTIVE DATES.

This part shall take effect upon the date of the enactment of this Act; except that—

(1) the requirements of section 6059 of the Internal Revenue Code of 1954 shall apply only with respect to plan years to which part I of this title applies,

Ante, p. 943.

(2) the requirements of section 6057 of such Code shall apply only with respect to plan years beginning after December 31, 1975,

(3) the requirements of section 6058(a) of such Code shall apply only with respect to plan years beginning after the date of the enactment of this Act, and

Ante, p. 945.

(4) the amendments made by section 1032 shall take effect on January 1, 1978.

PART 4—DECLARATORY JUDGMENTS RELATING TO QUALIFICATION OF CERTAIN RETIREMENT PLANS

SEC. 1041. TAX COURT PROCEDURE.

(a) **IN GENERAL.**—Subchapter C of chapter 76 (relating to the Tax Court, is amended by adding at the end thereof the following new part:

“PART IV—DECLARATORY JUDGMENTS RELATING TO QUALIFICATION OF CERTAIN RETIREMENT PLANS

“Sec. 7476. Declaratory judgments.

“SEC. 7476. DECLARATORY JUDGMENTS.

26 USC 7476.

“(a) **CREATION OF REMEDY.**—In a case of actual controversy involving—

“(1) a determination by the Secretary or his delegate with respect to the initial qualification or continuing qualification of a retirement plan under subchapter D of chapter 1, or

“(2) a failure by the Secretary or his delegate to make a determination with respect to—

“(A) such initial qualification, or

“(B) such continuing qualification if the controversy arises from a plan amendment or plan termination, upon the filing of an appropriate pleading, the United States Tax Court may make a declaration with respect to such initial qualification or continuing qualification. Any such declaration shall have the force and effect of a decision of the Tax Court and shall be reviewable as such.

“(b) **LIMITATIONS.**—

“(1) **PETITIONER.**—A pleading may be filed under this section only by a petitioner who is the employer, the plan administrator, an employee who has qualified under regulations prescribed by the Secretary or his delegate as an interested party for purposes of pursuing administrative remedies within the Internal Revenue Service, or the Pension Benefit Guaranty Corporation.

“(2) **NOTICE.**—For purposes of this section, the filing of a pleading by any petitioner may be held by the Tax Court to be premature, unless the petitioner establishes to the satisfaction of the court that he has complied with the requirements prescribed by regulations of the Secretary or his delegate with respect to notice to other interested parties of the filing of the request for a determination referred to in subsection (a).

“(3) **EXHAUSTION OF ADMINISTRATIVE REMEDIES.**—The Tax Court shall not issue a declaratory judgment or decree under this section in any proceeding unless it determines that the petitioner has exhausted administrative remedies available to him within the Internal Revenue Service. A petitioner shall not be deemed to have exhausted his administrative remedies with respect to a failure by the Secretary or his delegate to make a determination with respect to initial qualification or continuing qualification of a retirement plan before the expiration of 270 days after the request for such determination was made.

“(4) **PLAN PUT INTO EFFECT.**—No proceeding may be maintained under this section unless the plan (and, in the case of a controversy involving the continuing qualification of the plan because of an amendment to the plan, the amendment) with respect to which a decision of the Tax Court is sought has been put into effect before the filing of the pleading. A plan or amendment shall not be treated as not being in effect merely because under the plan the funds contributed to the plan may be refunded if the plan (or the plan as so amended) is found to be not qualified.

“(5) **TIME FOR BRINGING ACTION.**—If the Secretary or his delegate sends by certified or registered mail notice of his determination with respect to the qualification of the plan to the persons referred to in paragraph (1) (or, in the case of employees referred to in paragraph (1), to any individual designated under regulations prescribed by the Secretary or his delegate as a representative of such employee), no proceeding may be initiated under this section by any person unless the pleading is filed before the ninety-first day after the day after such notice is mailed to such person (or to his designated representative, in the case of an employee).

“(c) **COMMISSIONERS.**—The chief judge of the Tax Court may assign proceedings under this section to be heard by the commissioners of the court, and the court may authorize a commissioner to make the decision of the court with respect to such proceeding, subject to such conditions and review as the court may by rule provide.

“(d) **RETIREMENT PLAN.**—For purposes of this section, the term ‘retirement plan’ means—

- 26 USC 401. “(1) a pension, profit-sharing, or stock bonus plan described
- 26 USC 403. in section 401(a) or a trust which is part of such a plan,
- 26 USC 405. “(2) an annuity plan described in section 403(a), or
- “(3) a bond purchase plan described in section 405(a).

“(e) **CROSS REFERENCE.**—

“For provisions concerning intervention by Pension Benefit Guaranty Corporation and Secretary of Labor in actions brought under this section and right of Pension Benefit Guaranty Corporation to bring action, see section 3001(c) of subtitle A of title III of the Employee Retirement Income Security Act of 1974.”

(b) **TECHNICAL AND CONFORMING AMENDMENTS.**—

26 USC 7451. (1) **FEE FOR FILING PETITION.**—Section 7451 (relating to fee for filing petition) is amended by striking out “deficiency” and inserting in lieu thereof “deficiency or for a declaratory judgment under part IV of this subchapter”.

26 USC 7459. (2) **DATE OF DECISION.**—Section 7459(c) (relating to date of decision) is amended by inserting before the period at the end of the first sentence the following: “or, in the case of a declaratory judgment proceeding under part IV of this subchapter, the date of the court’s order entering the decision”.

(3) **VENUE FOR APPEAL OF DECISION.**—

26 USC 7482. (A) Section 7482(b) (1) (relating to venue) is amended by striking out the period at the end of subparagraph (B) and inserting in lieu thereof “, or” and by inserting after subparagraph (B) the following new subparagraph:

Ante, p. 949. “(C) in the case of a person seeking a declaratory decision under section 7476, the principal place of business, or principal office or agency of the employer.”

(B) Section 7482(b) (1) is further amended—

- (i) by striking out “neither subparagraph (A) nor (B) applies” and inserting in lieu thereof “subparagraph (A), (B), and (C) do not apply”; and

(ii) by inserting before the period at the end of the last sentence thereof the following: "or as of the time the petition seeking a declaratory decision under section 7476 was filed with the Tax Court".

Ante, p. 949.

(c) **CLERICAL AMENDMENT.**—The table of parts for subchapter C of chapter 76 (relating to the Tax Court) is amended by adding at the end thereof the following new item:

"PART IV. Declaratory judgments relating to qualification of certain retirement plans."

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to pleadings filed more than 1 year after the date of the enactment of this Act.

26 USC 7476 note.

PART 5—INTERNAL REVENUE SERVICE

SEC. 1051. ESTABLISHMENT OF OFFICE.

(a) **IN GENERAL.**—Section 7802 (relating to Commissioner of Internal Revenue) is amended to read as follows:

26 USC 7802.

"SEC. 7802. COMMISSIONER OF INTERNAL REVENUE; ASSISTANT COMMISSIONER (EMPLOYEE PLANS AND EXEMPT ORGANIZATIONS).

"(a) **COMMISSIONER OF INTERNAL REVENUE.**—There shall be in the Department of the Treasury a Commissioner of Internal Revenue, who shall be appointed by the President, by and with the advice and consent of the Senate. The Commissioner of Internal Revenue shall have such duties and powers as may be prescribed by the Secretary.

"(b) **ASSISTANT COMMISSIONER FOR EMPLOYEE PLANS AND EXEMPT ORGANIZATIONS.**—There is established within the Internal Revenue Service an office to be known as the 'Office of Employee Plans and Exempt Organizations' to be under the supervision and direction of an Assistant Commissioner of Internal Revenue. As head of the Office, the Assistant Commissioner shall be responsible for carrying out such functions as the Secretary or his delegate may prescribe with respect to organizations exempt from tax under section 501(a) and with respect to plans to which part I of subchapter D of chapter 1 applies (and with respect to organizations designed to be exempt under such section and plans designed to be plans to which such part applies)."

Office of Employee Plans and Exempt Organizations.
Establishment.

26 USC 501.

(b) **SALARIES.**—

(1) **ASSISTANT COMMISSIONER.**—Section 5109 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) The position held by the employee appointed under section 7802(b) of the Internal Revenue Code of 1954 is classified at GS-18, and is in addition to the number of positions authorized by section 5108(a) of this title."

Supra.

5 USC 5108.

(2) **CLASSIFICATION OF POSITIONS AT GS-16 AND 17.**—Section 5108 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) In addition to the number of positions authorized by subsection (a), the Commissioner of Internal Revenue is authorized, without regard to any other provision of this section, to place a total of 20 positions in the Internal Revenue Service in GS-16 and 17."

(c) **CLERICAL AMENDMENTS.**—The item relating to section 7802 in the table of sections for subchapter A of chapter 80 is amended to read as follows:

"Sec. 7802. Commissioner of Internal Revenue; Assistant Commissioner (Employee Plans and Exempt Organizations)."

(d) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the 90th day after the date of the enactment of this Act.

26 USC 7802 note.

31 USC 1037.

SEC. 1052. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Department of the Treasury for the purpose of carrying out all functions of the Office of Employee Plans and Exempt Organizations for each fiscal year beginning after June 30, 1974, an amount equal to the sum of—

26 USC 4940.

(1) so much of the collections from the taxes imposed under section 4940 of such Code (relating to excise tax based on investment income) as would have been collected if the rate of tax under such section was 2 percent during the second preceding fiscal year, and

(2) the greater of—

(A) an amount equal to the amount described in paragraph (1), or

(B) \$30,000,000.

Subtitle B—Other Amendments to the Internal Revenue Code Relating to Retirement Plans

SEC. 2001. CONTRIBUTIONS ON BEHALF OF SELF-EMPLOYED INDIVIDUALS AND SHAREHOLDER-EMPLOYEES.

(a) INCREASE IN MAXIMUM AMOUNT DEDUCTIBLE FOR SELF-EMPLOYED INDIVIDUALS.—

26 USC 404.

(1) Paragraph (1) of section 404(e) (relating to special limitations for self-employed individuals) is amended—

(A) by striking out “\$2,500, or 10 percent” and inserting in lieu thereof “\$7,500, or 15 percent”, and

(B) by striking out “subject to the provisions of paragraph (2)” and inserting in lieu thereof “subject to paragraphs (2) and (4)”.

(2) Paragraph (2)(A) of section 404(e) is amended by striking out “shall not exceed \$2,500, or 10 percent” and inserting in lieu thereof “shall (subject to paragraph (4)) not exceed \$7,500, or 15 percent”.

(3) Section 404(e) is amended by adding at the end thereof the following new paragraph:

“(4) LIMITATIONS CANNOT BE LOWER THAN \$750 OR 100 PERCENT OF EARNED INCOME.—The limitations under paragraphs (1) and (2)(A) for any employee shall not be less than the lesser of—

“(A) \$750, or

“(B) 100 percent of the earned income derived by such employee from the trades or businesses taken into account for purposes of paragraph (1) or (2)(A) as the case may be.”.

26 USC 1379.

(b) INCREASE IN MAXIMUM AMOUNT DEDUCTIBLE FOR SHAREHOLDER-EMPLOYEES.—Paragraph (1) of section 1379(b) (relating to taxability of shareholder-employees) is amended—

(1) by striking out “10 percent” in subparagraph (A) and inserting in lieu thereof “15 percent”, and

(2) by striking out “\$2,500” in subparagraph (B) and inserting in lieu thereof “\$7,500”.

26 USC 401.

(c) ONLY FIRST \$100,000 OF ANNUAL COMPENSATION TO BE TAKEN INTO ACCOUNT.—Subsection (a) of section 401 (relating to requirements for qualification) is amended by inserting after paragraph (16) the following new paragraph:

“(17) In the case of a plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of subsection (c)(1), or are shareholder-employees within the meaning of section 1379(d), only if the annual compen-

sation of each employee taken into account under the plan does not exceed the first \$100,000 of such compensation.”

(d) **DEFINED BENEFIT PLANS FOR SELF-EMPLOYED INDIVIDUALS.—**

(1) Subsection (a) of section 401 is amended by inserting after paragraph (17) the following new paragraph:

Ante, p. 952.

“(18) In the case of a trust which is part of a plan providing a defined benefit for employees some or all of whom are employees within the meaning of subsection (c)(1), or are shareholder-employees within the meaning of section 1379(d), only if such plan satisfies the requirements of subsection (j).”

26 USC 1379.

(2) Section 401 (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

26 USC 401.

“(j) **DEFINED BENEFIT PLANS PROVIDING BENEFITS FOR SELF-EMPLOYED INDIVIDUALS AND SHAREHOLDER-EMPLOYEES.—**

“(1) **IN GENERAL.**—A defined benefit plan satisfies the requirements of this subsection only if the basic benefit accruing under the plan for each plan year of participation by an employee within the meaning of subsection (c)(1) (or a shareholder-employee) is permissible under regulations prescribed by the Secretary or his delegate under this subsection to insure that there will be reasonable comparability (assuming level funding) between the maximum retirement benefits which may be provided with favorable tax treatment under this title for such employees under—

“(A) defined contribution plans,

“(B) defined benefit plans, and

“(C) a combination of defined contribution plans and defined benefit plans.

“(2) **GUIDELINES FOR REGULATIONS.**—The regulations prescribed under this subsection shall provide that a plan does not satisfy the requirements of this subsection if, under the plan, the basic benefit of any employee within the meaning of subsection (c)(1) (or a shareholder-employee) may exceed the sum of the products for each plan year of participation of—

“(A) his annual compensation (not in excess of \$50,000) for such year, and

“(B) the applicable percentage determined under paragraph (3).

“(3) **APPLICABLE PERCENTAGE.—**

“(A) **TABLE.**—For purposes of paragraph (2), the applicable percentage for any individual for any plan year shall be based on the percentage shown on the following table opposite his age when his current period of participation in the plan began.

“Age when participation began :	Applicable percentage
30 or less-----	6.5
35 -----	5.4
40 -----	4.4
45 -----	3.6
50 -----	3.0
55 -----	2.5
60 or over-----	2.0

“(B) **ADDITIONAL REQUIREMENTS.**—The regulations prescribed under this subsection shall include provisions—

“(i) for applicable percentages for ages between any two ages shown on the table,

“(ii) for adjusting the applicable percentages in the case of plans providing benefits other than a basic benefit,

“(iii) that any increase in the rate of accrual, and any increase in the compensation base which may be taken into account, shall, with respect only to such increase, begin a new period of participation in the plan, and

“(iv) when appropriate, in the case of periods beginning after December 31, 1977, for adjustments in the applicable percentages based on changes in prevailing interest and mortality rates occurring after 1973.

“(4) CERTAIN CONTRIBUTIONS AND BENEFITS MAY NOT BE TAKEN INTO ACCOUNT.—A defined benefit plan which provides contributions or benefits for owner-employees does not satisfy the requirements of this subsection unless such plan meets the requirements of subsection (a) (4) without taking into account contributions or benefits under chapter 2 (relating to tax on self-employment income), chapter 21 (relating to Federal Insurance Contributions Act), title II of the Social Security Act, or any other Federal or State law.

“(5) DEFINITIONS.—For purposes of this subsection—

“(A) BASIC BENEFIT.—The term ‘basic benefit’ means a benefit in the form of a straight life annuity commencing at the later of—

“(i) age 65, or

“(ii) the day 5 years after the day the participant’s current period of participation began

under a plan which provides no ancillary benefits and to which employees do not contribute.

“(B) SHAREHOLDER-EMPLOYEE.—The term ‘shareholder-employee’ has the same meaning as when used in section 1379 (d).

“(C) COMPENSATION.—The term ‘compensation’ means—

“(i) in the case of an employee within the meaning of subsection (c) (1), the earned income of such individual, or

“(ii) in the case of a shareholder-employee, the compensation received or accrued by the individual from the electing small business corporation.

“(6) SPECIAL RULES.—Section 404 (e) (relating to special limitations for self-employed individuals) and section 1379 (b) (relating to taxability of shareholder-employee beneficiaries) do not apply to a trust to which this subsection applies.”

(e) REPEAL OF EXISTING TAX TREATMENT OF EXCESS CONTRIBUTIONS.—

(1) The last sentence of section 401 (d) (5) is amended to read as follows: “Subparagraphs (A) and (B) do not apply to contributions described in subsection (e).”

(2) Paragraph (8) of section 401 (d) is repealed.

(3) Subsection (e) of section 401 is amended to read as follows:

“(e) CONTRIBUTIONS FOR PREMIUMS ON ANNUITY, ETC., CONTRACTS.—A contribution by the employer on behalf of an owner-employee is described in this subsection if—

“(1) under the plan such contribution is required to be applied (directly or through a trustee) to pay premiums or other consideration for one or more annuity, endowment, or life insurance contracts on the life of such owner-employee issued under the plan,

“(2) the amount of such contribution exceeds the amount deductible under section 404 with respect to contributions made by the employer on behalf of such owner-employee under the plan, and

“(3) the amount of such contribution does not exceed the average of the amounts which were deductible under section 404 with

26 USC 1401.

26 USC 3101.

42 USC 401.

26 USC 1379.

Ante, p. 952.

26 USC 401.

Repeal.

respect to contributions made by the employer on behalf of such owner-employee under the plan (or which would have been deductible if such section had been in effect) for the first three taxable years (A) preceding the year in which the last such annuity, endowment, or life insurance contract was issued under the plan, and (B) in which such owner-employee derived earned income from the trade or business with respect to which the plan is established, or for so many of such taxable years as such owner-employee was engaged in such trade or business and derived earned income therefrom.

In the case of any individual on whose behalf contributions described in paragraph (1) are made under more than one plan as an owner-employee during any taxable year, the preceding sentence does not apply if the amount of such contributions under all such plans for all such years exceeds \$7,500. Any contribution which is described in this subsection shall, for purposes of section 4972(b), be taken into account as a contribution made by such owner-employee as an employee to the extent that the amount of such contribution is not deductible under section 404 for the taxable year, but only for the purpose of applying section 4972(b) to other contributions made by such owner-employee as an employee."

Infra.

26 USC 404.

(4) Clause (ii) of section 401(a)(10)(A) is amended by striking out "subsection (e)(3)(A)" and inserting in lieu thereof "subsection (e)".

26 USC 401.

(5) Subparagraph (A) of section 72(m)(5)(A) is amended—

26 USC 72.

(A) by inserting "and" at the end of clause (i),

(B) by striking out the comma at the end of clause (ii) and the word "and" following that comma, and inserting in lieu thereof a period, and

(C) by striking out clause (iii).

(f) TAX ON EXCESS CONTRIBUTIONS.—

(1) Chapter 43 (relating to qualified pension, etc., plans) is amended by inserting after section 4971 the following new section:

"SEC. 4972. TAX ON EXCESS CONTRIBUTIONS FOR SELF-EMPLOYED INDIVIDUALS.

26 USC 4972.

"(a) TAX IMPOSED.—In the case of a plan which provides contributions or benefits for employees some or all of whom are employees within the meaning of section 401(c)(1), there is imposed, for each taxable year of the employer who maintains such plan, a tax in an amount equal to 6 percent of the amount of the excess contributions under the plan (determined as of the close of the taxable year). The tax imposed by this subsection shall be paid by the employer who maintains the plan. This section applies only to plans which include a trust described in section 401(a), which are described in section 403(a), or which are described in section 405(a).

26 USC 401,
403, 405.

"(b) EXCESS CONTRIBUTIONS.—

"(1) IN GENERAL.—For purposes of this section, the term 'excess contributions' means the sum of the amounts (if any) determined under paragraphs (2), (3), and (4), reduced by the sum of the correcting distributions (as defined in paragraph (5)) made in all prior taxable years beginning after December 31, 1975. For purposes of this subsection the amount of any contribution which is allocable (determined under regulations prescribed by the Secretary or his delegate) to the purchase of life, accident, health, or other insurance shall not be taken into account.

"Excess contributions."

"(2) CONTRIBUTIONS BY OWNER-EMPLOYEES.—The amount determined under this paragraph, in the case of a plan which provides contributions or benefits for employees some or all of whom are

26 USC 401.

owner-employees (within the meaning of section 401(c)(3)), is the sum of—

“(A) the excess (if any) of—

“(i) the amount contributed under the plan by each owner-employee (as an employee) for the taxable year, over

“(ii) the amount permitted to be contributed by each owner-employee (as an employee) for such year, and

“(B) the amount determined under this paragraph for the preceding taxable year of the employer, reduced by the excess (if any) of the amount described in subparagraph (A)(ii) over the amount described in subparagraph (A)(i).

“(3) DEFINED BENEFIT PLANS.—The amount determined under this paragraph, in the case of a defined benefit plan, is the amount contributed under the plan by the employer during the taxable year or any prior taxable year beginning after December 31, 1975, if—

“(A) as of the close of the taxable year, the full funding limitation of the plan (determined under section 412(c)(7)) is zero, and

“(B) such amount has not been deductible for the taxable year or any prior taxable year.

“(4) DEFINED CONTRIBUTION PLANS.—The amount determined under this paragraph, in the case of a plan other than a defined benefit plan, is the portion of the amounts contributed under the plan by the employer during the taxable year and each prior taxable year beginning after December 31, 1975, which has not been deductible for the taxable year or any prior taxable year.

“(5) CORRECTING DISTRIBUTION.—For purposes of this subsection the term ‘correcting distribution’ means—

“(A) in the case of a contribution made by an owner-employee as an employee, regardless of the type of plan, the amount determined under paragraph (2) distributed to the owner-employee who contributed such amount,

“(B) in the case of a defined benefit plan, the amount determined under paragraph (3) which is distributed from the plan to the employer, and

“(C) in the case of a defined contribution plan, the amount determined under paragraph (4) which is distributed from the plan to the employer or to the employee to the account of whom the amount described was contributed.

“(c) AMOUNT PERMITTED TO BE CONTRIBUTED BY OWNER-EMPLOYEE.—For purposes of subsection (b)(2), the amount permitted to be contributed under a plan by an owner-employee (as an employee) for any taxable year is the smallest of the following:

“(1) \$2,500,

“(2) 10 percent of the earned income (as defined in section 401(c)(2)) for such taxable year derived by such owner-employee from the trade or business with respect to which the plan is established, or

“(3) the amount of the contribution which would be contributed by the owner-employee (as an employee) if such contribution were made at the rate of contributions permitted to be made by employees other than owner-employees.

In any case in which there are no employees other than owner-employees, the amount determined under the preceding sentence shall be zero.

“(d) CROSS REFERENCE.—

“For disallowance of deduction for taxes paid under this section, see section 275.”.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 43 is amended by inserting after the item relating to section 4971 the following new item:

“Sec. 4972. Tax on excess contributions for self-employed individuals.”.

(g) PREMATURE DISTRIBUTIONS TO OWNER-EMPLOYEES.—

(1) IN GENERAL.—Subparagraph (B) of section 72(m)(5) (relating to penalties applicable to certain amounts received by owner-employees) is amended to read as follows:

26 USC 72.

“(B) If a person receives an amount to which this paragraph applies, his tax under this chapter for the taxable year in which such amount is received shall be increased by an amount equal to 10 percent of the portion of the amount so received which is includible in his gross income for such taxable year.”

(2) CONFORMING AMENDMENTS.—

(A) Subparagraphs (C), (D), and (E) of section 72(m)(5) are repealed.

Repeals.

(B) The second sentence of section 46(a)(3) and the second sentence of section 50A(a)(3), as each is amended by section 2005(c)(4) of this Act, are each amended by inserting after “tax preferences,” the following: “section 72(m)(5)(B) (relating to 10 percent tax on premature distributions to owner-employees),”.

26 USC 46.

26 USC 50A.
Post, p. 987.

(C) The third sentence of section 901(a), as amended by section 2005(c)(5) of this Act, is amended by striking out “tax preferences,” and inserting in lieu thereof “tax preferences), against the tax imposed for the taxable year under section 72(m)(5)(B) (relating to 10 percent tax on premature distributions to owner-employees),”.

Supra.

26 USC 901.

(D) Subparagraph (A) of section 56(a)(2) and paragraph (1) of section 56(c), as each is amended by section 2005(c)(7) of this Act, are each amended by striking out “402(e)” and inserting in lieu thereof “72(m)(5)(B), 402(e)”.

26 USC 56.

(E) Section 404(a)(2) is amended by striking out “(16)” and inserting in lieu thereof “(16), (17), (18)”.

26 USC 404.

(F) Clause (ii) of section 404(a)(9)(B) is amended to read as follows:

“(ii) without regard to the second sentence of paragraph (3); and”.

(h) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS OF OWNER-EMPLOYEES.—

(1) Section 401(d)(4)(B) (relating to additional requirements for qualification of trusts and plans benefiting owner-employees) is amended by inserting “in excess of contributions made by an owner-employee as an employee” after “benefits”.

26 USC 401.

(2) Paragraph (1) of section 72(m) (relating to certain amounts received before annuity starting date) is repealed.

Repeal.

(3) Section 72(m)(5)(A)(i) is amended by striking out “(whether or not paid by him)” and inserting in lieu thereof the following: “(other than contributions made by him as an owner-employee)”.

(i) EFFECTIVE DATES.—

26 USC 404
note.

(1) The amendments made by subsections (a) and (b) apply to taxable years beginning after December 31, 1973.

26 USC 401
note.

Ante, p. 952.
26 USC 1379.

26 USC 401
note.

26 USC 401
note.

26 USC 72 note.

26 USC 72 note.

(2) The amendments made by subsection (c) apply to—
(A) taxable years beginning after December 31, 1975, and
(B) any other taxable years beginning after December 31, 1973, for which contributions were made under the plan in excess of the amounts permitted to be made under sections 404(e) and 1379(b) as in effect on the day before the date of the enactment of this Act.

(3) The amendments made by subsection (d) apply to taxable years beginning after December 31, 1975.

(4) The amendments made by subsections (e) and (f) apply to contributions made in taxable years beginning after December 31, 1975.

(5) The amendments made by subsection (g) apply to distributions made in taxable years beginning after December 31, 1975.

(6) The amendments made by subsection (h) apply to taxable years ending after the date of enactment of this Act.

SEC. 2002. DEDUCTION FOR RETIREMENT SAVINGS.

(a) ALLOWANCE OF DEDUCTION.—

26 USC 211.

26 USC 220.

26 USC 219.

(1) IN GENERAL.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 219 as 220 and by inserting after section 218 the following new section:

“SEC. 219. RETIREMENT SAVINGS.

“(a) DEDUCTION ALLOWED.—In the case of an individual, there is allowed as a deduction amounts paid in cash during the taxable year by or on behalf of such individual for his benefit—

26 USC 408.

“(1) to an individual retirement account described in section 408(a),

“(2) for an individual retirement annuity described in section 408(b), or

26 USC 409.

“(3) for a retirement bond described in section 409 (but only if the bond is not redeemed within 12 months of the date of its issuance).

For purposes of this title, any amount paid by an employer to such a retirement account or for such a retirement annuity or retirement bond constitutes payment of compensation to the employee (other than a self-employed individual who is an employee within the meaning of section 401(c)(1) includible in his gross income, whether or not a deduction for such payment is allowable under this section to the employee after the application of subsection (b)).

26 USC 401.

“(b) LIMITATIONS AND RESTRICTIONS.—

“(1) MAXIMUM DEDUCTION.—The amount allowable as a deduction under subsection (a) to an individual for any taxable year may not exceed an amount equal to 15 percent of the compensation includible in his gross income for such taxable year, or \$1,500, whichever is less.

“(2) COVERED BY CERTAIN OTHER PLANS.—No deduction is allowed under subsection (a) for an individual for the taxable year if for any part of such year—

“(A) he was an active participant in—

26 USC 501.

26 USC 403.

“(i) a plan described in section 401(a) which includes a trust exempt from tax under section 501(a),

“(ii) an annuity plan described in section 403(a),

26 USC 405.

“(iii) a qualified bond purchase plan described in section 405(a), or

“(iv) a plan established for its employees by the United States, by a State or political division thereof, or

by an agency or instrumentality of any of the foregoing,
or

“(B) amounts were contributed by his employer for an annuity contract described in section 403(b) (whether or not his rights in such contract are nonforfeitable).”

26 USC 403.

“(3) CONTRIBUTIONS AFTER AGE 70½.—No deduction is allowed under subsection (a) with respect to any payment described in subsection (a) which is made during the taxable year of an individual who has attained age 70½ before the close of such taxable year.

“(4) RECONTRIBUTED AMOUNTS.—No deduction is allowed under this section with respect to a rollover contribution described in section 402(a)(5), 403(a)(4), 408(d)(3), or 409(b)(3)(C).

Post, pp. 991,
969, 964.

“(5) AMOUNTS CONTRIBUTED UNDER ENDOWMENT CONTRACT.—In the case of an endowment contract described in section 408(b), no deduction is allowed under subsection (a) for that portion of the amounts paid under the contract for the taxable year properly allocable, under regulations prescribed by the Secretary or his delegate, to the cost of life insurance.

Intra.

“(c) DEFINITIONS AND SPECIAL RULES.—

“(1) COMPENSATION.—For purposes of this section, the term ‘compensation’ includes earned income as defined in section 401(c)(2).

26 USC 401.

“(2) MARRIED INDIVIDUALS.—The maximum deduction under subsection (b)(1) shall be computed separately for each individual, and this section shall be applied without regard to any community property laws.”

(2) DEDUCTION ALLOWED IN ARRIVING AT ADJUSTED GROSS INCOME.—Section 62 (defining adjusted gross income) is amended by inserting after paragraph (9) the following new paragraph:

“(10) RETIREMENT SAVINGS.—The deduction allowed by section 219 (relating to deduction of certain retirement savings).”

Ante, p. 958.

(b) INDIVIDUAL RETIREMENT ACCOUNTS.—Subpart A of part I of subchapter D of chapter 1 (relating to retirement plans) is amended by adding at the end thereof the following new section:

26 USC 401.

“SEC. 408. INDIVIDUAL RETIREMENT ACCOUNTS.

26 USC 408.

“(a) INDIVIDUAL RETIREMENT ACCOUNT.—For purposes of this section, the term ‘individual retirement account’ means a trust created or organized in the United States for the exclusive benefit of an individual or his beneficiaries, but only if the written governing instrument creating the trust meets the following requirements:

“(1) Except in the case of a rollover contribution described in subsection (d)(3) in section 402(a)(5), 403(a)(4), or 409(b)(3)(C), no contribution will be accepted unless it is in cash, and contributions will not be accepted for the taxable year in excess of \$1,500 on behalf of any individual.

“(2) The trustee is a bank (as defined in section 401(d)(1)) or such other person who demonstrates to the satisfaction of the Secretary or his delegate that the manner in which such other person will administer the trust will be consistent with the requirements of this section.

“(3) No part of the trust funds will be invested in life insurance contracts.

“(4) The interest of an individual in the balance in his account is nonforfeitable.

“(5) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

“(6) The entire interest of an individual for whose benefit the trust is maintained will be distributed to him not later than the close of his taxable year in which he attains age 70½, or will be distributed, commencing before the close of such taxable year, in accordance with regulations prescribed by the Secretary or his delegate, over—

“(A) the life of such individual or the lives of such individual and his spouse, or

“(B) a period not extending beyond the life expectancy of such individual or the life expectancy of such individual and his spouse.

“(7) If an individual for whose benefit the trust is maintained dies before his entire interest has been distributed to him, or if distribution has been commenced as provided in paragraph (6) to his surviving spouse and such surviving spouse dies before the entire interest has been distributed to such spouse, the entire interest (or the remaining part of such interest if distribution thereof has commenced) will, within 5 years after his death (or the death of the surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such beneficiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which annuity will be immediately distributed to such beneficiary or beneficiaries. The preceding sentence does not apply if distributions over a term certain commenced before the death of the individual for whose benefit the trust was maintained and the term certain is for a period permitted under paragraph (6).

“(b) **INDIVIDUAL RETIREMENT ANNUITY.**—For purposes of this section, the term ‘individual retirement annuity’ means an annuity contract, or an endowment contract (as determined under regulations prescribed by the Secretary or his delegate), issued by an insurance company which meets the following requirements:

“(1) The contract is not transferable by the owner.

“(2) The annual premium under the contract will not exceed \$1,500 and any refund of premiums will be applied before the close of the calendar year following the year of the refund toward the payment of future premiums or the purchase of additional benefits.

“(3) The entire interest of the owner will be distributed to him not later than the close of his taxable year in which he attains age 70½, or will be distributed, in accordance with regulations prescribed by the Secretary or his delegate, over—

“(A) the life of such owner or the lives of such owner and his spouse, or

“(B) a period not extending beyond the life expectancy of such owner or the life expectancy of such owner and his spouse.

“(4) If the owner dies before his entire interest has been distributed to him, or if distribution has been commenced as provided in paragraph (3) to his surviving spouse and such surviving spouse dies before the entire interest has been distributed to such spouse, the entire interest (or the remaining part of such interest if distribution thereof has commenced) will, within 5 years after his death (or the death of the surviving spouse), be distributed, or applied to the purchase of an immediate annuity for his beneficiary or beneficiaries (or the beneficiary or beneficiaries of his surviving spouse) which will be payable for the life of such bene-

fiary or beneficiaries (or for a term certain not extending beyond the life expectancy of such beneficiary or beneficiaries) and which annuity will be immediately distributed to such beneficiary or beneficiaries. The preceding sentence shall have no application if distributions over a term certain commenced before the death of the owner and the term certain is for a period permitted under paragraph (3).

"(5) The entire interest of the owner is nonforfeitable.

Such term does not include such an annuity contract for any taxable year of the owner in which it is disqualified on the application of subsection (e) or for any subsequent taxable year. For purposes of this subsection, no contract shall be treated as an endowment contract if it matures later than the taxable year in which the individual in whose name such contract is purchased attains age 70½; if it is not for the exclusive benefit of the individual in whose name it is purchased or his beneficiaries; or if the aggregate annual premiums under all such contracts purchased in the name of such individual for any taxable year exceed \$1,500.

"(c) ACCOUNTS ESTABLISHED BY EMPLOYERS AND CERTAIN ASSOCIATIONS OF EMPLOYEES.—A trust created or organized in the United States by an employer for the exclusive benefit of his employees or their beneficiaries, or by an association of employees (which may include employees within the meaning of section 401(c)(1)) for the exclusive benefit of its members or their beneficiaries, shall be treated as an individual retirement account (described in subsection (a)), but only if the written governing instrument creating the trust meets the following requirements:

26 USC 401.

"(1) The trust satisfies the requirements of paragraphs (1) through (7) of subsection (a).

"(2) There is a separate accounting for the interest of each employee or member.

The assets of the trust may be held in a common fund for the account of all individuals who have an interest in the trust.

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of an individual retirement account or under an individual retirement annuity shall be included in gross income by the payee or distributee, as the case may be, for the taxable year in which the payment or distribution is received. The basis of any person in such an account or annuity is zero.

"(2) DISTRIBUTIONS OF ANNUITY CONTRACTS.—Paragraph (1) does not apply to any annuity contract which meets the requirements of paragraphs (1), (3), (4), and (5) of subsection (b) and which is distributed from an individual retirement account. Section 72 applies to any such annuity contract, and for purposes of section 72 the investment in such contract is zero.

26 USC 72.

"(3) ROLLOVER CONTRIBUTION.—An amount is described in this paragraph as a rollover contribution if it meets the requirements of subparagraphs (A) and (B).

"(A) IN GENERAL.—Paragraph (1) does not apply to any amount paid or distributed out of an individual retirement account or individual retirement annuity to the individual for whose benefit the account or annuity is maintained if—

"(i) the entire amount received (including money and any other property) is paid into an individual retirement account or individual retirement annuity (other than an endowment contract) or retirement bond

for the benefit of such individual not later than the 60th day after the day on which he receives the payment or distribution; or

“(ii) the entire amount received (including money and any other property) represents the entire amount in the account or the entire value of the annuity and no amount in the account and no part of the value of the annuity is attributable to any source other than a rollover contribution from an employees’ trust described in section 401(a) which is exempt from tax under section 501(a) (other than a trust forming part of a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan), or an annuity plan described in section 403(a) (other than a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan) and any earnings on such sums and the entire amount thereof is paid into another such trust (for the benefit of such individual) or annuity plan not later than the 60th day on which he receives the payment or distribution.

26 USC 401,
501.

26 USC 403.

“(B) **LIMITATION.**—This paragraph does not apply to any amount described in subparagraph (A)(i) received by an individual from an individual retirement account or individual retirement annuity if at any time during the 3-year period ending on the day of such receipt such individual received any other amount described in that subparagraph from an individual retirement account, individual retirement annuity, or a retirement bond which was not includible in his gross income because of the application of this paragraph.

“(4) **EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.**—Paragraph (1) does not apply to the distribution of any contribution paid during a taxable year to an individual retirement account or for an individual retirement annuity to the extent that such contribution exceeds the amount allowable as a deduction under section 219 if—

Ante, p. 958.

“(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual’s return for such taxable year,

“(B) no deduction is allowed under section 219 with respect to such excess contribution, and

“(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which received.

“(5) **TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.**—The transfer of an individual’s interest in an individual retirement account, individual retirement annuity, or retirement bond to his former spouse under a divorce decree or under a written instrument incident to such divorce is not to be considered a taxable transfer made by such individual notwithstanding any other provision of this subtitle, and such interest at the time of the transfer is to be treated as an individual retirement account of such spouse, and not of such individual. Thereafter such account, annuity, or bond for purposes of this subtitle is to be treated as maintained for the benefit of such spouse.

“(e) TAX TREATMENT OF ACCOUNTS AND ANNUITIES.—

“(1) EXEMPTION FROM TAX.—Any individual retirement account is exempt from taxation under this subtitle unless such account has ceased to be an individual retirement account by reason of paragraph (2) or (3). Notwithstanding the preceding sentence, any such account is subject to the taxes imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

26 USC 511.

“(2) LOSS OF EXEMPTION OF ACCOUNT WHERE EMPLOYEE ENGAGES IN PROHIBITED TRANSACTION.—

“(A) IN GENERAL.—If, during any taxable year of the individual for whose benefit any individual retirement account is established, that individual or his beneficiary engages in any transaction prohibited by section 4975 with respect to such account, such account ceases to be an individual retirement account as of the first day of such taxable year. For purposes of this paragraph—

Post, p. 971.

“(i) the individual for whose benefit any account was established is treated as the creator of such account, and

“(ii) the separate account for any individual within an individual retirement account maintained by an employer or association of employees is treated as a separate individual retirement account.

“(B) ACCOUNT TREATED AS DISTRIBUTING ALL ITS ASSETS.—

In any case in which any account ceases to be an individual retirement account by reason of subparagraph (A) as of the first day of any taxable year, paragraph (1) of subsection (d) applies as if there were a distribution on such first day in an amount equal to the fair market value (on such first day) of all assets in the account (on such first day).

“(3) EFFECT OF BORROWING ON ANNUITY CONTRACT.—If during any taxable year the owner of an individual retirement annuity borrows any money under or by use of such contract, the contract ceases to be an individual retirement annuity as of the first day of such taxable year. Such owner shall include in gross income for such year an amount equal to the fair market value of such contract as of such first day.

“(4) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—If, during any taxable year of the individual for whose benefit an individual retirement account is established, that individual uses the account or any portion thereof as security for a loan, the portion so used is treated as distributed to that individual.

“(5) PURCHASE OF ENDOWMENT CONTRACT BY INDIVIDUAL RETIREMENT ACCOUNT.—If the assets of an individual retirement account or any part of such assets are used to purchase an endowment contract for the benefit of the individual for whose benefit the account is established—

“(A) to the extent that the amount of the assets involved in the purchase are not attributable to the purchase of life insurance, the purchase is treated as a rollover contribution described in subsection (d)(3), and

“(B) to the extent that the amount of the assets involved in the purchase are attributable to the purchase of life, health, accident, or other insurance, such amounts are treated as distributed to that individual (but the provisions of subsection (f) do not apply).

“(6) COMMINGLING INDIVIDUAL RETIREMENT ACCOUNT AMOUNTS IN CERTAIN COMMON TRUST FUNDS AND COMMON INVESTMENT FUNDS.—Any common trust fund or common investment fund of

individual retirement account assets which is exempt from taxation under this subtitle does not cease to be exempt on account of the participation or inclusion of assets of a trust exempt from taxation under section 501(a) which is described in section 401(a).

26 USC 501,
401.

"(f) ADDITIONAL TAX ON CERTAIN AMOUNTS INCLUDED IN GROSS INCOME BEFORE AGE 59½—

"(1) EARLY DISTRIBUTIONS FROM AN INDIVIDUAL RETIREMENT ACCOUNT, ETC.—If a distribution from an individual retirement account or under an individual retirement annuity to the individual for whose benefit such account or annuity was established is made before such individual attains age 59½, his tax under this chapter for the taxable year in which such distribution is received shall be increased by an amount equal to 10 percent of the amount of the distribution which is includible in his gross income for such taxable year.

"(2) DISQUALIFICATION CASES.—If an amount is includible in gross income for a taxable year under subsection (e) and the taxpayer has not attained age 59½ before the beginning of such taxable year, his tax under this chapter for such taxable year shall be increased by an amount equal to 10 percent of such amount so required to be included in his gross income.

"(3) DISABILITY CASES.—Paragraphs (1) and (2) do not apply if the amount paid or distributed, or the disqualification of the account or annuity under subsection (e), is attributable to the taxpayer becoming disabled within the meaning of section 72(m) (7).

"(g) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(h) CUSTODIAL ACCOUNTS.—For purposes of this section, a custodial account shall be treated as a trust if the assets of such account are held by a bank (as defined in section 401(d)(1)) or another person who demonstrates, to the satisfaction of the Secretary or his delegate, that the manner in which he will administer the account will be consistent with the requirements of this section, and if the custodial account would, except for the fact that it is not a trust, constitute an individual retirement account described in subsection (a). For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of such account shall be treated as the trustee thereof.

"(i) REPORTS.—The trustee of an individual retirement account and the issuer of an endowment contract described in subsection (b) or an individual retirement annuity shall make such reports regarding such account, contract, or annuity to the Secretary or his delegate and to the individuals for whom the account, contract, or annuity is, or is to be, maintained with respect to contributions, distributions, and such other matters as the Secretary or his delegate may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.

"(j) CROSS REFERENCES.—

"(1) For tax on excess contributions in individual retirement accounts or annuities, see section 4973.

"(2) For tax on certain accumulations in individual retirement accounts or annuities, see section 4974."

(c) RETIREMENT BONDS.—Subpart A of part I of subchapter D of chapter 1 (relating to retirement plans) is amended by inserting after section 408 the following new section:

"SEC. 409. RETIREMENT BONDS.

"(a) RETIREMENT BOND.—For purposes of this section and section 219(a), the term 'retirement bond' means a bond issued under the

Ante, p. 959.

26 USC 409.

Ante, p. 958.

Second Liberty Bond Act, as amended, which by its terms, or by regulations prescribed by the Secretary or his delegate under such Act—

31 USC 774.

“(1) provides for payment of interest, or investment yield, only on redemption;

“(2) provides that no interest, or investment yield, is payable if the bond is redeemed within 12 months after the date of its issuance;

“(3) provides that it ceases to bear interest, or provide investment yield on the earlier of—

“(A) the date on which the individual in whose name it is purchased (hereinafter in this section referred to as the ‘registered owner’) attains age 70½; or

“(B) 5 years after the date on which the registered owner dies, but not later than the date on which he would have attained the age 70½ had he lived;

“(4) provides that, except in the case of a rollover contribution described in subsection (b)(3)(C) or in section 402(a)(5), 403(a)(4), or 408(d)(3) the registered owner may not contribute for the purchase of such bonds in excess of \$1,500 in any taxable year; and

Post, p. 991,
Post, p. 969,
Ante, p. 959.

“(5) is not transferable.

“(b) INCOME TAX TREATMENT OF BONDS.—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, on the redemption of a retirement bond the entire proceeds shall be included in the gross income of the taxpayer entitled to the proceeds on redemption. If the registered owner has not tendered it for redemption before the close of the taxable year in which he attains age 70½, such individual shall include in his gross income for such taxable year the amount of proceeds he would have received if the bond had been redeemed at age 70½. The provisions of section 72 (relating to annuities) and section 1232 (relating to bonds and other evidences of indebtedness) shall not apply to a retirement bond.

26 USC 72.

“(2) BASIS.—The basis of a retirement bond is zero.

“(3) EXCEPTIONS.—

“(A) REDEMPTION WITHIN 12 MONTHS.—If a retirement bond is redeemed within 12 months after the date of its issuance, the proceeds are excluded from gross income if no deduction is allowed under section 219 on account of the purchase of such bond.

Ante, p. 958.

“(B) REDEMPTION AFTER AGE 70½.—If a retirement bond is redeemed after the close of the taxable year in which the registered owner attains age 70½, the proceeds from the redemption of the bond are excluded from the gross income of the registered owner to the extent that such proceeds were includible in his gross income for such taxable year.

“(C) ROLLOVER INTO AN INDIVIDUAL RETIREMENT ACCOUNT OR ANNUITY OR A QUALIFIED PLAN.—If a retirement bond is redeemed at any time before the close of the taxable year in which the registered owner attains age 70½, and the registered owner transfers the entire amount of the proceeds from the redemption of the bond to an individual retirement account described in section 408(a) or to an individual retirement annuity described in section 408(b) (other than an endowment contract) which is maintained for the benefit of the registered owner of the bond, or to an employees’ trust described in section 401(a) which is exempt from tax under section 501(a), or an annuity plan described in section 403(a)

Ante, p. 959.

26 USC 401.
26 USC 501,
403.

26 USC 403.

for the benefit of the registered owner, on or before the 60th day after the day on which he received the proceeds of such redemption, then the proceeds shall be excluded from gross income and the transfer shall be treated as a rollover contribution described in section 403(d)(3). This subparagraph does not apply in the case of a transfer to such an employees' trust or such an annuity plan unless no part of the value of such proceeds is attributable to any source other than a rollover contribution from such an employees' trust or annuity plan (other than an annuity plan or a trust forming part of a plan under which the individual was an employee within the meaning of section 401(c)(1) at the time contributions were made on his behalf under the plan).

26 USC 401.

“(c) **ADDITIONAL TAX ON CERTAIN REDEMPTIONS BEFORE AGE 59½.**—

“(1) **EARLY REDEMPTION OF BOND.**—If a retirement bond is redeemed by the registered owner before he attains age 59½, his tax under this chapter for the taxable year in which the bond is redeemed shall be increased by an amount equal to 10 percent of the amount of the proceeds of the redemption includible in his gross income for the taxable year.

26 USC 72.

“(2) **DISABILITY CASES.**—Paragraph (1) does not apply for any taxable year during which the retirement bond is redeemed if, for that taxable year, the registered owner is disabled within the meaning of section 72(m)(7).

“(3) **REDEMPTION WITHIN ONE YEAR.**—Paragraph (1) does not apply if the registered owner tenders the bond for redemption within 12 months after the date of its issuance.”

(d) **EXCISE TAX ON EXCESS CONTRIBUTIONS.**—Chapter 43 (relating to qualified pension, etc., plans) is amended by inserting after section 4972 the following new section:

26 USC 4973.

“**SEC. 4973. TAX ON EXCESS CONTRIBUTIONS TO INDIVIDUAL RETIREMENT ACCOUNTS, CERTAIN SECTION 403(b) CONTRACTS, CERTAIN INDIVIDUAL RETIREMENT ANNUITIES, AND CERTAIN RETIREMENT BONDS.**

“(a) **TAX IMPOSED.**—In the case of—

Ante, p. 959.

“(1) an individual retirement account (within the meaning of section 408(a)),

Ante, p. 940.

“(2) an individual retirement annuity (within the meaning of section 408(b)), a custodial account treated as an annuity contract under section 403(b)(7)(A) (relating to custodial accounts for regulated investment company stock), or

Ante, p. 964.

“(3) a retirement bond (within the meaning of section 409), established for the benefit of any individual, there is imposed for each taxable year a tax in an amount equal to 6 percent of the amount of the excess contributions to such individual's accounts, annuities, or bonds (determined as of the close of the taxable year). The amount of such tax for any taxable year shall not exceed 6 percent of the value of the account, annuity, or bond (determined as of the close of the taxable year). In the case of an endowment contract described in section 408(b), the tax imposed by this section does not apply to any amount allocable to life, health, accident, or other insurance under such contract. The tax imposed by this subsection shall be paid by such individual.

“(b) **EXCESS CONTRIBUTIONS.**—For purposes of this section, in the case of individual retirement accounts, individual retirement annuities, or bonds, the term ‘excess contributions’ means the sum of—

“(1) the excess (if any) of—

“(A) the amount contributed for the taxable year to the accounts or for the annuities or bonds (other than a rollover contribution described in section 402(a)(5), 403(a)(4), 408(d)(3), or 409(b)(3)(C), over

Post, pp. 991, 969; *Ante*, pp. 959, 964.

“(B) the amount allowable as a deduction under section 219 for such contributions, and

“(2) the amount determined under this subsection for the preceding taxable year, reduced by the excess (if any) of the maximum amount allowable as a deduction under section 219 for the taxable year over the amount contributed to the accounts or for the annuities or bonds for the taxable year and reduced by the sum of the distributions out of the account (for all prior taxable years) which were included in the gross income of the payee under section 408(d)(1). For purposes of this paragraph, any contribution which is distributed out of the individual retirement account, individual retirement annuity, or bond in a distribution to which section 408(d)(4) applies shall be treated as an amount not contributed.

Ante, p. 958.

“(c) SECTION 403(b) CONTRACTS.—For purposes of this section, in the case of a custodial account referred to in subsection (a)(3), the term ‘excess contributions’ means the sum of—

“Excess contributions.”

“(1) the excess (if any) of the amount contributed for the taxable year to such account, over the lesser of the amount excludable from gross income under section 403(b) or the amount permitted to be contributed under the limitations contained in section 415 (or under whichever such section is applicable, if only one is applicable), and

26 USC 403.

Post, p. 979.

“(2) the amount determined under this subsection for the preceding taxable year, reduced by—

“(A) the excess (if any) of the lesser of (i) the amount excludable from gross income under section 403(b) or (ii) the amount permitted to be contributed under the limitations contained in section 415 over the amount contributed to the account for the taxable year (or under whichever such section is applicable, if only one is applicable), and

“(B) the sum of the distributions out of the account (for all prior taxable years) which are included in gross income under section 72(e).”

26 USC 72.

(e) EXCISE TAX ON EXCESSIVE ACCUMULATIONS.—Chapter 43 is amended by inserting after section 4973 the following new section:

“SEC. 4974. EXCISE TAX ON CERTAIN ACCUMULATIONS IN INDIVIDUAL RETIREMENT ACCOUNTS OR ANNUITIES.

26 USC 4974.

“(a) IMPOSITION OF TAX.—If, in the case of an individual retirement account or individual retirement annuity, the amount distributed during the taxable year of the payee is less than the minimum amount required to be distributed under section 408(a)(6) or (7), or 408(b)(3) or (4) during such year, there is imposed a tax equal to 50 percent of the amount by which the minimum amount required to be distributed during such year exceeds the amount actually distributed during the year. The tax imposed by this section shall be paid by such payee.

Ante, p. 959.

“(b) REGULATIONS.—For purposes of this section, the minimum amount required to be distributed during a taxable year under section 408(a)(6) or (7) or 408(b)(3) or (4) shall be determined under regulations prescribed by the Secretary or his delegate.”

(f) PENALTY FOR FAILURE TO PROVIDE REPORTS ON INDIVIDUAL RETIREMENT ACCOUNTS.—Subchapter B of chapter 68 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

26 USC 6693.

“SEC. 6693. FAILURE TO PROVIDE REPORTS ON INDIVIDUAL RETIREMENT ACCOUNTS OR ANNUITIES.Penalty.
Ante, p. 959.

“(a) The person required by section 408(i) to file a report regarding an individual retirement account or individual retirement annuity at the time and in the manner required by section 408(i) shall pay a penalty of \$10 for each failure unless it is shown that such failure is due to reasonable cause.

26 USC 6211.

“(b) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) does not apply to the assessment or collection of any penalty imposed by subsection (a).”.

26 USC 37.

(g) CONFORMING AMENDMENTS.—

(1) Section 37(c)(1) (defining retirement income) is amended—

(A) by striking out “and” at the end of subparagraph (D),

(B) by adding at the end of subparagraph (E) the following: “retirement bonds described in section 409, and”, and

(C) by adding at the end thereof the following new paragraph:

“(F) an individual retirement account described in section 408(a) or an individual retirement annuity described in section 408(b), or”.

26 USC 46, 50A.
Ante, p. 952,
Post, p. 987.

(2) The second sentence of section 46(a)(3) and the second sentence of section 50A(a)(3), as each is amended by sections 2001(g)(2)(B) and 2005(c)(4) of this Act, are each amended by inserting after “owner-employees,” the following: “section 408(e) (relating to additional tax on income from certain retirement accounts),”.

26 USC 901.

(3) The third sentence of section 901(a), as amended by section 2005(c)(5) of this Act, is amended by inserting “against the tax imposed for the taxable year by section 408(f) (relating to additional tax on income from certain retirement accounts),” before “against the tax imposed by section 531”.

26 USC 56.

(4) Subparagraph (A) of section 56(a)(2) and paragraph (1) of section 56(c) are each amended by striking out “531” and inserting in lieu thereof “408(f), 531,”.

26 USC 402.

(5) Section 402(a) (relating to taxability of beneficiary of exempt trust), as amended by section 2005(c)(2) of this Act, is amended by inserting after paragraph (5) the following new paragraph:

26 USC 401.

26 USC 501.

“(5) ROLLOVER AMOUNTS.—In the case of an employees’ trust described in section 401(a) which is exempt from tax under section 501(a), if—

“(A) the balance to the credit of an employee is paid to him on one or more distributions which constitute a lump sum distribution within the meaning of subsection (e)(4)(A) (determined without reference to subsection (e)(4)(B)),

“(B)(i) the employee transfers all the property he receives in such distribution to an individual retirement account described in section 408(a), an individual retirement annuity described in section 408(b) (other than an endowment contract), or a retirement bond described in section 409, on or before the 60th day after the day on which he received such property, to the extent the fair market value of such property exceeds the amount referred to in subsection (e)(4)(D)(i), or

“(ii) the employee transfers all the property he receives in such distribution to an employees’ trust described in section 401(a) which is exempt from tax under section 501(a),

or to an annuity plan described in section 403(a) on or before the 60th day after the day on which he received such property, to the extent the fair market value of such property exceeds the amount referred to in subsection (e) (4) (D) (i), and

26 USC 403.

“(C) the amount so transferred consists of the property (other than money) distributed, to the extent that the fair market value of such property does not exceed the amount required to be transferred pursuant to subparagraph (B), then such distributions are not includible in gross income for the year in which paid. For purposes of this title, a transfer described in subparagraph (B) (i) shall be treated as a rollover contribution as described in section 408(d) (3). Subparagraph (B) (ii) does not apply in the case of a transfer to an employees’ trust, or annuity plan if any part of the lump sum distribution described in subparagraph (A) is attributable to a trust forming part of a plan under which the employee was an employee within the meaning of section 401(c) (1) at the time contributions were made on his behalf under the plan.”

Ante, p. 959.

(6) Section 403(a) (relating to taxation of employee annuities) is amended by adding after paragraph (3) the following new paragraph:

“(4) ROLLOVER AMOUNTS.—In the case of an employee annuity described in 403(a), if—

“(A) the balance to the credit of an employee is paid to him in one or more distributions which constitute a lump sum distribution within the meaning of section 402(e) (4) (A) determined without reference to section 402(e) (4) (B),

26 USC 402.

“(B) (i) the employee transfers all the property he receives in such distribution to an individual account described in section 408(a), an individual retirement annuity described in section 408(b) (other than an endowment contract), or a retirement bond described in section 409, on or before the 60th day after the day on which he received such property to the extent the fair market value of such property exceeds the amount referred to in section 402(e) (4) (D) (i), or

Ante, p. 964.

“(ii) the employee transfers all the property he receives in such distribution to an employees’ trust described in section 401(a) which is exempt from tax under section 501(a), or to an annuity plan described in subsection (a) on or before the 60th day after the day on which he received such property to the extent the fair market value of such property exceeds the amount referred to in section 402(e) (4) (D) (i), and

“(C) the amount so transferred consists of the property distributed to the extent that the fair market value of such property does not exceed the amount required to be transferred pursuant to subparagraph (B),

then such distribution is not includible in gross income for the year in which paid. For purposes of this title, a transfer described in subparagraph (B) (i) shall be treated as a rollover contribution described in section 408(d) (3).

Subparagraph (B) (ii) does not apply in the case of a transfer to an employees’ trust, or annuity plan if any part of the lump sum distribution described in subparagraph (A) is attributable to an annuity plan under which the employee was an employee within the meaning of section 401(c) (1) at the time contributions were made on his behalf under the plan.”

26 USC 3401.

(7) Section 3401(a)(12) (relating to exemption from collection of income tax at source on certain wages) is amended by adding at the end thereof the following new subparagraph:

Ante, p. 958.

“(D) for a payment described in section 219(a) if, at the time of such payment, it is reasonable to believe that the employee will be entitled to a deduction under such section for payment; or”.

26 USC 6047.

(8) Section 6047 (relating to information relating to certain trusts and annuity and bond purchase plans) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

Ante, p. 959.

“(d) OTHER PROGRAMS.—To the extent provided by regulations prescribed by the Secretary or his delegate, the provisions of this section apply with respect to any payment described in section 219(a) and to transactions of any trust described in section 408(a) or under an individual retirement annuity described in section 408(b).”.

Pension plan
reserves.
26 USC 805.

(9) Section 805(d)(i) (relating to definition of pension plan reserves) is amended by striking out “or” at the end of subparagraph (C), by striking out “foregoing” at the end of subparagraph (D) and inserting in lieu thereof “foregoing; or”, and by adding at the end thereof the following new subparagraph:

“(E) purchased under contracts entered into with trusts which (at the time the contracts were entered into) were individual retirement accounts described in section 408(a) or under contracts entered into with individual retirement annuities described in section 408(b).”.

26 USC 72.

(10) Section 72 (relating to annuities) is amended—

(A) by inserting after “501(a)” in subsection (m)(4)(A) “, an individual retirement amount described in section 408(a), an individual retirement annuity described in section 408(b)”.

(B) by striking out at the end of subsection (m)(6) “401(c)(3)” and inserting in lieu thereof “401(c)(3) and includes an individual for whose benefit an individual retirement account or annuity described in section 408(a) or (b) is maintained”.

26 USC 801.

(11) Section 801(g)(7) (relating to basis of assets held for qualified pension plan contracts) is amended by striking out “or (D)” and inserting in lieu thereof “(D), or (E)”.

(h) CLERICAL AMENDMENTS.—

(1) The table of sections for part VII of subchapter B of chapter 1 is amended by striking out the item relating to section 219 and inserting in lieu thereof the following:

“Sec. 219. Retirement savings.

“Sec. 220. Cross references.”.

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by adding at the end thereof the following:

“Sec. 408. Individual retirement accounts.

“Sec. 409. Retirement bonds.”.

(3) The table of sections for chapter 43 is amended by inserting after the item relating to section 4972 the following new items:

“Sec. 4973. Tax on excess contributions to individual retirement accounts, certain 403(b) contracts, certain individual retirement annuities, and certain retirement bonds.

“Sec. 4974. Tax on certain accumulations in individual retirement accounts.

“Sec. 4975. Tax on prohibited transactions.”.

(4) The table of sections for subchapter B of chapter 68 is amended by adding at the end thereof the following new item:

"Sec. 6693. Failure to provide reports on individual retirement accounts or annuities."

(i) **EFFECTIVE DATES.**—

(1) The amendments made by subsections (a), (b), and (c) apply to taxable years beginning after December 31, 1974. 26 USC 219
note.

(2) The amendments made by subsections (d) through (h) except subsection (g) (5) and (6) shall take effect on January 1, 1975. 26 USC 4973
note.

(3) The amendments made by subsection (g) (5) and (6) shall apply on and after the date of enactment of this Act with respect to contributions to an employees' trust described in section 401(a) of the Internal Revenue Code of 1954 which is exempt from tax under section 501(a) of such Code or an annuity plan described in section 403(a) of such Code. 26 USC 402
note.

SEC. 2003. PROHIBITED TRANSACTIONS.

(a) **EXCISE TAX ON PROHIBITED TRANSACTIONS.**—Chapter 43 (relating to qualified pension, etc., plans) is amended by adding after section 4974 the following new section:

"SEC. 4975. TAX ON PROHIBITED TRANSACTIONS.

26 USC 4975.

"(a) **INITIAL TAXES ON DISQUALIFIED PERSON.**—There is hereby imposed a tax on each prohibited transaction. The rate of tax shall be equal to 5 percent of the amount involved with respect to the prohibited transaction for each year (or part thereof) in the taxable period. The tax imposed by this subsection shall be paid by any disqualified person who participates in the prohibited transaction (other than a fiduciary acting only as such).

"(b) **ADDITIONAL TAXES ON DISQUALIFIED PERSON.**—In any case in which an initial tax is imposed by subsection (a) on a prohibited transaction and the transaction is not corrected within the correction period, there is hereby imposed a tax equal to 100 percent of the amount involved. The tax imposed by this subsection shall be paid by any disqualified person who participated in the prohibited transaction (other than a fiduciary acting only as such).

"(c) **PROHIBITED TRANSACTION.**—

"(1) **GENERAL RULE.**—For purposes of this section, the term 'prohibited transaction' means any direct or indirect—

"(A) sale or exchange, or leasing, of any property between a plan and a disqualified person;

"(B) lending of money or other extension of credit between a plan and a disqualified person;

"(C) furnishing of goods, services, or facilities between a plan and a disqualified person;

"(D) transfer to, or use by or for the benefit of, a disqualified person of the income or assets of a plan;

"(E) act by a disqualified person who is a fiduciary whereby he deals with the income or assets of a plan in his own interest or for his own account; or

"(F) receipt of any consideration for his own personal account by any disqualified person who is a fiduciary from any party dealing with the plan in connection with a transaction involving the income or assets of the plan.

"(2) **SPECIAL EXEMPTION.**—The Secretary or his delegate shall establish an exemption procedure for purposes of this subsection. Pursuant to such procedure, he may grant a conditional or unconditional exemption of any disqualified person or transaction,

Exemption.

orders of disqualified persons or transactions, from all or part of the restrictions imposed by paragraph (1) of this subsection. Action under this subparagraph may be taken only after consultation and coordination with the Secretary of Labor. The Secretary or his delegate may not grant an exemption under this paragraph unless he finds that such exemption is—

“(A) administratively feasible,

“(B) in the interests of the plan and of its participants and beneficiaries, and

“(C) protective of the rights of participants and beneficiaries of the plan.

Notice, publication in Federal Register.

Before granting an exemption under this paragraph, the Secretary or his delegate shall require adequate notice to be given to interested persons and shall publish notice in the Federal Register of the pendency of such exemption and shall afford interested persons an opportunity to present views. No exemption may be granted under this paragraph with respect to a transaction described in subparagraph (E) or (F) of paragraph (1) unless the Secretary or his delegate affords an opportunity for a hearing and makes a determination on the record with respect to the findings required under subparagraphs (A), (B), and (C) of this paragraph, except that in lieu of such hearing the Secretary or his delegate may accept any record made by the Secretary of Labor with respect to an application for exemption under section 408(a) of title I of the Employee Retirement Income Security Act of 1974.

Ante, p. 883.

“(3) SPECIAL RULE FOR INDIVIDUAL RETIREMENT ACCOUNTS.—An individual for whose benefit an individual retirement account is established and his beneficiaries shall be exempt for the tax imposed by this section with respect to any transaction concerning such account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be an individual retirement account by reason of the application of section 408(e)(2)(A) or if section 408(e)(4) applies to such account.

“(d) EXEMPTIONS.—The prohibitions provided in subsection (c) shall not apply to—

“(1) any loan made by the plan to a disqualified person who is a participant or beneficiary of the plan if such loan—

“(A) is available to all such participants or beneficiaries on a reasonably equivalent basis,

“(B) is not made available to highly compensated employees, officers, or shareholders in an amount greater than the amount made available to other employees,

“(C) is made in accordance with specific provisions regarding such loans set forth in the plan,

“(D) bears a reasonable rate of interest, and

“(E) is adequately secured;

“(2) any contract, or reasonable arrangement, made with a disqualified person for office space, or legal, accounting, or other services necessary for the establishment or operation of the plan, if no more than reasonable compensation is paid therefor;

“(3) any loan to an employee stock ownership plan (as defined in subsection (e)(7)), if—

“(A) such loan is primarily for the benefit of participants and beneficiaries of the plan, and

“(B) such loan is at a reasonable rate of interest, and any collateral which is given to a disqualified person by the plan consists only of qualifying employer securities (as defined in subsection (e)(8));

“(4) the investment of all or part of a plan’s assets in deposits which bear a reasonable interest rate in a bank or similar financial institution supervised by the United States or a State, if such bank or other institution is a fiduciary of such plan and if—

“(A) the plan covers only employees of such bank or other institution and employees of affiliates of such bank or other institution, or

“(B) such investment is expressly authorized by a provision of the plan or by a fiduciary (other than such bank or institution or affiliates thereof) who is expressly empowered by the plan to so instruct the trustee with respect to such investment;

“(5) any contract for life insurance, health insurance, or annuities with one or more insurers which are qualified to do business in a State if the plan pays no more than adequate consideration, and if each such insurer or insurers is—

“(A) the employer maintaining the plan, or

“(B) a disqualified person which is wholly owned (directly or indirectly) by the employer establishing the plan, or by any person which is a disqualified person with respect to the plan, but only if the total premiums and annuity considerations written by such insurers for life insurance, health insurance, or annuities for all plans (and their employers) with respect to which such insurers are disqualified persons (not including premiums or annuity considerations written by the employer maintaining the plan) do not exceed 5 percent of the total premiums and annuity considerations written for all lines of insurance in that year by such insurers (not including premiums or annuity considerations written by the employer maintaining the plan);

“(6) the provision of any ancillary service by a bank or similar financial institution supervised by the United States or a State, if such service is provided at not more than reasonable compensation, if such bank or other institution is a fiduciary of such plan, and if—

“(A) such bank or similar financial institution has adopted adequate internal safeguards which assure that the provision of such ancillary service is consistent with sound banking and financial practice, as determined by Federal or State supervisory authority, and

“(B) the extent to which such ancillary service is provided is subject to specific guidelines issued by such bank or similar financial institution (as determined by the Secretary or his delegate after consultation with Federal and State supervisory authority), and under such guidelines the bank or similar financial institution does not provide such ancillary service—

“(i) in an excessive or unreasonable manner, and

“(ii) in a manner that would be inconsistent with the best interests of participants and beneficiaries of employee benefit plans;

“(7) the exercise of a privilege to convert securities, to the extent provided in regulations of the Secretary or his delegate, but only if the plan receives no less than adequate consideration pursuant to such conversion;

“(8) any transaction between a plan and a common or collective trust fund or pooled investment fund maintained by a disqualified person which is a bank or trust company supervised by a State or

Federal agency or between a plan and a pooled investment fund of an insurance company qualified to do business in a State if—

“(A) the transaction is a sale or purchase of an interest in the fund,

“(B) the bank, trust company, or insurance company receives not more than reasonable compensation, and

“(C) such transaction is expressly permitted by the instrument under which the plan is maintained, or by a fiduciary (other than the bank, trust company, or insurance company, or an affiliate thereof) who has authority to manage and control the assets of the plan;

“(9) receipt by a disqualified person of any benefit to which he may be entitled as a participant or beneficiary in the plan, so long as the benefit is computed and paid on a basis which is consistent with the terms of the plan as applied to all other participants and beneficiaries;

“(10) receipt by a disqualified person of any reasonable compensation for services rendered, or for the reimbursement of expenses properly and actually incurred, in the performance of his duties with the plan, but no person so serving who already receives full-time pay from an employer or an association of employers, whose employees are participants in the plan or from an employee organization whose members are participants in such plan shall receive compensation from such fund, except for reimbursement of expenses properly and actually incurred;

“(11) service by a disqualified person as a fiduciary in addition to being an officer, employee, agent, or other representative of a disqualified person;

“(12) the making by a fiduciary of a distribution of the assets of the trust in accordance with the terms of the plan if such assets are distributed in the same manner as provided under section 4044 of title IV of the Employee Retirement Income Security Act of 1974 (relating to allocation of assets); or

“(13) any transaction which is exempt from section 406 of such Act by reason of section 408(e) of such Act (or which would be so exempt if such section 406 applied to such transaction).

The exemptions provided by this subsection (other than paragraphs (9) and (12) shall not apply to any transaction with respect to a trust described in section 401(a) which is part of a plan providing contributions or benefits for employees some or all of whom are owner-employees (as defined in section 401(c)(3)) in which a plan directly or indirectly lends any part of the corpus or income of the plan to, pays any compensation for personal services rendered to the plan to, or acquires for the plan any property from or sells any property to, any such owner-employee, a member of the family (as defined in section 267(c)(4)) of any such owner-employee, or a corporation controlled by any such owner-employee through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote or 50 percent or more of the total value of shares of all classes of stock of the corporation. For purposes of the preceding sentence, a shareholder-employee (as defined in section 1379), a participant or beneficiary of an individual retirement account, individual retirement annuity, on an individual retirement bond (as defined in section 408 or 409), and an employer or association of employees which establishes such an account or annuity under section 408(c) shall be deemed to be an owner-employee.

“(e) DEFINITIONS.—

“(1) PLAN.—For purposes of this section, the term ‘plan’ means a trust described in section 401(a) which forms a part of a plan,

Post, p. 1025.

26 USC 406.

Ante, p. 959.

26 USC 267.

26 USC 1379.

or a plan described in section 403(a) or 405(a), which trust or plan is exempt from tax under section 501(a), an individual retirement account described in section 408(a) or an individual retirement annuity described in section 408(b) or a retirement bond described in section 409 (or a trust, plan, account, annuity, or bond which, at any time, has been determined by the Secretary or his delegate to be such a trust, plan, account, or bond).

“(2) **DISQUALIFIED PERSON.**—For purposes of this section, the term ‘disqualified person’ means a person who is—

- “(A) a fiduciary;
- “(B) a person providing services to the plan;
- “(C) an employer any of whose employees are covered by the plan;
- “(D) an employee organization any of whose members are covered by the plan;
- “(E) an owner, direct or indirect, of 50 percent or more of—

- “(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation,

- “(ii) the capital interest or the profits interest of a partnership, or

- “(iii) the beneficial interest of a trust or unincorporated enterprise, which is an employer or an employee organization described in subparagraph (C) or (D);

- “(F) a member of the family (as defined in paragraph (6)) of any individual described in subparagraph (A), (B), (C), or (E);

- “(G) a corporation, partnership, or trust or estate of which (or in which) 50 percent or more of—

- “(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation,

- “(ii) the capital interest or profits interest of such partnership, or

- “(iii) the beneficial interest of such trust or estate, is owned directly or indirectly, or held by persons described in subparagraph (A), (B), (C), (D), or (E);

- “(H) an officer, director (or an individual having powers or responsibilities similar to those of officers or directors), a 10 percent or more shareholder, or a highly compensated employee (earning 10 percent or more of the yearly wages of an employer) of a person described in subparagraph (C), (D), (E), or (G); or

- “(I) a 10 percent or more (in capital or profits) partner or joint venturer of a person described in subparagraph (C), (D), (E), or (G).

The Secretary, after consultation and coordination with the Secretary of Labor or his delegate, may by regulation prescribe a percentage lower than 50 percent for subparagraphs (E) and (G) and lower than 10 percent for subparagraphs (H) and (I).

“(3) **FIDUCIARY.**—For purposes of this section, the term ‘fiduciary’ means any person who—

- “(A) exercises any discretionary authority or discretionary control respecting management of such plan or exercises any authority or control respecting management or disposition of its assets,

Ante, p. 969.
26 USC 405.

Ante, p. 959.

Ante, p. 964.

“(B) renders investment advice for a fee or other compensation, direct or indirect, with respect to any moneys or other property of such plan, or has any authority or responsibility to do so, or

“(C) has any discretionary authority or discretionary responsibility in the administration of such plan.

Such term includes any person designated under section 405(c) (1)(B) of the Employee Retirement Income Security Act of 1974.

Ante, p. 878.

26 USC 267.

“(4) STOCKHOLDINGS.—For purposes of paragraphs (2) (E) (i) and (G) (i) there shall be taken into account indirect stockholdings which would be taken into account under section 267(c), except that, for purposes of this paragraph, section 267(c) (4) shall be treated as providing that the members of the family of an individual are the members within the meaning of paragraph (6).

“(5) PARTNERSHIPS; TRUSTS.—For purposes of paragraphs (2) (E) (ii) and (iii), (G) (ii) and (iii), and (I) the ownership of profits or beneficial interests shall be determined in accordance with the rules for constructive ownership of stock provided in section 267(c) (other than paragraph (3) thereof), except that section 267(c) (4) shall be treated as providing that the members of the family of an individual are the members within the meaning of paragraph (6).

“(6) MEMBER OF FAMILY.—For purposes of paragraph (2) (F), the family of any individual shall include his spouse, ancestor, lineal descendant, and any spouse of a lineal descendant.

“(7) EMPLOYEE STOCK OWNERSHIP PLAN.—The term ‘employee stock ownership plan’ means a defined contribution plan—

Ante, p. 953.

“(A) which is a stock bonus plan which is qualified, or a stock bonus and a money purchase plan both of which are qualified under section 401(a), and which are designed to invest primarily in qualifying employer securities; and

“(B) which is otherwise defined in regulations prescribed by the Secretary or his delegate.

“(8) QUALIFYING EMPLOYER SECURITY.—The term ‘qualifying employer security’ means an employer security which is—

“(A) stock or otherwise an equity security, or

26 USC 503.

“(B) a bond, debenture, note, or certificate or other evidence of indebtedness which is described in paragraphs (1), (2), and (3) of section 503(e).

15 USC 80a-51.

If any moneys or other property of a plan are invested in shares of an investment company registered under the Investment Company Act of 1940, the investment shall not cause that investment company or that investment company’s investment adviser or principal underwriter to be treated as a fiduciary or a disqualified person for purposes of this section, except when an investment company or its investment adviser or principal underwriter acts in connection with a plan covering employees of the investment company, its investment adviser, or its principal underwriter.

“(f) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) JOINT AND SEVERAL LIABILITY.—If more than one person is liable under subsection (a) or (b) with respect to any one prohibited transaction, all such persons shall be jointly and severally liable under such subsection with respect to such transaction.

“(2) TAXABLE PERIOD.—The term ‘taxable period’ means, with respect to any prohibited transaction, the period beginning with

the date on which the prohibited transaction occurs and ending on the earlier of—

“(A) the date of mailing of a notice of deficiency pursuant to section 6212, with respect to the tax imposed by subsection (a), or

26 USC 6212.

“(B) the date on which correction of the prohibited transaction is completed.

“(3) **SALE OR EXCHANGE; ENCUMBERED PROPERTY.**—A transfer of real or personal property by a disqualified person to a plan shall be treated as a sale or exchange if the property is subject to a mortgage or similar lien which the plan assumes or if it is subject to a mortgage or similar lien which a disqualified person placed on the property within the 10-year period ending on the date of the transfer.

“(4) **AMOUNT INVOLVED.**—The term ‘amount involved’ means, with respect to a prohibited transaction, the greater of the amount of money and the fair market value of the other property given or the amount of money and the fair market value of the other property received; except that, in the case of services described in paragraphs (2) and (10) of subsection (d) the amount involved shall be only the excess compensation. For purposes of the preceding sentence, the fair market value—

Fair market value.

“(A) in the case of the tax imposed by subsection (a), shall be determined as of the date on which the prohibited transaction occurs; and

“(B) in the case of the tax imposed by subsection (b), shall be the highest fair market value during the correction period.

“(5) **CORRECTION.**—The terms ‘correction’ and ‘correct’ mean, with respect to a prohibited transaction, undoing the transaction to the extent possible, but in any case placing the plan in a financial position not worse than that in which it would be if the disqualified person were acting under the highest fiduciary standards.

“(6) **CORRECTION PERIOD.**—The term ‘correction period’ means, with respect to a prohibited transaction, the period beginning with the date on which the prohibited transaction occurs and ending 90 days after the date of mailing of a notice of deficiency with respect to the tax imposed by subsection (b) under section 6212, extended by—

“(A) any period in which a deficiency cannot be assessed under section 6213(a), and

“(B) any other period which the Secretary or his delegate determines is reasonable and necessary to bring about the correction of the prohibited transaction.

“(g) **APPLICATION OF SECTION.**—This section shall not apply—

“(1) in the case of a plan to which a guaranteed benefit policy (as defined in section 401(b)(2)(B) of the Employee Retirement Income Security Act of 1974) is issued, to any assets of the insurance company, insurance service, or insurance organization merely because of its issuance of such policy;

Ante, p. 874.

“(2) to a governmental plan (within the meaning of section 414(d)); or

Ante, p. 925.

“(3) to a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made.

Ante, p. 898.

In the case of a plan which invests in any security issued by an investment company registered under the Investment Company Act of 1940, the assets of such plan shall be deemed to include such security but shall not, by reason of such investment, be deemed to include any assets of such company.

15 USC 80a-51.

“(h) NOTIFICATION OF SECRETARY OF LABOR.—Before sending a notice of deficiency with respect to the tax imposed by subsection (a) or (b), the Secretary or his delegate shall notify the Secretary of Labor and provide him a reasonable opportunity to obtain a correction of the prohibited transaction or to comment on the imposition of such tax.

“(i) CROSS REFERENCE.—

“For provisions concerning coordination procedures between Secretary of Labor and Secretary of Treasury with respect to application of tax imposed by this section and for authority to waive imposition of the tax imposed by subsection (b), see section 3003 of the Employee Retirement Income Security Act of 1974.”

26 USC 503.

(b) AMENDMENT OF SECTION 503.—Section 503 (relating to requirements for exemption) is amended—

(1) by striking out “or (18)” in subsection (a)(1)(A),

(2) by amending subsection (a)(1)(B) by inserting “which is referred to in section 4975(g)(2) or (3)” after “described in section 401(a)”,

(3) by striking out “or section 401” in subsection (a)(2) and inserting in lieu thereof “or paragraph (1)(B)”,

(4) by striking out “or section 401” in subsection (c) and inserting in lieu thereof “or subsection (a)(1)(B)”, and

(5) by striking out subsection (g).

26 USC 4975
note.

(c) EFFECTIVE DATE AND SAVINGS PROVISIONS.—

(1)(A) The amendments made by this section shall take effect on January 1, 1975.

(B) If, before the amendments made by this section take effect, an organization described in section 401(a) of the Internal Revenue Code of 1954 is denied exemption under section 501(a) of such Code by reason of section 503 of such Code, the denial of such exemption shall not apply if the disqualified person elects (in such manner and at such time as the Secretary or his delegate shall by regulations prescribe) to pay, with respect to the prohibited transaction (within the meaning of section 503(b) or (g)) which resulted in such denial of exemption, a tax in the amount and in the manner provided with respect to the tax imposed under section 4975 of such Code. An election made under this subparagraph, once made, shall be irrevocable. The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subparagraph.

Ante, p. 935.
26 USC 501.

(2) Section 4975 of the Internal Revenue Code of 1954 (relating to tax on prohibited transactions) shall not apply to—

(A) a loan of money or other extension of credit between a plan and a disqualified person under a binding contract in effect on July 1, 1974 (or pursuant to renewals of such a contract), until June 30, 1984, if such loan or other extension of credit remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be, and if the execution of the contract, the making of the loan, or the extension of credit was not, at the time of such execution, making, or extension, a prohibited transaction (within the meaning of section 503(b) of such Code or the corresponding provisions of prior law);

(B) a lease or joint use of property involving the plan and a disqualified person pursuant to a binding contract in effect on July 1, 1974 (or pursuant to renewals of such a contract), until June 30, 1984, if such lease or joint use remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be and if the execution of the contract was not, at the time of such execution, a prohibited

Ante, p. 971.
Regulations.

transaction (within the meaning of section 503(b) of such Code) or the corresponding provisions of prior law;

26 USC 503.

(C) the sale, exchange, or other disposition of property described in subparagraph (B) between a plan and a disqualified person before June 30, 1984, if—

(i) in the case of a sale, exchange, or other disposition of the property by the plan to the disqualified person, the plan receives an amount which is not less than the fair market value of the property at the time of such disposition; and

(ii) in the case of the acquisition of the property by the plan, the plan pays an amount which is not in excess of the fair market value of the property at the time of such acquisition;

(D) Until June 30, 1977, the provision of services to which subparagraphs (A), (B), and (C) do not apply between a plan and a disqualified person (i) under a binding contract in effect on July 1, 1974 (or pursuant to renewals of such contract), or (ii) if the disqualified person ordinarily and customarily furnished such services on June 30, 1974, if such provision of services remains at least as favorable to the plan as an arm's-length transaction with an unrelated party would be and if the provision of services was not, at the time of such provision, a prohibited transaction (within the meaning of section 503(b) of such Code) or the corresponding provisions of prior law; or

(E) the sale, exchange, or other disposition of property which is owned by a plan on June 30, 1974, and all times thereafter, to a disqualified person, if such plan is required to dispose of such property in order to comply with the provisions of section 407(a)(2)(A) (relating to the prohibition against holding excess employer securities and employer real property) of the Employee Retirement Income Security Act of 1974, and if the plan receives not less than adequate consideration.

Ante, p. 880.

For the purposes of this paragraph, the term "disqualified person" has the meaning provided by section 4975(e)(2) of the Internal Revenue Code of 1954.

Ante, p. 971.

SEC. 2004. LIMITATIONS ON BENEFITS AND CONTRIBUTIONS.

(a) PLAN REQUIREMENTS.—

(1) Section 401(a) (relating to requirements for qualification) is amended by inserting after paragraph (15) the following new paragraph:

Ante, p. 938.

"(16) A trust shall not constitute a qualified trust under this section if the plan of which such trust is a part provides for benefits or contributions which exceed the limitations of section 415."

Infra.

(2) Subpart B of part I of subchapter D of chapter 1 is amended by inserting after section 414 the following new section:

"SEC. 415. LIMITATIONS ON BENEFITS AND CONTRIBUTION UNDER QUALIFIED PLANS.

26 USC 415.

"(a) GENERAL RULE.—

"(1) TRUSTS.—A trust which is a part of a pension, profit-sharing, or stock bonus plan shall not constitute a qualified trust under section 401(a) if—

Ante, p. 935.

"(A) in the case of a defined benefit plan, the plan provides for the payment of benefits with respect to a participant which exceed the limitation of subsection (b),

"(B) in the case of a defined contribution plan, contributions and other additions under the plan with respect to any

participant for any taxable year exceed the limitation of subsection (c), or

“(C) in any case in which an individual is a participant in both a defined benefit plan and a defined contribution plan maintained by the employer, the trust has been disqualified under subsection (g).

“(2) SECTION APPLIES TO CERTAIN ANNUITIES AND ACCOUNTS.—in the case of—

Ante, p. 969.

26 USC 403.

Ante, p. 959.

26 USC 405.

Ante, p. 964.

Ante, p. 959.

“(A) an employee annuity plan described in section 403 (a),

“(B) an annuity contract described in section 403 (b),

“(C) an individual retirement account described in section 408 (a),

“(D) an individual retirement annuity described in section 408 (b),

“(E) a plan described in section 405 (a), or

“(F) a retirement bond described in section 409,

such contract, annuity plan, account, annuity, plan, or bond shall not be considered to be described in section 403 (a), 403 (b), 405 (a), 408 (a), 408 (b), or 409, as the case may be, unless it satisfies the requirements of subparagraph (A) or subparagraph (B) of paragraph (1), whichever is appropriate, and has not been disqualified under subsection (g). In the case of an annuity contract described in section 403 (b), the preceding sentence shall apply only to the portion of the annuity contract which exceeds the limitation of subsection (b) or the limitation of subsection (c), whichever is appropriate, and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403 (b) (2).

“(b) LIMITATION FOR DEFINED BENEFIT PLANS.—

“(1) IN GENERAL.—Benefits with respect to a participant exceed the limitation of this subsection if, when expressed as an annual benefit (within the meaning of paragraph (2)), such annual benefit is greater than the lesser of—

“(A) \$75,000, or

“(B) 100 percent of the participant's average compensation for his high 3 years.

“(2) ANNUAL BENEFIT.—

“(A) IN GENERAL.—For purposes of paragraph (1), the term ‘annual benefit’ means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) under a plan to which employees do not contribute and under which no rollover contributions (as defined in sections 402 (a) (5), 403 (a) (4), 408 (d) (3), and 409 (b) (3) (C)) are made.

Ante, pp. 968, 969.

“(B) ADJUSTMENT FOR CERTAIN OTHER FORMS OF BENEFIT.—If the benefit under the plan is payable in any form other than the form described in subparagraph (A), or if the employees contribute to the plan or make rollover contributions (as defined in sections 402 (a) (5), 403 (a) (4), 408 (d) (3) and 409 (b) (3) (C)), the determinations as to whether the limitation described in paragraph (1) has been satisfied shall be made, in accordance with regulations prescribed by the Secretary or his delegate, by adjusting such benefit so that it is equivalent to the benefit described in subparagraph (A). For purposes of this subparagraph, any ancillary benefit which is not directly related to retirement income benefits shall not be taken into account; and that portion of any joint and survivor annuity which constitutes a qualified joint and

survivor annuity (as defined in section 401(a)(11)(H)(iii)) shall not be taken into account.

Ante, p. 935.

“(C) ADJUSTMENT TO \$75,000 LIMIT WHERE BENEFIT BEGINS BEFORE AGE 55.—If the retirement income benefit under the plan begins before age 55, the determination as to whether the \$75,000 limitation set forth in paragraph (1)(A) has been satisfied shall be made, in accordance with regulations prescribed by the Secretary or his delegate, by adjusting such benefit so that it is equivalent to such a benefit beginning at age 55.

“(3) AVERAGE COMPENSATION FOR HIGH 3 YEARS.—For purposes of paragraph (1), a participant's high 3 years shall be the period of consecutive calendar years (not more than 3) during which the participant both was an active participant in the plan and had the greatest aggregate compensation from the employer. In the case of an employee within the meaning of section 401(c)(1), the preceding sentence shall be applied by substituting for ‘compensation from the employer’ the following: ‘the participant's earned income (within the meaning of section 401(c)(2) but determined without regard to any exclusion under section 911)’.

26 USC 401.

26 USC 911.

“(4) TOTAL ANNUAL BENEFITS NOT IN EXCESS OF \$10,000.—Notwithstanding the preceding provisions of this subsection, the benefits payable with respect to a participant under any defined benefit plan shall be deemed not to exceed the limitation of this subsection if—

“(A) the retirement benefits payable with respect to such participant under such plan and under all other defined benefit plans of the employer do not exceed \$10,000 for the plan year, or for any prior plan year, and

“(B) the employer has not at any time maintained a defined contribution plan in which the participant participated.

“(5) REDUCTION FOR SERVICE LESS THAN 10 YEARS.—In the case of an employee who has less than 10 years of service with the employer, the limitation referred to in paragraph (1), and the limitation referred to in paragraph (4), shall be the limitation determined under such paragraph (without regard to this paragraph), multiplied by a fraction, the numerator of which is the number of years (or part thereof) of service with the employer and the denominator of which is 10.

“(6) COMPUTATION OF BENEFITS AND CONTRIBUTIONS.—The computation of—

“(A) benefits under a defined contribution plan, for purposes of section 401(a)(4),

Ante, p. 938.

“(B) contributions made on behalf of a participant in a defined benefit plan, for purposes of section 401(a)(4), and

“(C) contributions and benefits provided for a participant in a plan described in section 414(k), for purposes of this section

Ante, p. 925.

shall not be made on a basis inconsistent with regulations prescribed by the Secretary or his delegate.

“(c) LIMITATION FOR DEFINED CONTRIBUTION PLANS.—

“(1) IN GENERAL.—Contributions and other additions with respect to a participant exceed the limitation of this subsection if, when expressed as an annual addition (within the meaning of

paragraph (2)) to the participant's account, such annual addition is greater than the lesser of—

“(A) \$25,000, or

“(B) 25 percent of the participant's compensation.

“(2) ANNUAL ADDITION.—For purposes of paragraph (1), the term ‘annual addition’ means the sum for any year of—

“(A) employer contributions,

“(B) the lesser of—

“(i) the amount of the employee contributions in excess of 6 percent of his compensation, or

“(ii) one-half of the employee contributions, and

“(C) forfeitures.

For the purposes of this paragraph, employee contributions under subparagraph (B) are determined without regard to any rollover contributions (as defined in sections 402(a)(5), 403(a)(4), 408(d)(3), and 409(b)(3)(C)).

“(3) PARTICIPANT'S COMPENSATION.—For purposes of paragraph (1), the term ‘participant's compensation’ means the compensation of the participant from the employer for the year. In the case of an employee within the meaning of section 401(c)(1), the preceding sentence shall be applied by substituting for ‘compensation of the participant from the employer’ the following: ‘the participant's earned income (within the meaning of section 401(c)(2) but determined without regard to any exclusion under section 911)’.

“(4) SPECIAL ELECTION FOR SECTION 403(b) CONTRACTS PURCHASED BY EDUCATIONAL INSTITUTIONS, HOSPITALS, AND HOME HEALTH SERVICE AGENCIES.—

“(A) In the case of amounts contributed for an annuity contract described in section 403(b) for the year in which occurs a participant's separation from the service with an educational institution, a hospital, or a home health service agency, at the election of the participant there is substituted for the amount specified in paragraph (1)(B) the amount of the exclusion allowance which would be determined under section 403(b)(2) (without regard to this section) for the participant's taxable year in which such separation occurs if the participant's years of service were computed only by taking into account his service for the employer during the period of years (not exceeding ten) ending on the date of such separation.

“(B) In the case of amounts contributed for an annuity contract described in section 403(b) for any year in the case of a participant who is an employee of an educational institution, a hospital, or a home health service agency, at the election of the participant there is substituted for the amount specified in paragraph (1)(B) the least of—

“(i) 25 percent of the participant's includible compensation (as defined in section 403(b)(3)) plus \$4,000,

“(ii) the amount of the exclusion allowance determined for the year under section 403(b)(2), or

“(iii) \$15,000.

“(C) In the case of amounts contributed for an annuity contract described in section 403(b) for any year for a participant who is an employee of an educational institution, a hospital, or a home health service agency, at the election of the participant the provisions of section 403(b)(2)(A) shall not apply.

Ante, pp. 968,
969, 959, 964.

26 USC 401.

26 USC 403.

Post, p. 986.

“(D)(i) The provisions of this paragraph apply only if the participant elects its application at the time and in the manner provided under regulations prescribed by the Secretary or his delegate. Not more than one election may be made under subparagraph (A) by any participant. A participant who elects to have the provisions of subparagraph (A), (B), or (C) of this paragraph apply to him may not elect to have any other subparagraph of this paragraph apply to him. Any election made under this paragraph is irrevocable.

“(ii) For purposes of this paragraph the term ‘educational institution’ means an educational institution as defined in section 151(e) (4).

“Educational institution.”

26 USC 151.

“(iii) For purposes of this paragraph the term ‘home health service agency’ means an organization described in subsection 501(c) (3) which is exempt from tax under section 501(a) and which has been determined by the Secretary of Health, Education, and Welfare to be a home health agency (as defined in section 1861(o) of the Social Security Act).

“Home health service agency.”

26 USC 501.

42 USC 1395x.

“(d) COST-OF-LIVING ADJUSTMENTS.—

“(1) IN GENERAL.—The Secretary or his delegate shall adjust annually—

“(A) the \$75,000 amount in subsection (b) (1) (A),

“(B) the \$25,000 amount in subsection (c) (1) (A), and

“(C) in the case of a participant who is separated from service, the amount taken into account under subsection (b) (1) (B),

for increases in the cost of living in accordance with regulations prescribed by the Secretary or his delegate. Such regulations shall provide for adjustment procedures which are similar to the procedures used to adjust primary insurance amounts under section 215(i) (2) (A) of the Social Security Act.

42 USC 415.

“(2) BASE PERIODS.—The base period taken into account—

“(A) for purposes of subparagraphs (A) and (B) of paragraph (1) is the calendar quarter beginning October 1, 1974, and

“(B) for purposes of subparagraph (C) of paragraph (1) is the last calendar quarter of the calendar year before the calendar year in which the participant is separated from service.

“(e) LIMITATION IN CASE OF DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN FOR SAME EMPLOYEE.—

“(1) IN GENERAL.—In any case in which an individual is a participant in both a defined benefit plan and a defined contribution plan maintained by the same employer, the sum of the defined benefit plan fraction and the defined contribution plan fraction for any year may not exceed 1.4.

“(2) DEFINED BENEFIT PLAN FRACTION.—For purposes of this subsection, the defined benefit plan fraction for any year is a fraction—

“(A) the numerator of which is the projected annual benefit of the participant under the plan (determined as of the close of the year), and

“(B) the denominator of which is the projected annual benefit of the participant under the plan (determined as of the close of the year) if the plan provided the maximum benefit allowable under subsection (b).

“(3) DEFINED CONTRIBUTION PLAN FRACTION.—For purposes of this subsection, the defined contribution plan fraction for any year is a fraction—

“(A) the numerator of which is the sum of the annual additions to the participant’s account as of the close of the year, and

“(B) the denominator of which is the sum of the maximum amount of annual additions to such account which could have been made under subsection (c) for such year and for each prior year of service with the employer.

“(4) SPECIAL TRANSITION RULES FOR DEFINED CONTRIBUTION FRACTION.—In applying paragraph (3) with respect to years beginning before January 1, 1976—

“(A) the aggregate amount taken into account under paragraph (3) (A) may not exceed the aggregate amount taken into account under paragraph (3) (B), and

“(B) the amount taken into account under subsection (c) (2) (B) (i) for any year concerned is an amount equal to—

“(i) the excess of the aggregate amount of employee contributions for all years beginning before January 1, 1976, during which the employee was an active participant of the plan, over 10 percent of the employee’s aggregate compensation for all such years, multiplied by

“(ii) a fraction the numerator of which is 1 and the denominator of which is the number of years beginning before January 1, 1976, during which the employee was an active participant in the plan.

Employee contributions made on or after October 2, 1973, shall be taken into account under subparagraph (B) of the preceding sentence only to the extent that the amount of such contributions does not exceed the maximum amount of contributions permissible under the plan as in effect on October 2, 1973.

26 USC 403.
Ante, p. 959.

“(5) SPECIAL RULES FOR SECTIONS 403(b) and 408.—For purposes of this subsection, any annuity contract described in section 403 (b) (except in the case of a participant who has elected under subsection (c) (4) (D) to have the provisions of subsection (c) (4) (C) apply), any individual retirement account described in section 408(a), any individual retirement annuity described in section 408(b), and any retirement bond described in section 409, for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). In the case of any annuity contract described in section 403(b), the amount of the contribution disqualified by reason of subsection (g) shall reduce the exclusion allowance as provided in section 403(b) (2).

Ante, p. 925.

“(f) COMBINING OF PLANS.—

“(1) IN GENERAL.—For purposes of applying the limitations of subsections (b), (c), and (e) —

“(A) all defined benefit plans (whether or not terminated) of an employer are to be treated as one defined benefit plan, and

“(B) all defined contribution plans (whether or not terminated) of an employer are to be treated as one defined contribution plan.

“(2) ANNUAL COMPENSATION TAKEN INTO ACCOUNT FOR DEFINED BENEFIT PLANS.—If the employer has more than one defined benefit plan—

“(A) subsection (b) (1) (B) shall be applied separately with respect to each such plan, but

“(B) in applying subsection (b) (1) (B) to the aggregate of such defined benefit plans for purposes of this subsection, the high 3 years of compensation taken into account shall be the period of consecutive calendar years (not more than 3) during which the individual had the greatest aggregate compensation from the employer.

“(g) **AGGREGATION OF PLANS.**—The Secretary or his delegate, in applying the provisions of this section to benefits or contributions under more than one plan maintained by the same employer, and to any trusts, contracts, accounts, or bonds referred to in subsection (a) (2), with respect to which the participant has the control required under section 414(b) or (c), as modified by subsection (h), shall, under regulations prescribed by the Secretary or his delegate, disqualify one or more trusts, plans, contracts, accounts, or bonds, or any combination thereof until such benefits or contributions do not exceed the limitations contained in this section. In addition to taking into account such other factors as may be necessary to carry out the purposes of subsections (e) and (f), the regulations prescribed under this paragraph shall provide that no plan which has been terminated shall be disqualified until all other trusts, plans, contracts, accounts, or bonds have been disqualified.

Ante, p. 925.

“(h) **50 PERCENT CONTROL.**—For purposes of applying subsections (b) and (c) of section 414 to this section, the phrase ‘more than 50 percent’ shall be substituted for the phrase ‘at least 80 percent’ each place it appears in section 1563(a) (1).

26 USC 1563.

“(i) **RECORDS NOT AVAILABLE FOR PAST PERIODS.**—Where for the period before January 1, 1976, or (if later) the first day of the first plan year of the plan, the records necessary for the application of this section are not available, the Secretary or his delegate may by regulations prescribe alternative methods for determining the amounts to be taken into account for such period.

“(j) **REGULATIONS; DEFINITION OF YEAR.**—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section, including, but not limited to, regulations defining the term ‘year’ for purposes of any provision of this section.

“(k) **SPECIAL RULES.**—

“(1) **DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN.**—For purposes of this title, the term ‘defined contribution plan’ or ‘defined benefit plan’ means a defined contribution plan (within the meaning of section 414(i)) or a defined benefit plan (within the meaning of section 414(j)), whichever applies, which is—

“(A) a plan described in section 401(a) which includes a trust which is exempt from tax under section 501(a),

26 USC 401.

“(B) an annuity plan described in section 403(a),

26 USC 501.

“(C) a qualified bond purchase plan described in section 405(a),

26 USC 403.

“(D) an annuity a contract described in section 403(b),

26 USC 405.

“(E) an individual retirement account described in section 408(a),

Ante, p. 959.

“(F) an individual retirement annuity described in section 408(b), or

“(G) an individual retirement bond described in section 409.”

Ante, p. 964.

“(3) **SPECIAL RULE FOR CERTAIN PLANS IN EFFECT ON DATE OF ENACTMENT.**—In any case in which, on the date of enactment of this Act, an individual is a participant in both a defined benefit

26 USC 415
note.

plan and a defined contribution plan maintained by the same employer, and the sum of the defined benefit plan fraction and the defined contribution plan fraction for the year during which such date occurs exceeds 1.4, the sum of such fractions may continue to exceed 1.4 if—

(A) the defined benefit plan fraction is not increased, by amendment of the plan or otherwise, after the date of enactment of this Act, and

(B) no contributions are made under the defined contribution plan after such date.

A trust which is part of a pension, profit-sharing, or stock bonus plan described in the preceding sentence shall not be treated as not constituting a qualified trust under section 401(a) of the Internal Revenue Code of 1954 on account of the provisions of section 415(e) of such Code, as long as it is described in the preceding sentence of this subsection.

26 USC 401.

Ante, p. 979.

26 USC 404.

(b) **LIMIT ON EMPLOYER DEDUCTIONS.**—The second sentence of section 404(a)(3)(A) (relating to limits on deductible contributions) is amended by striking out “beneficiaries under the plan.” and inserting in lieu thereof “beneficiaries under the plan, but the amount so deductible under this sentence in any one succeeding taxable year together with the amount so deductible under the first sentence of this subparagraph shall not exceed 25 percent of the compensation otherwise paid or accrued during such taxable year to the beneficiaries under the plan.”

(c) **CERTAIN ANNUITY AND BOND PURCHASE PLANS.**—

(1) Section 404(a)(2) (relating to the general rule for deduction for employee annuities) is amended by striking out “(15)” and inserting in lieu thereof “(15), (16), and (19)” and by striking out “(a)(9) and (10)” and inserting in lieu thereof “(a)(9), (10), (17), and (18)”.

(2) Section 405(a)(1) (relating to requirements for qualified bond purchase plans) is amended by striking out “and (8),” and inserting in lieu thereof “(8), (16), and (19)”.

26 USC 805.

(3) Section 805(d)(1)(C) (relating to pension plan reserves) is amended by striking out “and (15)” and inserting in lieu thereof “(15), (16), and (19)”.

26 USC 403.

(4) Section 403(b)(2) (relating to exclusion allowance) is amended to read as follows:

“(2) **EXCLUSION ALLOWANCE.**—

“(A) **IN GENERAL.**—For purposes of this subsection, the exclusion allowance for any employee for the taxable year is an amount equal to the excess, if any, of—

“(i) the amount determined by multiplying 20 percent of his includible compensation by the number of years of service, over

“(ii) the aggregate of the amounts contributed by the employer for annuity contracts and excludible from the gross income of the employee for any prior taxable year.

“(B) **ELECTION TO HAVE ALLOWANCE DETERMINED UNDER SECTION 415 RULES.**—In the case of an employee who makes an election under section 415(c)(4)(D) to have the provisions of section 415(c)(4)(C) (relating to special rule for section 403(b) contracts purchased by educational institutions, hospitals, and home health service agencies) apply, the exclusion allowance for any such employee for the taxable year is the amount which could be contributed (under section 415) by his employer under a plan described in section 403(a) if the

annuity contract for the benefit of such employee were treated as a defined contribution plan maintained by the employer.”

(d) **EFFECTIVE DATE.**—

26 USC 415
note.

(1) **GENERAL RULE.**—The amendments made by this section shall apply to years beginning after December 31, 1975. The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out the provisions of this paragraph.

(2) **TRANSITION RULE FOR DEFINED BENEFIT PLANS.**—In the case of an individual who was an active participant in a defined benefit plan before October 3, 1973, if—

(A) the annual benefit (within the meaning of section 415(b)(2) of the Internal Revenue Code of 1954) payable to such participant on retirement does not exceed 100 percent of his annual rate of compensation on the earlier of (i) October 2, 1973, or (ii) the date on which he separated from the service of the employer,

Ante, p. 979.

(B) such annual benefit is no greater than the annual benefit which would have been payable to such participant on retirement if (i) all the terms and conditions of such plan in existence on such date had remained in existence until such retirement, and (ii) his compensation taken into account for any period after October 2, 1973, had not exceeded his annual rate of compensation on such date, and

(C) in the case of a participant who separated from the service of the employer prior to October 2, 1973, such annual benefit is no greater than his vested accrued benefit as of the date he separated from the service,

then such annual benefit shall be treated as not exceeding the limitation of subsection (b) of section 415 of the Internal Revenue Code of 1954.

SEC. 2005. TAXATION OF CERTAIN LUMP SUM DISTRIBUTIONS.

(a) **TREATMENT OF TOTAL DISTRIBUTIONS.**—Section 402(e) (relating to certain plan terminations) is amended to read as follows:

26 USC 402.

“(e) **TAX ON LUMP SUM DISTRIBUTIONS.**—

(1) **IMPOSITION OF SEPARATE TAX ON LUMP SUM DISTRIBUTIONS.**—

“(A) **SEPARATE TAX.**—There is hereby imposed a tax (in the amount determined under subparagraph (B)) on the ordinary income portion of a lump sum distribution.

“(B) **AMOUNT OF TAX.**—The amount of tax imposed by subparagraph (A) for any taxable year shall be an amount equal to the amount of the initial separate tax for such taxable year multiplied by a fraction, the numerator of which is the ordinary income portion of the lump sum distribution for the taxable year and the denominator of which is the total taxable amount of such distribution for such year.

“(C) **INITIAL SEPARATE TAX.**—The initial separate tax for any taxable year is an amount equal to 10 times the tax which would be imposed by subsection (c) of section 1 if the recipient were an individual referred to in such subsection and the taxable income were an amount equal to one-tenth of the excess of—

“(i) the total taxable amount of the lump sum distribution for the taxable year, over

“(ii) the minimum distribution allowance.

“(D) MINIMUM DISTRIBUTION ALLOWANCE.—For purposes of this paragraph, the minimum distribution allowance for the taxable year is an amount equal to—

“(i) the lesser of \$10,000 or one-half of the total taxable amount of the lump sum distribution for the taxable year, reduced (but not below zero) by

“(ii) 20 percent of the amount (if any) by which such total taxable amount exceeds \$20,000.

“(E) LIABILITY FOR TAX.—The recipient shall be liable for the tax imposed by this paragraph.

“(2) MULTIPLE DISTRIBUTIONS AND DISTRIBUTIONS OF ANNUITY CONTRACTS.—In the case of any recipient of a lump sum distribution for the taxable year with respect to whom during the 6-taxable-year period ending on the last day of the taxable year there has been one or more other lump sum distributions after December 31, 1973, or if the distribution (or any part thereof) is an annuity contract, in computing the tax imposed by paragraph (1) (A), the total taxable amounts of all such distributions during such 6-taxable-year period shall be aggregated, but the amount of tax so computed shall be reduced (but not below zero) by the sum of—

“(A) the amount of the tax imposed by paragraph (1) (A) paid with respect to such other distributions, plus

“(B) that portion of the tax on the aggregated total taxable amounts which is attributable to annuity contracts.

For purposes of this paragraph, a beneficiary of a trust to which a lump sum distribution is made shall be treated as the recipient of such distribution if the beneficiary is an employee (including an employee within the meaning of section 401(c)(1)) with respect to the plan under which the distribution is made or if the beneficiary is treated as the owner of such trust for purposes of subpart E of part I of subchapter J. In the case of the distribution of an annuity contract, the taxable amount of such distribution shall be deemed to be the current actuarial value of the contract, determined on the date of such distribution. In the case of a lump sum distribution with respect to any individual which is made only to two or more trusts, the tax imposed by paragraph (1) (A) shall be computed as if such distribution was made to a single trust, but the liability for such tax shall be apportioned among such trusts according to the relative amounts received by each. The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this paragraph.

“(3) ALLOWANCE OF DEDUCTION.—The ordinary income portion of a lump sum distribution for the taxable year shall be allowed as a deduction from gross income for such taxable year, but only to the extent included in the taxpayer's gross income for such taxable year.

“(4) DEFINITIONS AND SPECIAL RULES.—

“(A) LUMP SUM DISTRIBUTION.—For purposes of this section and section 403, the term ‘lump sum distribution’ means the distribution or payment within one taxable year of the recipient of the balance to the credit of an employee which becomes payable to the recipient—

“(i) on account of the employee's death,

“(ii) after the employee attains age 59½,

“(iii) on account of the employee's separation from the service, or

26 USC 401.

26 USC 671.

Regulations.

26 USC 403.

“(iv) after the employee has become disabled (within the meaning of section 72(m) (7)) from a trust which forms a part of a plan described in section 401(a) and which is exempt from tax under section 501 or from a plan described in section 403(a). Clause (iii) of this subparagraph shall be applied only with respect to an individual who is an employee without regard to section 401(c) (1), and clause (iv) shall be applied only with respect to an employee within the meaning of section 401(c) (1). For purposes of this subparagraph, a distribution of an annuity contract from a trust or annuity plan referred to in the first sentence of this subparagraph shall be treated as a lump sum distribution. For purposes of this subparagraph, a distribution to two or more trusts shall be treated as a distribution to one recipient.

26 USC 72.

26 USC 401,
501,
26 USC 403.

“(B) ELECTION OF LUMP SUM TREATMENT.—For purposes of this section and section 403, no amount which is not an annuity contract may be treated as a lump sum distribution under subparagraph (A) unless the taxpayer elects for the taxable year to have all such amounts received during such year so treated at the time and in the manner provided under regulations prescribed by the Secretary or his delegate. Not more than one election may be made under this subparagraph with respect to any individual after such individual has attained age 59½. No election may be made under this subparagraph by any taxpayer other than an individual, an estate, or a trust. In the case of a lump sum distribution made with respect to an employee to two or more trusts, the election under this subparagraph shall be made by the personal representative of the employee.

“(C) AGGREGATION OF CERTAIN TRUSTS AND PLANS.—For purposes of determining the balance to the credit of an employee under subparagraph (A)—

“(i) all trusts which are part of a plan shall be treated as a single trust, all pension plans maintained by the employer shall be treated as a single plan, all profit-sharing plans maintained by the employer shall be treated as a single plan, and all stock bonus plans maintained by the employer shall be treated as a single plan, and

“(ii) trusts which are not qualified trusts under section 401(a) and annuity contracts which do not satisfy the requirements of section 404(a) (2) shall not be taken into account.

26 USC 404.

“(D) TOTAL TAXABLE AMOUNT.—For purposes of this section and section 403, the term ‘total taxable amount’ means, with respect to a lump sum distribution, the amount of such distribution which exceeds the sum of—

“(i) the amounts considered contributed by the employee (determined by applying section 72(f)), which employee contributions shall be reduced by any amounts theretofore distributed to him which were not includible in gross income, and

“(ii) the net unrealized appreciation attributable to that part of the distribution which consists of the securities of the employer corporation so distributed.

“(E) ORDINARY INCOME PORTION.—For purposes of this section, the term ‘ordinary income portion’ means, with

respect to a lump sum distribution, so much of the total taxable amount of such distribution as is equal to the product of such total taxable amount multiplied by a fraction—

“(i) the numerator of which is the number of calendar years of active participation by the employee in such plan after December 31, 1973, and

“(ii) the denominator of which is the number of calendar years of active participation by the employee in such plan.

26 USC 401.

“(F) EMPLOYEE.—For purposes of this subsection and subsection (a) (2), except as otherwise provided in subparagraph (A), the term ‘employee’ includes an individual who is an employee within the meaning of section 401(c) (1) and the employer of such individual is the person treated as his employer under section 401(c) (4).

“(G) COMMUNITY PROPERTY LAWS.—The provisions of this subsection, other than paragraph (3), shall be applied without regard to community property laws.

26 USC 403.

“(H) MINIMUM PERIOD OF SERVICE.—For purposes of this subsection (but not for purposes of subsection (a) (2) or section 403(a) (2) (A)), no amount distributed to an employee from or under a plan may be treated as a lump sum distributed under subparagraph (A) unless he has been a participant in the plan for 5 or more taxable years before the taxable year in which such amounts are distributed.

“(I) AMOUNTS SUBJECT TO PENALTY.—This subsection shall not apply to amounts described in clause (ii) of subparagraph (A) of section 72(m) (5) to the extent that section 72(m) (5) applies to such amounts.

“(J) UNREALIZED APPRECIATION OF EMPLOYER SECURITIES.—In the case of any distribution including securities of the employer corporation which, without regard to the requirement of subparagraph (H), would be treated as a lump sum distribution under subparagraph (A), there shall be excluded from gross income the net unrealized appreciation attributable to that part of the distribution which consists of securities of the employer corporation so distributed. In the case of any such distribution or any lump sum distribution including securities of the employer corporation, the amount of net unrealized appreciation of such securities and the resulting adjustments to the basis of such securities shall be determined under regulations prescribed by the Secretary or his delegate.

“(K) SECURITIES.—For purposes of this subsection, the terms ‘securities’ and ‘securities of the employer corporation’ have the respective meanings provided by subsection (a) (3).”

26 USC 402.

(b) PHASEOUT OF CAPITAL GAINS TREATMENT.—

(1) IN GENERAL.—Section 402(a) (2) (relating to capital gains treatment for certain distributions) is amended to read as follows:

26 USC 401,
501.

“(2) CAPITAL GAINS TREATMENT FOR PORTION OF LUMP SUM DISTRIBUTIONS.—In the case of an employee trust described in section 401(a), which is exempt from tax under section 501(a), so much of the total taxable amount (as defined in subparagraph (D) of subsection (e) (4)) of a lump sum distribution as is equal to the product of such total taxable amount multiplied by a fraction—

Ante, p. 987.

“(A) the numerator of which is the number of calendar years of active participation by the employee in such plan before January 1, 1974, and

“(B) the denominator of which is the number of calendar years of active participation by the employee in such plan, shall be treated as a gain from the sale or exchange of a capital asset held for more than 6 months. For purposes of computing the fraction described in this paragraph and the fraction under subsection (e) (4) (E), the Secretary or his delegate may prescribe regulations under which plan years may be used in lieu of calendar years. For purposes of this paragraph, in the case of an individual who is an employee without regard to section 401(c) (1), determination of whether or not any distribution is a lump sum distribution shall be made without regard to the requirement that an election be made under subsection (e) (4) (B), but no distribution to any taxpayer other than an individual, estate, or trust may be treated as a lump sum distribution under this paragraph.”

Regulations.

Ante, p. 987.

26 USC 401.

(2) AMENDMENT OF SECTION 403.—That part of paragraph (2) of section 403(a) which follows clause (ii) of subparagraph (A) thereof is amended to read as follows:

26 USC 403.

“(iii) a lump sum distribution (as defined in section 402(e) (4) (A)) is paid to the recipient, so much of the total taxable amount (as defined in section 402(e) (4) (D)) of such distribution as is equal to the product of such total taxable amount multiplied by the fraction described in section 402(a) (2) shall be treated as a gain from the sale or exchange of a capital asset held for more than 6 months. For purposes of this paragraph, in the case of an individual who is an employee without regard to section 401(c) (1), determination of whether or not any distribution is a lump sum distribution shall be made without regard to the requirement that an election be made under subsection (e) (4) (B) of section 402, but no distribution to any taxpayer other than an individual, estate, or trust may be treated as a lump sum distribution under this paragraph.”

Ante, p. 987.

Ante, p. 990.

“(B) CROSS REFERENCE.—

“For imposition of separate tax on ordinary income portion of lump sum distribution, see section 402(e).”

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 402(a) (3) is repealed.

Repeals.

26 USC 402.

(2) Paragraph (5) (as in effect on December 31, 1973) of section 402(a) is repealed.

(3) Section 72 is amended by striking out subsection (n) thereof and by redesignating subsections (o) and (p) as (n) and (o), respectively.

26 USC 72.

(4) The second sentence of section 46(a) (3) and the second sentence of section 50A(a) (3) are each amended by inserting after “tax preferences,” the following: “section 402(e) (relating to tax on lump sum distributions).”

26 USC 46.

26 USC 50.

(5) The third sentence of section 901(a) is amended by inserting “against the tax imposed by section 402(e) (relating to tax on lump sum distributions),” before “against the tax imposed by section 531”.

26 USC 901.

26 USC 531.

26 USC 1304.

(6) Subsection 1304(b) (2) (relating to special rules) is amended by striking out paragraph (2) and by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively.

(7) Subparagraph (A) of section 56(a) (2) and paragraph (1) of section 56(c) are each amended by inserting before “531” the following: “402(e).”

26 USC 56.

26 USC 871,
877.
Ante, p. 987.
Ante, p. 959.

(8) Sections 871(b)(1) and 877(b) are each amended by inserting “, 402(e)(1),” after “section 1”.

(9) Section 62 (defining adjusted gross income), is amended by inserting after paragraph (10) the following new paragraph:

“(11) CERTAIN PORTION OF LUMP-SUM DISTRIBUTIONS FROM PENSION PLANS TAXED UNDER SECTION 402(e).—The deduction allowed by section 402(e)(3).”

26 USC 122.

(10) Section 122(b)(2) (relating to consideration for the contract) is amended by striking out “72(o)” and inserting “72(n)”.

26 USC 405.

(11) Section 405(e) (relating to capital gains treatment and limitation of tax not to apply to bonds distributed by trusts) is amended by striking out “Section 72(n) and section 402(a)(2)” and inserting “Subsections (a)(2) and (e) of section 402”.

26 USC 406.

(12) Section 406(c) (relating to termination of status as deemed employee, etc.) is amended by striking out “section 72(n), section 402(a)(2)” and inserting “subsections (a)(2) and (e) of section 402”.

26 USC 407.

(13) Section 407(c) (relating to termination of status as deemed employee, etc.) is amended by striking out “section 72(n), section 402(a)(2)” and inserting “subsections (a)(2) and (e) of section 402”.

26 USC 1348.

(14) Section 1348(b)(1) (relating to earned income) is amended by striking out “72(n), 402(a)(2)” and inserting “402(a)(2), 402(e)”.

26 USC 101.

(15) Section 101(b)(2)(B) is amended by striking out “total distributions payable (as defined in section 402(a)(3)) which are paid to a distributee within one taxable year of the distributee by reason of the employee’s death” and inserting in lieu thereof “a lump sum distribution (as defined in section 402(e)(4))”.

26 USC 402
note.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to distributions or payments made after December 31, 1973, in taxable years beginning after such date.

26 USC 401
note.

SEC. 2006. SALARY REDUCTION REGULATIONS.

26 USC 401,
403, 405.
26 USC 501.

(a) INCLUSION OF CERTAIN CONTRIBUTIONS IN INCOME.—Except in the case of plans or arrangements in existence on June 27, 1974, a contribution made before January 1, 1977, to an employees’ trust described in section 401(a), 403(a), or 405(a) of the Internal Revenue Code of 1954 which is exempt from tax under section 501(a) of such Code, or under an arrangement which, but for the fact that it was not in existence on June 27, 1974, would be an arrangement described in subsection (b)(2) of this section, shall be treated as a contribution made by an employee if the contribution is made under an arrangement under which the contribution will be made only if the employee elects to receive a reduction in his compensation or to forego an increase in his compensation.

(b) ADMINISTRATION IN THE CASE OF CERTAIN QUALIFIED PENSION OR PROFIT-SHARING PLANS, ETC., IN EXISTENCE ON JUNE 27, 1974.—No salary reduction regulations may be issued by the Secretary of the Treasury in final form before January 1, 1977, with respect to an arrangement which was in existence on June 27, 1974, and which, on that date—

(1) provided for contributions to an employees’ trust described in section 401(a), 403(a), or 405(a) of the Internal Revenue Code of 1954 which is exempt from tax under section 501(a) of such Code, or

(2) was maintained as part of an arrangement under which an

employee was permitted to elect to receive part of his compensation in one or more alternative forms if one of such forms results in the inclusion of amounts in income under the Internal Revenue Code of 1954.

26 USC 1 *et seq.*

(c) ADMINISTRATION OF LAW WITH RESPECT TO CERTAIN PLANS.—

(1) ADMINISTRATION IN THE CASE OF PLANS DESCRIBED IN SUBSECTION (b).—Until salary reduction regulations have been issued in final form, the law with respect to plans or arrangements described in subsection (b) shall be administered—

(A) without regard to the proposed salary reduction regulations (37 FR 25938) and without regard to any other proposed salary reduction regulations, and

(B) in the manner in which such law was administered before January 1, 1972.

(2) ADMINISTRATION IN THE CASE OF QUALIFIED PROFIT-SHARING PLANS.—In the case of plans or arrangements described in subsection (b), in applying this section to the tax treatment of contributions to qualified profit-sharing plans where the contributed amounts are distributable only after a period of deferral, the law shall be administered in a manner consistent with—

(A) Revenue Ruling 56-497 (1956—2 C.B. 284),

(B) Revenue Ruling 63-180 (1963—2 C.B. 189), and

(C) Revenue Ruling 68-89 (1968—1 C.B. 402).

(d) LIMITATION ON RETROACTIVITY OF FINAL REGULATIONS.—In the case of any salary reduction regulations which become final after December 31, 1976—

(1) for purposes of chapter 1 of the Internal Revenue Code of 1954 (relating to normal taxes and surtaxes), such regulations shall not apply before January 1, 1977; and

26 USC 1.

(2) for purposes of chapter 21 of such Code (relating to Federal Insurance Contributions Act) and for purposes of chapter 24 of such Code (relating to collection of income tax at source on wages), such regulations shall not apply before the day on which such regulations are issued in final form.

26 USC 3101.

26 USC 3401.

(e) SALARY REDUCTION REGULATIONS DEFINED.—For purposes of this section, the term “salary reduction regulations” means regulations dealing with the includibility in gross income (at the time of contribution) of amounts contributed to a plan which includes a trust that qualifies under section 401(a), or a plan described in section 403(a) or 405(a), including plans or arrangements described in subsection (b) (2), if the contribution is made under an arrangement under which the contribution will be made only if the employee elects to receive a reduction in his compensation or to forego an increase in his compensation, or under an arrangement under which the employee is permitted to elect to receive part of his compensation in one or more alternative forms (if one of such forms results in the inclusion of amounts in income under the Internal Revenue Code of 1954).

26 USC 401,
403,
26 USC 405.

SEC. 2008. CERTAIN ARMED FORCES SURVIVOR ANNUITIES.

(a) TREATMENT OF CERTAIN PARTICIPANTS IN THE PLAN.—Section 404(c) (relating to certain negotiated plans) is amended by inserting after the first sentence the following new sentences: “For purposes of this chapter and subtitle B, in the case of any individual who before July 1, 1974, was a participant in a plan described in the preceding sentence—

26 USC 404.

26 USC 401.

“(A) such individual, if he is or was an employee within the meaning of section 401(c)(1), shall be treated (with respect to service covered by the plan) as being an employee other than an employee within the meaning of section 401(c)(1) and as being an employee of a participating employer under the plan,

“(B) earnings derived from service covered by the plan shall be treated as not being earned income within the meaning of section 401(c)(2), and

“(C) such individual shall be treated as an employee of a participating employer under the plan with respect to service before July 1, 1975, covered by the plan.

26 USC 277.

Section 277 (relating to deductions incurred by certain membership organizations in transactions with members) does not apply to any trust described in this subsection.”

26 USC 404.

(b) OTHER AMENDMENTS TO SECTION 404(c)(1).—

(1) Paragraph (1) of the first sentence of section 404(c) is amended by striking out “and pensions” and inserting in lieu thereof “or pensions”.

(2) The last sentence of section 404(c) is amended by striking out “This subsection” and inserting in lieu thereof “The first and third sentences of this subsection”.

26 USC 404
note.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after June 30, 1972.

SEC. 2007. RULES FOR CERTAIN NEGOTIATED PLANS.

26 USC 122.

(a) IN GENERAL.—Section 122(a) (relating to certain reduced uniformed services retired pay) is amended to read as follows:

“(a) GENERAL RULE.—In the case of a member or former member of the uniformed services of the United States, gross income does not include the amount of any reduction in his retired or retainer pay pursuant to the provisions of chapter 73 of title 10, United States Code.”

10 USC 1431.

(b) TECHNICAL AMENDMENTS.—

(1) Section 122(b)(2) is amended by striking out “section 1438” in subparagraph (B) and inserting in lieu thereof “section 1438 or 1452(d)”.

Ante, p. 991.

(2) Section 72(o) is amended by inserting after “Plan” in the heading of such section “or Survivor Benefit Plan”.

26 USC 101.

(3) Section 101(b)(2)(D) is amended by striking out “if the individual who made the election under such chapter” and inserting in lieu thereof “if the member or former member of the uniformed services by reason of whose death such annuity is payable”.

26 USC 2039.

(4) Section 2039(c) is amended by striking out “section 1438” in the last sentence and inserting in lieu thereof “section 1438 or 1452(d)”.

26 USC 122
note.

(c) EFFECTIVE DATES.—The amendments made by this section apply to taxable years ending on or after September 21, 1972. The amendments made by paragraphs (3) and (4) of subsection (b) apply with respect to individuals dying on or after such date.

TITLE III—JURISDICTION, ADMINISTRATION, ENFORCEMENT; JOINT PENSION TASK FORCE, ETC.

Subtitle A—Jurisdiction, Administration, and Enforcement

PROCEDURES IN CONNECTION WITH THE ISSUANCE OF CERTAIN DETERMINATION LETTERS BY THE SECRETARY OF THE TREASURY

SEC. 3001. (a) Before issuing an advance determination of whether a pension, profit-sharing, or stock bonus plan, a trust which is a part of such a plan, or an annuity or bond purchase plan meets the requirements of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954, the Secretary of the Treasury shall require the person applying for the determination to provide, in addition to any material and information necessary for such determination, such other material and information as may reasonably be made available at the time such application is made as the Secretary of Labor may require under title I of this Act for the administration of that title. The Secretary of the Treasury shall also require that the applicant provide evidence satisfactory to the Secretary that the applicant has notified each employee who qualifies as an interested party (within the meaning of regulations prescribed under section 7476(b)(1) of such Code (relating to declaratory judgments in connection with the qualification of certain retirement plans)) of the application for a determination.

29 USC 1201.

26 USC 401.

Ante, p. 832.*Ante*, p. 949.

(b)(1) Whenever an application is made to the Secretary of the Treasury for a determination of whether a pension, profit-sharing, or stock bonus plan, a trust which is a part of such a plan, or an annuity or bond purchase plan meets the requirements of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954, the Secretary shall upon request afford an opportunity to comment on the application at any time within 45 days after receipt thereof to—

(A) any employee or class of employee qualifying as an interested party within the meaning of the regulations referred to in subsection (a).

(B) the Secretary of Labor, and

(C) the Pension Benefit Guaranty Corporation.

(2) The Secretary of Labor may not request an opportunity to comment upon such an application unless he has been requested in writing to do so by the Pension Benefit Guaranty Corporation or by the lesser of—

(A) 10 employees, or

(B) 10 percent of the employees

who qualify as interested parties within the meaning of the regulations referred to in subsection (a). Upon receiving such a request, the Secretary of Labor shall furnish a copy of the request to the Secretary of the Treasury within 5 days (excluding Saturdays, Sundays, and legal public holidays (as set forth in section 6103 of title 5, United States Code)).

(3) Upon receiving such a request from the Secretary of Labor, the Secretary of the Treasury shall furnish to the Secretary of Labor such information held by the Secretary of the Treasury relating to the application as the Secretary of Labor may request.

(4) The Secretary of Labor shall, within 30 days after receiving a request from the Pension Benefit Guaranty Corporation or from the

necessary number of employees who qualify as interested parties, notify the Secretary of the Treasury, the Pension Benefit Guaranty Corporation, and such employees with respect to whether he is going to comment on the application to which the request relates and with respect to any matters raised in such request on which he is not going to comment. If the Secretary of Labor indicates in the notice required under the preceding sentence that he is not going to comment on all or part of the matters raised in such request, the Secretary of the Treasury shall afford the corporation, and such employees, an opportunity to comment on the application with respect to any matter on which the Secretary of Labor has declined to comment.

Ante, p. 949. (c) The Pension Benefit Guaranty Corporation and, upon petition of a group of employees referred to in subsection (b) (2), the Secretary of Labor, may intervene in any action brought for declaratory judgment under section 7476 of the Internal Revenue Code of 1954 in accordance with the provisions of such section. The Pension Benefit Guaranty Corporation is permitted to bring an action under such section 7476 under such rules as may be prescribed by the United States Tax Court.

26 USC 401. (d) If the Secretary of the Treasury determines that a plan or trust to which this section applies meets the applicable requirements of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954 and issues a determination letter to the applicant, the Secretary shall notify the Secretary of Labor of his determination and furnish such information and material relating to the application and determination held by the Secretary of the Treasury as the Secretary of Labor may request for the proper administration of title I of this Act. The Secretary of Labor shall accept the determination of the Secretary of the Treasury as *prima facie* evidence of initial compliance by the plan with the standards of parts 2, 3, and 4 of subtitle B of title I of this Act. If an application for such a determination is withdrawn, or if the Secretary of the Treasury issues a determination that the plan or trust does not meet the requirements of such part I, the Secretary shall notify the Secretary of Labor of the withdrawal or determination.

Ante, pp. 852, 868, 874.

(e) This section does not apply with respect to an application for any plan received by the Secretary of the Treasury before the date on which section 410 of the Internal Revenue Code of 1954 applies to the plan, or on which such section will apply if the plan is determined by the Secretary to be a qualified plan.

Ante, p. 898.

PROCEDURES WITH RESPECT TO CONTINUED COMPLIANCE WITH REQUIREMENTS RELATING TO PARTICIPATION, VESTING, AND FUNDING STANDARDS

29 USC 1202.

Ante, p. 901.

SFC. 3002. (a) In carrying out the provisions of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954 with respect to whether a plan or a trust meets the requirements of section 410 (a) or 411 of such Code (relating to minimum participation standards and minimum vesting standards, respectively), the Secretary of the Treasury shall notify the Secretary of Labor when the Secretary of the Treasury issues a preliminary notice of intent to disqualify related to the plan or trust or, if earlier, at the time of commencing any proceeding to determine whether the plan or trust satisfies such requirements. Unless the Secretary of the Treasury finds that the collection of a tax imposed under the Internal Revenue Code of 1954 is in jeopardy, the Secretary of the Treasury shall not issue a determination that the plan or trust does not satisfy the requirements of such section until

26 USC 1 *et seq.*

the expiration of a period of 60 days after the date on which he notifies the Secretary of Labor of such review. The Secretary of the Treasury, in his discretion, may extend the 60-day period referred to in the preceding sentence if he determines that such an extension would enable the Secretary of Labor to obtain compliance with such requirements by the plan within the extension period. Except as otherwise provided in this Act, the Secretary of Labor shall not generally apply part 2 of title I of this Act to any plan or trust subject to sections 410(a) and 411 of such Code, but shall refer alleged general violations of the vesting or participation standards to the Secretary of the Treasury. (The preceding sentence shall not apply to matters relating to individuals benefits.)

Ante, p. 852.

Ante, pp. 898, 901.

(b) Unless the Secretary of the Treasury finds that the collection of a tax is in jeopardy, in carrying out the provisions of section 4971 of the Internal Revenue Code of 1954 (relating to taxes on the failure to meet minimum funding standards), the Secretary of the Treasury shall notify the Secretary of Labor before sending a notice of deficiency with respect to any tax imposed under that section on an employer, and, in accordance with the provisions of subsection (d) of that section, afford the Secretary of Labor an opportunity to comment on the imposition of the tax in the case. The Secretary of the Treasury may waive the imposition of the tax imposed under section 4971(b) of such Code in appropriate cases. Upon receiving a written request from the Secretary of Labor or from the Pension Benefit Guaranty Corporation, the Secretary of the Treasury shall cause an investigation to be commenced expeditiously with respect to whether the tax imposed under section 4971 of such Code should be applied with respect to any employer to which the request relates. The Secretary of the Treasury and the Secretary of Labor shall consult with each other from time to time with respect to the provisions of section 412 of the Internal Revenue Code of 1954 (relating to minimum funding standards) and with respect to the funding standards applicable under title I of this Act in order to coordinate the rules applicable under such standards.

Notice of deficiency.

Ante, p. 920.

Waiver.

Ante, p. 914.

(c) Regulations prescribed by the Secretary of the Treasury under sections 410(a), 411, and 412 of the Internal Revenue Code of 1954 (relating to minimum participation standards, minimum vesting standards, and minimum funding standards, respectively) shall also apply to the minimum participation, vesting, and funding standards set forth in parts 2 and 3 of subtitle B of title I of this Act. Except as otherwise expressly provided in this Act, the Secretary of Labor shall not prescribe other regulations under such parts, or apply the regulations prescribed by the Secretary of the Treasury under sections 410(a), 411, 412 of the Internal Revenue Code of 1954 and applicable to the minimum participation, vesting, and funding standards under such parts in a manner inconsistent with the way such regulations apply under sections 410(a), 411, and 412 of such Code.

Ante, pp. 852, 868.

(d) The Secretary of Labor and the Pension Benefit Guaranty Corporation, before filing briefs in any case involving the construction or application of minimum participation standards, minimum vesting standards, or minimum funding standards under title I of this Act, shall afford the Secretary of the Treasury a reasonable opportunity to review any such brief. The Secretary of the Treasury shall have the right to intervene in any such case.

Review of briefs.

Ante, p. 832.

PROCEDURES IN CONNECTION WITH PROHIBITED TRANSACTIONS

29 USC 1203.

Ante, p. 971.

SEC. 3003. (a) Unless the Secretary of the Treasury finds that the collection of a tax is in jeopardy, in carrying out the provisions of section 4975 of the Internal Revenue Code of 1954 (relating to tax on prohibited transactions) the Secretary of the Treasury shall, in accordance with the provisions of subsection (h) of such section, notify the Secretary of Labor before sending a notice of deficiency with respect to the tax imposed by subsection (a) or (b) of such section, and, in accordance with the provisions of subsection (h) of such section, afford the Secretary an opportunity to comment on the imposition of the tax in any case. The Secretary of the Treasury shall have authority to waive the imposition of the tax imposed under section 4975(b) in appropriate cases. Upon receiving a written request from the Secretary of Labor or from the Pension Benefit Guaranty Corporation, the Secretary of the Treasury shall cause an investigation to be carried out with respect to whether the tax imposed by section 4975 of such Code should be applied to any person referred to in the request.

Ante, p. 832.

(b) The Secretary of the Treasury and the Secretary of Labor shall consult with each other from time to time with respect to the provisions of section 4975 of the Internal Revenue Code of 1954 (relating to tax on prohibited transactions) and with respect to the provisions of title I of this Act relating to prohibited transactions and exemptions therefrom in order to coordinate the rules applicable under such standards.

Ante, p. 879.

(c) Whenever the Secretary of Labor obtains information indicating that a party-in-interest or disqualified person is violating section 406 of this Act, he shall transmit such information to the Secretary of the Treasury.

COORDINATION BETWEEN THE DEPARTMENT OF THE TREASURY AND THE DEPARTMENT OF LABOR

29 USC 1204.

SEC. 3004. (a) Whenever in this Act or in any provision of law amended by this Act the Secretary of the Treasury and the Secretary of Labor are required to carry out provisions relating to the same subject matter (as determined by them) they shall consult with each other and shall develop rules, regulations, practices, and forms which, to the extent appropriate for the efficient administration of such provisions, are designed to reduce duplication of effort, duplication of reporting, conflicting or overlapping requirements, and the burden of compliance with such provisions by plan administrators, employers, and participants and beneficiaries.

(b) In order to avoid unnecessary expense and duplication of functions among Government agencies, the Secretary of the Treasury and the Secretary of Labor may make such arrangements or agreements for cooperation or mutual assistance in the performance of their functions under this Act, and the functions of any such agency as they find to be practicable and consistent with law. The Secretary of the Treasury and the Secretary of Labor may utilize, on a reimbursable or other basis, the facilities or services, of any department, agency, or establishment of the United States or of any State or political subdivision of a State, including the services, of any of its employees, with the lawful consent of such department, agency, or establishment; and each department, agency, or establishment of the United States is authorized and

directed to cooperate with the Secretary of the Treasury and the Secretary of Labor and, to the extent permitted by law, to provide such information and facilities as they may request for their assistance in the performance of their functions under this Act. The Attorney General or his representative shall receive from the Secretary of the Treasury and the Secretary of Labor for appropriate action such evidence developed in the performance of their functions under this Act as may be found to warrant consideration for criminal prosecution under the provisions of this title or other Federal law.

Subtitle B—Joint Pension Task Force; Studies

PART 1—JOINT PENSION TASK FORCE

ESTABLISHMENT

SEC. 3021. The staffs of the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives, the Joint Committee on Internal Revenue Taxation, and the Committee on Finance and the Committee on Labor and Public Welfare of the Senate shall carry out the duties assigned under this title to the Joint Pension Task Force. By agreement among the chairmen of such Committees, the Joint Pension Task Force shall be furnished with office space, clerical personnel, and such supplies and equipment as may be necessary for the Joint Pension Task Force to carry out its duties under this title.

29 USC 1221.

DUTIES

SEC. 3022. (a) The Joint Pension Task Force shall, within 24 months after the date of enactment of this Act, make a full study and review of—

29 USC 1222.

(1) the effect of the requirements of section 411 of the Internal Revenue Code of 1954 and of section 203 of this Act to determine the extent of discrimination, if any, among employees in various age groups resulting from the application of such requirements;

Ante, pp. 901, 854.

(2) means of providing for the portability of pension rights among different pension plans;

(3) the appropriate treatment under title IV of this Act (relating to termination insurance) of plans established and maintained by small employers;

Post, p. 1003.

(4) the effects and desirability of the Federal preemption of State and local law with respect to matters relating to pension and similar plans; and

(5) such other matter as any of the committees referred to in section 3021 may refer to it.

Supra.

(b) The Joint Pension Task Force shall report the results of its study and review to each of the committees referred to in section 3021.

PART 2—OTHER STUDIES

CONGRESSIONAL STUDY

SEC. 3031. (a) The Committee on Education and Labor and the Committee on Ways and Means of the House of Representatives and the Committee on Finance and the Committee on Labor and Public Welfare of the Senate shall study retirement plans established and maintained or financed (directly or indirectly) by the Government of

29 USC 1231.

the United States, by any State (including the District of Columbia) or political subdivision thereof, or by any agency or instrumentality of any of the foregoing. Such study shall include an analysis of—

- (1) the adequacy of existing levels of participation, vesting, and financing arrangements,
- (2) existing fiduciary standards, and
- (3) the necessity for Federal legislation and standards with respect to such plans.

In determining whether any such plan is adequately financed, each committee shall consider the necessity for minimum funding standards, as well as the taxing power of the government maintaining the plan.

Report to
House and Senate.

(b) Not later than December 31, 1976, the Committee on Education and Labor and the Committee on Ways and Means shall each submit to the House of Representatives the results of the studies conducted under this section, together with such recommendations as they deem appropriate. The Committee on Finance and the Committee on Labor and Public Welfare shall each submit to the Senate the results of the studies conducted under this section together with such recommendations as they deem appropriate not later than such date.

PROTECTION FOR EMPLOYEES UNDER FEDERAL PROCUREMENT,
CONSTRUCTION, AND RESEARCH CONTRACTS AND GRANTS

29 USC 1232.

SEC. 3032. (a) The Secretary of Labor shall, during the 2-year period beginning on the date of the enactment of this Act, conduct a full and complete study and investigation of the steps necessary to be taken to insure that professional, scientific, and technical personnel and others working in associated occupations employed under Federal procurement, construction, or research contracts or grants will, to the extent feasible, be protected against forfeitures of pension or retirement rights or benefits, otherwise provided, as a consequence of job transfers or loss of employment resulting from terminations or modifications of Federal contracts, grants, or procurement policies. The Secretary of Labor shall report the results of his study and investigation to the Congress within 2 years after the date of the enactment of this Act. The Secretary of Labor is authorized, to the extent provided by law, to obtain the services of private research institutions and such other persons by contract or other arrangement as he determines necessary in carrying out the provisions of this section.

Report to
Congress.

(b) In the course of conducting the study and investigation described in subsection (a), and in developing the regulations referred to in subsection (c), the Secretary of Labor shall consult—

- (1) with appropriate professional societies, business organizations, and labor organizations, and
- (2) with the heads of interested Federal departments and agencies.

Regulations.

(c) Within 1 year after the date on which he submits his report to the Congress under subsection (a), the Secretary of Labor shall, if he determines it to be feasible, develop regulations which will provide the protection of pension and retirement rights and benefits referred to in subsection (a).

(d) (1) Any regulations developed pursuant to subsection (c) shall take effect if, and only if—

(A) the Secretary of Labor, not later than the day which is 3 years after the date of the enactment of this Act, delivers a copy of such regulations to the House of Representatives and a copy to the Senate, and

(B) before the close of the 120-day period which begins on the day on which the copies of such regulations are delivered to the House of Representatives and to the Senate, neither the House of Representatives nor the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution of disapproval.

(2) For purposes of this subsection, the term “resolution of disapproval” means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: “That the — does not favor the taking effect of the regulations transmitted to the Congress by the Secretary of Labor on —”, the first blank space therein being filled with the name of the resolving House and the second blank space therein being filled with the day and year.

“Resolution of disapproval.”

(3) A resolution of disapproval in the House of Representatives shall be referred to the Committee on Education and Labor. A resolution of disapproval in the Senate shall be referred to the Committee on Labor and Public Welfare.

(4) (A) If the committee to which a resolution of disapproval has been referred has not reported it at the end of 7 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution of disapproval which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution of disapproval), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution of disapproval.

(5) (A) When the committee has reported, or has been discharged from further consideration of, a resolution of disapproval, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution of disapproval shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(6) (A) Motions to postpone, made with respect to the discharge from committee or the consideration of a resolution of disapproval, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the House of Representatives or the Senate, as the case may be, to the procedure relating to any resolution of disapproval shall be decided without debate.

Appeals.

(7) Whenever the Secretary of Labor transmits copies of the regulations to the Congress, a copy of such regulations shall be delivered to

Regulations to House and Senate.

each House of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(8) The 120 day period referred to in paragraph (1) shall be computed by excluding—

(A) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House is not in session.

(9) This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions of disapproval described in paragraph (2); and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

Subtitle C—Enrollment of Actuaries

ESTABLISHMENT OF JOINT BOARD FOR THE ENROLLMENT OF ACTUARIES

29 USC 1241.

SEC. 3041. The Secretary of Labor and the Secretary of the Treasury shall, not later than the last day of the first calendar month beginning after the date of the enactment of this Act, establish a Joint Board for the Enrollment of Actuaries (hereinafter in this part referred to as the "Joint Board").

ENROLLMENT BY JOINT BOARD

Standards and
qualifications.
29 USC 1242.

SEC. 3042. (a) The Joint Board shall, by regulations, establish reasonable standards and qualifications for persons performing actuarial services with respect to plans in which this Act applies and, upon application by any individual, shall enroll such individual if the Joint Board finds that such individual satisfies such standards and qualifications. With respect to individuals applying for enrollment before January 1, 1976, such standards and qualifications shall include a requirement for an appropriate period of responsible actuarial experience relating to pension plans. With respect to individuals applying for enrollment on or after January 1, 1976, such standards and qualifications shall include—

(1) education and training in actuarial mathematics and methodology, as evidenced by—

(A) a degree in actuarial mathematics or its equivalent from an accredited college or university,

(B) successful completion of an examination in actuarial mathematics and methodology to be given by the Joint Board, or

(C) successful completion of other actuarial examinations deemed adequate by the Joint Board, and

(2) an appropriate period of responsible actuarial experience. Notwithstanding the preceding provisions of this subsection, the Joint Board may provide for the temporary enrollment for the period end-

ing on January 1, 1976, of actuaries under such interim standards as it deems adequate.

(b) The Joint Board may, after notice and an opportunity for a hearing, suspend or terminate the enrollment of an individual under this section if the Joint Board finds that such individual—

Enrollment
termination.

(1) has failed to discharge his duties under this Act, or

(2) does not satisfy the requirements for enrollment as in effect at the time of his enrollment.

The Joint Board may also, after notice and opportunity for hearing, suspend or terminate the temporary enrollment of an individual who fails to discharge his duties under this Act or who does not satisfy the interim enrollment standards.

Notice and
hearing.

AMENDMENT OF INTERNAL REVENUE CODE

SEC. 3043. Section 7701(a) of the Internal Revenue Code of 1954 (relating to definitions) is amended by adding at the end thereof the following new paragraph:

26 USC 7701.

“(35) ENROLLED ACTUARY.—The term ‘enrolled actuary’ means a person who is enrolled by the Joint Board for the Enrollment of Actuaries established under subtitle C of the title III of the Employee Retirement Income Security Act of 1974.”

Ante, p. 1002.

TITLE IV—PLAN TERMINATION INSURANCE

Subtitle A—Pension Benefit Guaranty Corporation

DEFINITIONS

SEC. 4001. (a) For purposes of this title, the term—

29 USC 1301.

(1) “administrator” means the person or persons described in paragraph (16) of section 3 of this Act;

Ante, p. 833.

(2) “substantial employer” means for any plan year an employer (treating employers who are members of the same affiliated group, within the meaning of section 1563(a) of the Internal Revenue Code of 1954, determined without regard to section 1563(a)(4) and (e)(3)(C) of such Code, as one employer) who has made contributions to or under a plan under which more than one employer makes contributions for each of—

26 USC 1563.

(A) the two immediately preceding plan years, or

(B) the second and third preceding plan years, equaling or exceeding 10 percent of all employer contributions paid to or under that plan for each such year;

(3) “multiemployer plan” means a multiemployer plan as defined in section 414(f) of the Internal Revenue Code of 1954 (as added by this Act but without regard to whether such section is in effect on the date of enactment of this Act);

Ante, p. 925.

(4) “corporation”, except where the context clearly requires otherwise, means the Pension Benefit Guaranty Corporation established under section 4002;

Post, p. 1004.

(5) “fund” means the appropriate fund established under section 4005;

Post, p. 1009.

(6) “basic benefits” means benefits guaranteed under section 4022 other than under section 4022(c); and

Post, p. 1016.

Post, p. 1016. (7) "non-basic benefits" means benefits guaranteed under section 4022 (c).

26 USC 401.

(b) An individual who owns the entire interest in an unincorporated trade or business is treated as his own employer, and a partnership is treated as the employer of each partner who is an employee within the meaning of section 401(c)(1) of the Internal Revenue Code of 1954. For purposes of this title, under regulations prescribed by the corporation, all employees of trades or businesses (whether or not incorporated) which are under common control shall be treated as employed by a single employer and all such trades and businesses as a single employer. The regulations prescribed under the preceding sentence shall be consistent and coextensive with regulations prescribed for similar purposes by the Secretary of the Treasury under section 414(c) of the Internal Revenue Code of 1954.

Ante, p. 925.

PENSION BENEFIT GUARANTY CORPORATION

Establishment.
29 USC 1302.

SEC. 4002. (a) There is established within the Department of Labor a body corporate to be known as the Pension Benefit Guaranty Corporation. In carrying out its functions under this title, the corporation shall be administered by the chairman of the board of directors in accordance with policies established by the board. The purposes of this title, which are to be carried out by the corporation, are—

(1) to encourage the continuation and maintenance of voluntary private pension plans for the benefit of their participants,

(2) to provide for the timely and uninterrupted payment of pension benefits to participants and beneficiaries under plans to which this title applies, and

Post, p. 1010.

(3) to maintain premiums established by the corporation under section 4006 at the lowest level consistent with carrying out its obligations under this title.

Functions.

(b) To carry out the purposes of this title, the corporation has the powers conferred on a nonprofit corporation under the District of Columbia Nonprofit Corporation Act and, in addition to any specific power granted to the corporation elsewhere in this title or under that Act, the corporation has the power—

D.C. Code 29-1001.

(1) to sue and be sued, complain and defend, in its corporate name and through its own counsel, in any court, State or Federal;

(2) to adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal, by the board of directors, bylaws, rules, and regulations relating to the conduct of its business and the exercise of all other rights and powers granted to it by this Act;

(4) to conduct its business (including the carrying on of operations and the maintenance of offices) and to exercise all other rights and powers granted to it by this Act in any State or other jurisdiction without regard to qualification, licensing, or other requirements imposed by law in such State or other jurisdiction;

(5) to lease, purchase, accept gifts or donations of, or otherwise to acquire, to own, hold, improve, use, or otherwise deal in or with, and to sell, convey, mortgage, pledge, lease, exchange, or otherwise dispose of, any property, real, personal, or mixed, or any interest therein wherever situated;

(6) to appoint and fix the compensation of such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, and, to the extent desired by the corporation, require bonds for them and fix the penalty

thereof, and to appoint and fix the compensation of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(7) to utilize the personnel and facilities of any other agency or department of the United States Government, with or without reimbursement, with the consent of the head of such agency or department; and

(8) to enter into contracts, to execute instruments, to incur liabilities, and to do any and all other acts and things as may be necessary or incidental to the conduct of its business and the exercise of all other rights and powers granted to the corporation by this Act.

(c) Section 5108 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

“(g) In addition to the number of positions authorized by subsection (a), the Pension Benefit Guaranty Corporation is authorized, without regard to any other provision of this section, to place one position in the corporation at GS-18 and a total of 10 positions in the corporation at GS-16 and 17.”.

(d) The board of directors of the corporation consists of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. Members of the board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the board. The Secretary of Labor is the chairman of the board of directors.

(e) The board of directors shall meet at the call of its chairman, or as otherwise provided by the bylaws of the corporation.

(f) As soon as practicable, but not later than 180 days after the date of enactment of this Act, the board of directors shall adopt initial bylaws and rules relating to the conduct of the business of the corporation. Thereafter, the board of directors may alter, supplement, or repeal any existing bylaw or rule, and may adopt additional bylaws and rules from time to time as may be necessary. The chairman of the board shall cause a copy of the bylaws of the corporation to be published in the Federal Register not less often than once each year.

(g) (1) The corporation, its property, its franchise, capital, reserves, surplus, and its income (including, but not limited to, any income of any fund established under section 4005), shall be exempt from all taxation now or hereafter imposed by any State or local taxing authority, except that any real property and any tangible personal property (other than cash and securities) of the corporation shall be subject to State and local taxation to the same extent according to its value as other real and tangible personal property is taxed.

(2) The receipts and disbursements of the corporation in the discharge of its functions shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitations imposed by statute on budget outlays of the United States. Except as explicitly provided in this title, the United States is not liable for any obligation or liability incurred by the corporation.

(3) Section 101 of the Government Corporation Control Act (31 U.S.C. 846) is amended by inserting before the period a semicolon and the following: “and Pension Benefit Guaranty Corporation”.

(h) (1) There is established an advisory committee to the corporation, for the purpose of advising the corporation as to its policies and procedures relating to (A) the appointment of trustees in termination proceedings, (B) investment of moneys, (C) whether plans being terminated should be liquidated immediately or continued in operation under a trustee, and (D) such other issues as the corporation may

Membership.

Bylaws and rules.

Publication in Federal Register.

Tax exemption.

Advisory committee.
Establishment.

request from time to time. The advisory committee may also recommend persons for appointment as trustees in termination proceedings, make recommendations with respect to the investment of moneys in the funds, and advise the corporation as to whether a plan subject to being terminated should be liquidated immediately or continued in operation under a trustee.

Membership.

(2) The advisory committee consists of seven members appointed, from among individuals recommended by the board of directors, by the President. Of the seven members, two shall represent the interests of employee organizations, two shall represent the interests of employers who maintain pension plans, and three shall represent the interests of the general public. The President shall designate one member as chairman at the time of the appointment of that member.

Terms.

(3) Members shall serve for terms of 3 years each, except that, of the members first appointed, one of the members representing the interests of employee organizations, one of the members representing the interests of employers, and one of the members representing the interests of the general public shall be appointed for terms of 2 years each, one of the members representing the interests of the general public shall be appointed for a term of 1 year, and the other members shall be appointed to full 3-year terms. The advisory committee shall meet at least six times each year and at such other times as may be determined by the chairman or requested by any three members of the advisory committee.

(4) Members shall be chosen on the basis of their experience with employee organizations, with employers who maintain pension plans, with the administration of pension plans, or otherwise on account of outstanding demonstrated ability in related fields. Of the members serving on the advisory committee at any time, no more than four shall be affiliated with the same political party.

(5) An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of a member of the advisory committee shall be filled in the manner in which that office was originally filled.

Compensation.

(6) The advisory committee shall appoint and fix the compensation of such employees as it determines necessary to discharge its duties, including experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code. The corporation shall furnish to the advisory committee such professional, secretarial, and other services as the committee may request.

(7) Members of the advisory committee shall, for each day (including traveltime) during which they are attending meetings or conferences of the committee or otherwise engaged in the business of the committee, be compensated at a rate fixed by the corporation which is not in excess of the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

5 USC 5332
note.

5 USC app. 1.

(8) The Federal Advisory Committee Act does not apply to the advisory committee established by this subsection.

INVESTIGATORY AUTHORITY; COOPERATION WITH OTHER AGENCIES;
CIVIL ACTIONS

29 USC 1303.

SEC. 4003. (a) The corporation may make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this title or any rule or regulation thereunder, and may require or permit any person to file with it a

statement in writing, under oath or otherwise as the corporation shall determine, as to all the facts and circumstances concerning the matter to be investigated.

(b) For the purpose of any such investigation, or any other proceeding under this title, any member of the board of directors of the corporation, or any officer designated by the chairman, may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records which the corporation deems relevant or material to the inquiry.

(c) In case of contumacy by, or refusal to obey a subpoena issued to, any person, the corporation may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. The court may issue an order requiring such person to appear before the corporation, or member or officer designated by the corporation, and to produce records or to give testimony related to the matter under investigation or in question. Any failure to obey such order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in the judicial district in which such person is an inhabitant or may be found.

(d) In order to avoid unnecessary expense and duplication of functions among government agencies, the corporation may make such arrangements or agreements for cooperation or mutual assistance in the performance of its functions under this title as is practicable and consistent with law. The corporation may utilize the facilities or services of any department, agency, or establishment of the United States or of any State or political subdivision of a State, including the services of any of its employees, with the lawful consent of such department, agency, or establishment. The head of each department, agency, or establishment of the United States shall cooperate with the corporation and, to the extent permitted by law, provide such information and facilities as it may request for its assistance in the performance of its functions under this title. The Attorney General or his representative shall receive from the corporation for appropriate action such evidence developed in the performance of its functions under this title as may be found to warrant consideration for criminal prosecution under the provisions of this or any other Federal law.

(e) (1) Civil actions may be brought by the corporation for appropriate relief, legal or equitable or both, to redress violations of the provisions of this title.

(2) Except as otherwise provided in this title, where such an action is brought in a district court of the United States, it may be brought in the district where the plan is administered, where the violation took place, or where a defendant resides or may be found, and process may be served in any other district where a defendant resides or may be found.

(3) The district courts of the United States shall have jurisdiction of actions brought by the corporation under this title without regard to the amount in controversy in any such action.

(4) Upon application by the corporation to a court of the United States for expedited handling of any case in which the corporation is a party, it is the duty of that court to assign such case for hearing at the earliest practical date and to cause such case to be in every way expedited.

(5) In any action brought under this title, whether to collect premiums, penalties, and interest under section 4007 or for any other

Jurisdiction.

purpose, the court may award to the corporation all or a portion of the costs of litigation incurred by the corporation in connection with such action.

(f) Any participant, beneficiary, plan administrator, or employee adversely affected by any action of the corporation, or by a receiver or trustee appointed by the corporation, with respect to a plan in which such participant, beneficiary, plan administrator or employer has an interest, may bring an action against the corporation, receiver, or trustee in the appropriate court. For purposes of this subsection the term "appropriate court" means the United States district court before which proceedings under section 4041 or 4042 of this title are being conducted, or if no such proceedings are being conducted the United States district court for the district in which the plan has its principal office, or the United States district court for the District of Columbia. The district courts of the United States have jurisdiction of actions brought under this subsection without regard to the amount in controversy.

Post, pp. 1020,
1021.

TEMPORARY AUTHORITY FOR INITIAL PERIOD

29 USC 1304.

SEC. 4004. (a) Notwithstanding anything to the contrary in this title, the corporation may, upon receipt of notice that a plan is to be terminated or upon making a determination described in section 4042, appoint a receiver whose powers shall take effect immediately. The receiver shall assume control of such plan and its assets, protecting the interests of all interested persons during subsequent proceedings.

(b) (1) Within a reasonable time, not exceeding 20 days, after the appointment of a receiver under subsection (a), the corporation shall apply to an appropriate United States district court for a decree approving such appointment. The court to which application is made shall issue a decree approving such appointment unless it determines that such approval would not be in the best interests of the participants and beneficiaries of the plan.

(2) If the court to which application is made under paragraph (1) dismisses the application with prejudice, or if the corporation fails to apply for a decree under paragraph (1) within 20 days after the appointment of the receiver, the receiver shall transfer all assets and records of the plan held by him to the plan administrator within 3 business days after such dismissal or the expiration of the 20 day period. The receiver shall not be liable to the plan or to any other person for his acts as receiver other than for willful misconduct, or for conduct in violation of the provisions of part 4 of subpart B of title I of this Act (except to the extent that the provisions of section 4042(d)(1)(A) provide otherwise).

Ante, p. 874.

(c) The corporation is authorized, as an alternative to appointing a receiver under subsection (a), to direct a plan administrator to apply to a district court of the United States for the appointment of a receiver to assume control of the plan and its assets for the purpose of protecting the interests of all interested persons until the plan can be terminated under the provisions of this title.

(d) A receiver appointed under this section has the powers of a trustee under section 4042(d)(1)(A) and (B), and shall report to the corporation and the court on the plan from time to time as required by either the corporation or the court. As soon as practicable after his appointment, a receiver appointed under this section shall determine whether the assets of the plan are sufficient to discharge when due all obligations of the plan with respect to benefits guaranteed under this title in accordance with the requirements of section 4044. If the determination of the receiver is approved by the corporation and the court, the receiver shall proceed as if he were a trustee appointed under section 4042.

Post, p. 1025.

(e) A receiver may not be appointed under this section more than 270 days after the date of enactment of this Act.

(f) In addition to its other powers under this title, for only the first 270 days after the date of enactment of this Act the corporation may—

(1) contract for printing without regard to the provisions of chapter 5 of title 44, United States Code,

44 USC 501.

(2) waive any notice required under this title if the corporation finds that a waiver is necessary or appropriate,

Post, p. 1020.

(3) extend the 90-day period referred to in section 4041(a) for an additional 90 days without the agreement of the plan administrator and without application to a court as required under section 4041(d), and

(4) waive the application of the provisions of sections 4062, 4063, and 4064 to, or reduce the liability imposed under such sections on, any employer with respect to a plan terminating during that 270 day period if the corporation determines that such waiver or reduction is necessary to avoid unreasonable hardship in any case in which the employer was not able, as a practical matter, to continue the plan.

Post, pp. 1029, 1030, 1031.

ESTABLISHMENT OF PENSION BENEFIT GUARANTY FUNDS

SEC. 4005. (a) There are established on the books of the Treasury of the United States four revolving funds to be used by the corporation in carrying out its duties under this title. One of the funds shall be used in connection with benefits guaranteed under sections 4022 and 4023 (but not non-basic benefits) with respect to plans other than multiemployer plans, one of the funds shall be used with respect to such benefits guaranteed under such sections (other than non-basic benefits) for multiemployer plans, one of the funds shall be used with respect to non-basic benefits, if any are guaranteed by the corporation under section 4022, for plans which are not multiemployer plans, and the remaining fund shall be used with respect to non-basic benefits, if any are guaranteed by the corporation under section 4022, for multiemployer plans. Whenever in this title reference is made to the term "fund" the reference shall be considered to refer to the appropriate fund established under this subsection.

29 USC 1305.

(b)(1) Each fund established under this section shall be credited with the appropriate portion of—

(A) funds borrowed under subsection (c),

(B) premiums, penalties, interest, and charges collected under this title,

(C) the value of the assets of a plan administered under section 4042 by a trustee to the extent that they exceed the liabilities of such plan,

(D) the amount of any employer liability payments under subtitle D, to the extent that such payments exceed liabilities of the plan (taking into account all other plan assets),

(E) earnings on investments of the fund or on assets credited to the fund under this subsection, and

(F) receipts from any other operations under this title.

(2) Subject to the provisions of subsection (a), each fund shall be available—

(A) for making such payments as the corporation determines are necessary to pay benefits guaranteed under section 4022,

(B) for making such payments as the corporation determines are necessary under section 4023,

(C) to purchase assets from a plan being terminated by the corporation when the corporation determines such purchase will best protect the interests of the corporation, participants in the plan being terminated, and other insured plans,

(D) to repay to the Secretary of the Treasury such sums as may be borrowed (together with interest thereon) under subsection (c), and

(E) to pay the operational and administrative expenses of the corporation, including reimbursement of the expenses incurred by the Department of the Treasury in maintaining the funds, and the Comptroller General in auditing the corporation.

(3) Whenever the corporation determines that the moneys of any fund are in excess of current needs, it may request the investment of such amounts as it determines advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States but, until all borrowings under subsection (c) have been repaid, the obligations in which such excess moneys are invested may not yield a rate of return in excess of the rate of interest payable on such borrowings.

(c) The corporation is authorized to issue to the Secretary of the Treasury notes or other obligations in an aggregate amount of not to exceed \$100,000,000, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations of the corporation. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations issued by the corporation under this subsection, and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

31 USC 774.

PREMIUM RATES

29 USC 1306.

SEC. 4006. (a) (1) The corporation shall prescribe such insurance premium rates and such coverage schedules for the application of those rates as may be necessary to provide sufficient revenue to the fund for the corporation to carry out its functions under this title. The premium rates charged by the corporation for any period shall be uniform for all plans, other than multiemployer plans insured by the corporation, with respect to basic benefits guaranteed by it under section 4022, and shall be uniform for all multiemployer plans with respect to basic benefits guaranteed by it under such section. The premium rates charged by the corporation for any period for non-basic benefits guaranteed by it shall be uniform by category of non-basic benefit guaranteed, shall be based on the risk insured in each category, and shall reflect the experience of the corporation (including reasonably anticipated experience) in guaranteeing such benefits.

(2) The corporation shall maintain separate coverage schedules for—

- (A) basic benefits guaranteed by it under section 4022 for—
 - (i) plans which are multiemployer plans, and
 - (ii) plans which are not multiemployer plans,

(B) employers insured under section 4023 against liability under subtitle D of this title, and

(C) non-basic benefits.

Except as provided in paragraph (3), the corporation may revise such schedules whenever it determines that revised rates are necessary, but a revised schedule described in subparagraph (A) shall apply only to plan years beginning more than 30 days after the date on which the Congress approves such revised schedule by a concurrent resolution.

(3) Except as provided in paragraph (4), the rate for all plans for benefits guaranteed under section 4022 (other than non-basic benefits) with respect to plan years ending no more than 35 months after the effective date of this title is—

(A) in the case of each plan which is not a multiemployer plan, an amount equal to one dollar for each individual who is a participant in such plan at any time during the plan year; and

(B) in the case of a multiemployer plan, an amount equal to fifty cents for each individual who is a participant in such plan at any time during such plan year.

The rate applicable under this paragraph to any plan the plan year of which does not begin on the date of enactment of this Act is a fraction of the rate described in the preceding sentence, the numerator of which is the number of months which end before the date on which the new plan year commences and the denominator of which is 12. The corporation is authorized to prescribe regulations under which the rate described in subparagraph (B) will not apply to the same participant in any multiemployer plan more than once for any plan year.

(4) Upon notification filed with the corporation not less than 60 days after the date on which the corporation publishes the rates applicable under paragraph (5), at the election of a plan the rate applicable to that plan with respect to the second full plan year to which this section applies beginning after the date of enactment of this Act shall be the greater of—

(A) an alternative rate determined under paragraph (5), or

(B) one-half of the rate applicable to the plan under paragraph

(3).

In the case of a multiemployer plan, the rate prescribed by this paragraph (at the election of a plan) for the second full plan year is also the applicable rate for plan years succeeding the second full plan year and ending before the full plan year first commencing after December 31, 1977.

(5) In carrying out its authority under paragraph (1) to establish premium rates and bases for basic benefits guaranteed under section 4022 the corporation shall establish such rates and bases in coverage schedules for plan years beginning 24 months or more after the date of enactment of this Act in accordance with the provisions of this paragraph. The corporation shall publish the rate schedules first applicable under this paragraph in the Federal Register not later than 270 days after the date of enactment of this Act.

Publication in
Federal Register.

(A) The corporation may establish annual premiums composed of—

(i) a rate applicable to the excess, if any, of the present value of the basic benefits of the plan which are guaranteed over the value of the assets of the plan, not in excess of 0.1 percent for plans which are not multiemployer plans and not in excess of 0.025 percent for multiemployer plans, and

(ii) an additional charge based on the rate applicable to the present value of the basic benefits of the plan which are guaranteed, determined separately for multiemployer plans and for plans which are not multiemployer plans.

The rate for the additional charge referred to in clause (ii) shall be set by the corporation for every year at a level (determined separately for multiemployer plans and for plans which are not multiemployer plans) which the corporation estimates will yield total revenue approximately equal to the total revenue to be derived by the corporation from the premiums referred to in clause (i) of this subparagraph.

(B) The corporation may establish annual premiums based on—

- (i) the number of participants in a plan, but such premium rates shall not exceed the rates described in paragraph (3),
- (ii) unfunded basic benefits guaranteed under this title, but such premium rates shall not exceed the limitations applicable under subparagraph (A) (i), or
- (iii) total guaranteed basic benefits, but such premium rates may not exceed the rates determined under subparagraph (A) (ii).

If the corporation uses 2 or more of the rate bases described in this subparagraph, the premium rates shall be designed to produce approximately equal amounts of aggregate premium revenue from each of the rate bases used.

Regulations.

(6) The corporation shall by regulation define the terms "value of the assets" and "present value of the benefits of the plan which are guaranteed" in a manner consistent with the purposes of this title and the provisions of this section.

Report to congressional committees.

(b) (1) In order to place a revised coverage schedule (other than a schedule described in subsection (a) (2) (B) or (C) in effect, the corporation shall transmit the proposed schedule, its proposed effective date, and the reasons for its proposal to the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives, and to the Committee on Finance and the Committee on Labor and Public Welfare of the Senate.

(2) The succeeding paragraphs of this subsection are enacted by Congress as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described in paragraph (3). They shall supersede other rules only to the extent that they are inconsistent therewith. They are enacted with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any rule of that House.

"Resolution."

(3) For the purpose of the succeeding paragraphs of this subsection, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress favors the proposed revised coverage schedule transmitted to Congress by the Pension Benefit Guaranty Corporation on ———," the blank space therein being filled with the date on which the corporation's message proposing the rate was delivered.

(4) A resolution shall be referred to the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives and to the Committee on Finance and the Committee on Labor and Public Welfare of the Senate.

(5) If a committee to which has been referred a resolution has not reported it before the expiration of 10 calendar days after its introduction, it shall then (but not before) be in order to move to discharge the committee from further consideration of that resolution, or to discharge the committee from further consideration of any other

resolution with respect to the proposed adjustment which has been referred to the committee. The motion to discharge may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed rate), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same proposed rate.

(6) When a committee has reported, or has been discharged from further consideration of a resolution, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. Debate on the resolution shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(7) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution and motions to proceed to the consideration of other business shall be decided without debate. Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

PAYMENT OF PREMIUMS

SEC. 4007. (a) The plan administrator of each plan shall pay the premiums imposed by the corporation under this title with respect to that plan when they are due. Any employer obtaining contingent liability coverage under section 4023 shall pay the premiums imposed by the corporation under that section when due. Premiums under this title are payable at the time, and on an estimated, advance, or other basis, as determined by the corporation. Premiums imposed by this title on the date of enactment (applicable to that portion of any plan year during which such date occurs) are due within 30 days after such date. Premiums imposed by this title on the first plan year commencing after the date of enactment of this Act are due within 30 days after such plan year commences. Premiums shall continue to accrue until a plan's assets are distributed pursuant to a termination procedure, or until a trustee is appointed pursuant to section 4042, whichever is earlier.

29 USC 1307.

(b) If any basic benefit premium is not paid when it is due the corporation is authorized to assess a late payment charge of not more than 100 percent of the premium payment which was not timely paid. The preceding sentence shall not apply to any payment of premium made within 60 days after the date on which payment is due, if before such date, the plan administrator obtains a waiver from the corporation based upon a showing of substantial hardship arising

26 USC 6601.

from the timely payment of the premium. The corporation is authorized to grant a waiver under this subsection upon application made by the plan administrator, but the corporation may not grant a waiver if it appears that the plan administrator will be unable to pay the premium within 60 days after the date on which it is due. If any premium is not paid by the last date prescribed for a payment, interest on the amount of such premium at the rate imposed under section 6601(a) of the Internal Revenue Code of 1954 (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) shall be paid for the period from such last date to the date paid.

(c) If any plan administrator fails to pay a premium when due, the corporation is authorized to bring a civil action in any district court of the United States within the jurisdiction of which the plan assets are located, the plan is administered, or in which a defendant resides or is found for the recovery of the amount of the premium penalty, and interest, and process may be served in any other district. The district courts of the United States shall have jurisdiction over actions brought under this subsection by the corporation without regard to the amount in controversy.

(d) The corporation shall not cease to guarantee basic benefits on account of the failure of a plan administrator to pay any premium when due.

REPORT BY THE CORPORATION

29 USC 1308.

SEC. 4008. As soon as practicable after the close of each fiscal year the corporation shall transmit to the President and the Congress a report relative to the conduct of its business under this title for that fiscal year. The report shall include financial statements setting forth the finances of the corporation at the end of such fiscal year and the result of its operations (including the source and application of its funds) for the fiscal year and shall include an actuarial evaluation of the expected operations and status of the funds established under section 4005 for the next five years (including a detailed statement of the actuarial assumptions and methods used in making such evaluation).

PORTABILITY ASSISTANCE

29 USC 1309.

Ante, p. 958.

SEC. 4009. The corporation shall provide advice and assistance to individuals with respect to evaluating the economic desirability of establishing individual retirement accounts or other forms of individual retirement savings for which a deduction is allowable under section 219 of the Internal Revenue Code of 1954 and with respect to evaluating the desirability, in particular cases, of transferring amounts representing an employee's interest in a qualified plan to such an account upon the employee's separation from service with an employer.

Subtitle B—Coverage

PLANS COVERED

29 USC 1321.

SEC. 4021. (a) Except as provided in subsection (b), this section applies to any plan (including a successor plan) which, for a plan year—

Ante, p. 833.

(1) is an employee pension benefit plan (as defined in paragraph (2) of section 3 of this Act) established or maintained—

(A) by an employer engaged in commerce or in any industry or activity affecting commerce, or

(B) by any employee organization, or organization representing employees, engaged in commerce or in any industry or activity affecting commerce, or

(C) by both,

which has, in practice, met the requirements of part I of subchapter D of chapter 1 of the Internal Revenue Code of 1954 (as in effect for the preceding 5 plan years of the plan) applicable to plans described in paragraph (2) for the preceding 5 plan years; or

26 USC 401.

(2) is, or has been determined by the Secretary of the Treasury to be, a plan described in section 401(a) of the Internal Revenue Code of 1954, or which meets, or has been determined by the Secretary of the Treasury to meet, the requirements of section 404(a) (2) of such Code.

For purposes of this title, a successor plan is considered to be a continuation of a predecessor plan. For this purpose, a successor plan is a plan which covers a group of employees which includes substantially the same employees as a previously established plan, and provides substantially the same benefits as that plan provided.

(b) This section does not apply to any plan—

(1) which is an individual account plan, as defined in paragraph (34) of section 3 of this Act,

Ante, p. 833.

(2) established and maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, or to which the Railroad Retirement Act of 1935 or 1937 applies and which is financed by contributions required under that Act,

45 USC 215-228 notes, 228a-228s-2.

(3) which is a church plan as defined in section 414(e) of the Internal Revenue Code of 1954, unless that plan has made an election under section 410(d) of such Code, and has notified the corporation in accordance with procedures prescribed by the corporation, that it wishes to have the provisions of this part apply to it,

Ante, p. 925.

Ante, p. 898.

(4) (A) established and maintained by a society, order, or association described in section 501(c) (8) or (9) of the Internal Revenue Code of 1954, if no part of the contributions to or under the plan is made by employers of participants in the plan, or

26 USC 501.

(B) of which a trust described in section 501(c) (18) of such Code is a part;

(5) which has not at any time after the date of enactment of this Act provided for employer contributions;

(6) which is unfunded and which is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees;

(7) which is established and maintained outside of the United States primarily for the benefit of individuals substantially all of whom are nonresident aliens;

(8) which is maintained by an employer solely for the purpose of providing benefits for certain employees in excess of the limitations on contributions and benefits imposed by section 415 of the Internal Revenue Code of 1954 on plans to which that section applies, without regard to whether the plan is funded, and, to the extent that a separable part of a plan (as determined by the corporation) maintained by an employer is maintained for such purpose, that part shall be treated for purposes of this title, as a separate plan which is an excess benefit plan;

Ante, p. 979.

(9) which is established and maintained exclusively for substantial owners as defined in section 4022(b)(6);

22 USC 288
note.

(10) of an international organization which is exempt from taxation under the International Organizations Immunities Act;

(11) maintained solely for the purpose of complying with applicable workmen's compensation laws or unemployment compensation or disability insurance laws;

Ante, p. 833.

(12) which is a defined benefit plan, to the extent that it is treated as an individual account plan under paragraph (35)(B) of section 3 of this Act; or

"Individual account plan."

(13) established and maintained by a professional service employer which does not at any time after the date of enactment of this Act have more than 25 active participants in the plan.

(c)(1) For purposes of subsection (b)(1), the term "individual account plan" does not include a plan under which a fixed benefit is promised if the employer or his representative participated in the determination of that benefit.

(2) For purposes of this paragraph and for purposes of subsection (b)(13)—

"Professional service employer."

(A) the term "professional service employer" means any proprietorship, partnership, corporation, or other association or organization (i) owned or controlled by professional individuals or by executors or administrators of professional individuals, (ii) the principal business of which is the performance of professional services, and

"Professional individuals."

(B) the term "professional individuals" includes but is not limited to, physicians, dentists, chiropractors, osteopaths, optometrists, other licensed practitioners of the healing arts, attorneys at law, public accountants, public engineers, architects, draftsmen, actuaries, psychologists, social or physical scientists, and performing artists.

(3) In the case of a plan established and maintained by more than one professional service employer, the plan shall not be treated as a plan described in subsection (b)(13) if, at any time after the date of enactment of this Act the plan has more than 25 active participants.

BENEFITS GUARANTEED

29 USC 1322.

SEC. 4022. (a) Subject to the limitations contained in subsection (b), the corporation shall guarantee the payment of all nonforfeitable benefits (other than benefits becoming nonforfeitable solely on account of the termination of a plan) under the terms of a plan which terminates at a time when section 4021 applies to it.

(b)(1) Except to the extent provided in paragraph (8)—

(A) no benefits provided by a plan which has been in effect for less than 60 months at the time the plan terminates shall be guaranteed under this section, and

(B) any increase in the amount of benefits under a plan resulting from a plan amendment which was made, or became effective, whichever is later, within 60 months before the date on which the plan terminates shall be disregarded.

(2) For purposes of this subsection, the time a successor plan (within the meaning of section 4021(a)) has been in effect includes the time a previously established plan (within the meaning of section 4021(a)) was in effect. For purposes of determining what benefits are guaranteed under this section in the case of a plan to which section 4021 does not apply on the day after the date of enactment of this Act, the 60 month period referred to in paragraph (1) shall be computed

beginning on the first date on which such section does apply to the plan.

(3) The amount of monthly benefits described in subsection (a) provided by a plan, which are guaranteed under this section with respect to a participant, shall not have an actuarial value which exceeds the actuarial value of a monthly benefit in the form of a life annuity commencing at age 65 equal to the lesser of—

(A) his average monthly gross income from his employer during the 5 consecutive calendar year period (or, if less, during the number of calendar years in such period in which he actively participates in the plan) during which his gross income from that employer was greater than during any other such period with that employer determined by dividing $1/12$ of the sum of all such gross income by the number of such calendar years in which he had such gross income, or

(B) \$750 multiplied by a fraction, the numerator of which is the contribution and benefit base (determined under section 230 of the Social Security Act) in effect at the time the plan terminates and the denominator of which is such contribution and benefit base in effect in calendar year 1974.

42 USC 1305.

The provisions of this paragraph do not apply to non-basic benefits.

(4)(A) The actuarial value of a benefit, for purposes of this subsection, shall be determined in accordance with regulations prescribed by the corporation.

(B) For purposes of paragraph (3)—

(i) the term “gross income” means “earned income” within the meaning of section 911(b) of the Internal Revenue Code of 1954 (determined without regard to any community property laws),

26 USC 911.

(ii) in the case of a participant in a plan under which contributions are made by more than one employer, amounts received as gross income from any employer under that plan shall be aggregated with amounts received from any other employer under that plan during the same period, and

(iii) any non-basic benefit shall be disregarded.

(5) Notwithstanding paragraph (3), no person shall receive from the corporation for basic benefits with respect to a participant an amount, or amounts, with an actuarial value which exceeds a monthly benefit in the form of a life annuity commencing at age 65 equal to the amount determined under paragraph (3)(B) at the time of the last plan termination.

(6)(A) For purposes of this title, the term “substantial owner” means an individual who—

“Substantial owner.”

(i) owns the entire interest in an unincorporated trade or business,

(ii) in the case of a partnership, is a partner who owns, directly or indirectly, more than 10 percent of either the capital interest or the profits interest in such partnership, or

(iii) in the case of a corporation, owns, directly or indirectly, more than 10 percent in value of either the voting stock of that corporation or all the stock of that corporation.

For purposes of clause (iii) the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1954 shall apply (determined without regard to section 1563(e)(3)(C)). For purposes of this title an individual is also treated as a substantial owner with respect to a plan if, at any time within the 60 months preceding the date on which the determination is made, he was a substantial owner under the plan.

26 USC 1563.

(B) In the case of a participant in a plan under which benefits have not been increased by reason of any plan amendments and who is covered by the plan as a substantial owner, the amount of benefits guaranteed under this section shall not exceed the product of—

(i) a fraction (not to exceed 1) the numerator of which is the number of years the substantial owner was an active participant in the plan, and the denominator of which is 30, and

(ii) the amount of the substantial owner's monthly benefits guaranteed under subsection (a) (as limited under paragraph (3) of this subsection).

(C) In the case of a participant in a plan, other than a plan described in subparagraph (B), who is covered by the plan as a substantial owner, the amount of the benefit guaranteed under this section shall, under regulations prescribed by the corporation, treat each benefit increase attributable to a plan amendment as if it were provided under a new plan. The benefits guaranteed under this section with respect to all such amendments shall not exceed the amount which would be determined under subparagraph (B) if subparagraph (B) applied.

(7) (A) No benefits accrued under a plan after the date on which the Secretary of the Treasury issues notice that he has determined that any trust which is a part of a plan does not meet the requirements of section 401(a) of the Internal Revenue Code of 1954, or that the plan does not meet the requirements of section 404(a)(2) of such Code, are guaranteed under this section unless such determination is erroneous. This subparagraph does not apply if the Secretary subsequently issues a notice that such trust meets the requirements of section 401(a) of such Code or that the plan meets the requirements of section 404(a)(2) of such Code and if the Secretary determines that the trust or plan has taken action necessary to meet such requirements during the period between the issuance of the notice referred to in the preceding sentence and the issuance of the notice referred to in this sentence.

(B) No benefits accrued under a plan after the date on which an amendment of the plan is adopted which causes the Secretary of the Treasury to determine that any trust under the plan has ceased to meet the requirements of section 401(a) of the Internal Revenue Code of 1954 or that the plan has ceased to meet the requirements of section 404(a)(2) of such Code, are guaranteed under this section unless such determination is erroneous. This subparagraph shall not apply if the amendment is revoked as of the date it was first effective or amended to comply with such requirements.

(8) Benefits described in paragraph (1) are guaranteed only to the extent of the greater of—

(A) 20 percent of the amount which, but for the fact that the plan or amendment has not been in effect for 60 months or more, would be guaranteed under this section, or

(B) \$20 per month,

multiplied by the number of years (but not more than 5) the plan or amendment, as the case may be, has been in effect. In determining how many years a plan or amendment has been in effect for purposes of this paragraph, the first 12 months following the date on which the plan or amendment is made or first becomes effective (whichever is later) constitutes one year, and each consecutive period of 12 months thereafter constitutes an additional year. This paragraph does not apply to benefits payable under a plan unless the corporation finds substantial evidence that the plan was terminated for a reasonable business purpose and not for the purpose of obtaining the payment of benefits by the corporation under this title.

26 USC 401.

26 USC 404.

(c) The corporation is authorized to guarantee the payment of such other classes of benefits and to establish the terms and conditions under which such other classes of benefits are guaranteed as it determines to be appropriate.

CONTINGENT LIABILITY COVERAGE

SEC. 4023. (a) The corporation shall insure any employer who maintains or contributes to or under a plan to which section 4021 applies against the payment of any liability imposed on him under subtitle D of this title in the event of a termination of that plan. The corporation may develop arrangements with persons engaged in the business of providing insurance under which the insurance coverage described in the preceding sentence could be provided in whole or in part by such private insurers. In developing such arrangements the corporation shall devise a system under which risks are equitably distributed between the corporation and private insurers with respect to the classes of employers insured by each.

29 USC 1323.

Post, p. 1029.

(b) The corporation is authorized to prescribe and collect in such manner as it determines to be appropriate premiums for insurance offered under subsection (a). If the corporation requires all employers to which this title applies to purchase coverage under this section, the provisions of section 4007 (b) and (c) apply to the collection of premiums under this section. The premiums shall be determined by the corporation and revised by it from time to time as may be necessary, and shall be chargeable at a rate sufficient to fund any payment by the corporation becoming necessary under such coverage.

(c) If the corporation is, in its determination, able to develop a satisfactory arrangement with private insurers, within 36 months after the date of enactment of this Act, to carry out the program of insurance authorized by this section in whole or in part, the corporation is authorized to require employers to elect coverage by such private insurance or by the corporation at such times and in such manner as the corporation determines necessary.

(d) No payment may be made by the corporation under any insurance provided by it under this section unless the premiums on such insurance have been paid by the employer and the insurance has been in effect (with respect to any benefit) for more than 60 months. The corporation is authorized to prescribe conditions under which no payment will be made by it under any insurance offered under this section without regard to whether premiums for such insurance have been paid.

(e) Nothing in this section precludes the purchase by the employer of insurance from any other person, or limits the circumstances under which that insurance is payable, or in any way limits the terms and conditions of such insurance, except that the corporation may prescribe as a condition precedent to the purchase of such insurance the payment of a reinsurance premium or other reasonable fee under this section determined by the corporation to be necessary to assure the liquidity and adequacy of any fund or funds established to carry out the provisions of this section.

(f) In carrying out its duties under subsection (a) to develop arrangements with private insurers the corporation shall consider as an alternative or as a supplement to private insurance the feasibility of using private industry guarantees, indemnities, or letters of credit.

Subtitle C—Terminations

TERMINATION BY PLAN ADMINISTRATOR

29 USC 1341.

SEC. 4041. (a) Before the effective date of the termination of a plan, the plan administrator shall file a notice with the corporation that the plan is to be terminated on a proposed date (which may not be earlier than 10 days after the filing of the notice), and for a period of 90 days after the proposed termination date the plan administrator shall pay no amount pursuant to the termination procedure of the plan unless, before the expiration of such period, he receives a notice of sufficiency under subsection (b). Upon receiving such a notice, the plan administrator may proceed with the termination of the plan in a manner consistent with this subtitle.

(b) If the corporation determines that, after application of section 4044, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to basic benefits, it shall notify the plan administrator of such determination as soon as practicable.

(c) If, within such 90-day period, the corporation finds that it is unable to determine that, if the assets of the plan are allocated in accordance with the provisions of section 4044, the assets held under the plan are sufficient to discharge when due all obligations of the plan with respect to basic benefits, it shall notify the plan administrator within such 90-day period of that finding. When the corporation issues a notice under this subsection, it shall commence proceedings in accordance with the provisions of section 4042. Upon receiving a notice under this subsection, the plan administrator shall refrain from taking any action under the proposed termination.

(d) The corporation and the plan administrator may agree to extend the 90-day period provided by this section by a written agreement signed by the corporation and the plan administrator before the expiration of the 90-day period, or the corporation may apply to an appropriate court (as defined in section 4042(g)) for an order extending the 90-day period provided by this section. The 90-day period shall be extended as provided in the agreement or in any court order obtained by the corporation. The 90-day period may be further extended by subsequent written agreements signed by the corporation and the plan administrator made before the expiration of a previously agreed upon extension of the 90-day period, or by subsequent order of the court. Any extension may be made upon such terms and conditions (including the payment of benefits) as are agreed upon by the corporation and the plan administrator or as specified in the court order.

(e) If, after the plan administrator has begun to terminate the plan as authorized by this section, the corporation or the plan administrator finds that the plan is unable, or will be unable, to pay basic benefits when due, the plan administrator shall notify the corporation of such finding as soon as practicable thereafter. If the corporation makes such a finding or concurs with the finding of the plan administrator, it shall institute appropriate proceedings under section 4042. The plan administrator terminating a plan shall furnish such reports to the corporation as it may require for purposes of its duties under this section.

(f) For purposes of subsection (a), a plan with respect to which basic benefits are guaranteed shall be treated as terminated upon the adoption of an amendment to such plan, if, after giving effect to such amendment, the plan is a plan described in section 4021(b)(1).

(g) Notwithstanding any other provision of this title, a plan administrator or the corporation may petition the appropriate court for the appointment of a trustee in accordance with the provisions of section 4042 if the interests of the participants and beneficiaries would be better served by the appointment of the trustee.

TERMINATION BY CORPORATION

SEC. 4042. (a) The corporation may institute proceedings under this section to terminate a plan whenever it determines that—

29 USC 1342.

(1) the plan has not met the minimum funding standard required under section 412 of the Internal Revenue Code of 1954, or has been notified by the Secretary of the Treasury that a notice of deficiency under section 6212 of such Code has been mailed with respect to the tax imposed under section 4971(a) of such Code,

Ante, p. 914.

(2) the plan is unable to pay benefits when due,

26 USC 6212.

Ante, p. 920.

(3) the reportable event described in section 4043(b)(7) has occurred, or

Post, p. 1024.

(4) the possible long-run loss of the corporation with respect to the plan may reasonably be expected to increase unreasonably if the plan is not terminated.

The corporation may prescribe a simplified procedure to follow in terminating small plans as long as that procedure includes substantial safeguards for the rights of the participants and beneficiaries under the plans, and for the employers who maintain such plans (including the requirement for a court decree under subsection (c)). The corporation is authorized to pool the assets of such small plans for purposes of administration and such other purposes, not inconsistent with its duties to the plan participants and the employer maintaining the plan under this title, as it determines to be required for the efficient administration of this title.

(b) Whenever the corporation makes a determination under subsection (a) with respect to a plan it may, upon notice to the plan, apply to the appropriate United States district court for the appointment of a trustee to administer the plan with respect to which the determination is made pending the issuance of a decree under subsection (c) ordering the termination of the plan. If within 3 business days after the filing of an application under this subsection, or such other period as the court may order, the administrator of the plan consents to the appointment of a trustee, or fails to show why a trustee should not be appointed, the court may grant the application and appoint a trustee to administer the plan in accordance with its terms until the corporation determines that the plan should be terminated or that termination is unnecessary. The corporation may request that it be appointed as trustee of a plan in any case.

(c) If the corporation has issued a notice under this section to a plan administrator and (whether or not a trustee has been appointed under subsection (b)) has determined that the plan should be terminated, it may, upon notice to the plan administrator, apply to the appropriate United States district court for a decree adjudicating that the plan must be terminated in order to protect the interests of the participants and to avoid any further deterioration of the financial condition of the plan or any further increase in the liability of the fund. If the trustee appointed under subsection (b) disagrees with the determination of the corporation under the preceding sentence he may intervene in the proceeding relating to the application for the decree, or make application for such decree himself. Upon granting a decree for which the corporation or trustee has applied under this

subsection the court shall authorize the trustee appointed under subsection (b) (or appoint a trustee if one has not been appointed under such subsection and authorize him) to terminate the plan in accordance with the provisions of this subtitle. If the corporation and the plan administrator agree that a plan should be terminated and agree to the appointment of a trustee without proceeding in accordance with the requirements of this subsection (other than this sentence) the trustee shall have the power described in subsection (d)(1) and, in addition to any other duties imposed on the trustee under law or by agreement between the corporation and the plan administrator, the trustee is subject to the duties described in subsection (d)(3). Whenever a trustee appointed under this title is operating a plan with discretion as to the date upon which final distribution of the assets is to be commenced, the trustee shall notify the corporation at least 10 days before the date on which he proposes to commence such distribution.

(d)(1)(A) A trustee appointed under subsection (b) shall have the power—

(i) to do any act authorized by the plan or this title to be done by the plan administrator or any trustee of the plan;

(ii) to require the transfer of all (or any part) of the assets and records of the plan to himself as trustee;

(iii) to invest any assets of the plan which he holds in accordance with the provisions of the plan, regulations of the corporation, and applicable rules of law;

(iv) to limit payment of benefits under the plan to basic benefits or to continue payment of some or all of the benefits which were being paid prior to his appointment; and

(v) to do such other acts as he deems necessary to continue operation of the plan without increasing the potential liability of the corporation, if such acts may be done under the provisions of the plan.

If the court to which application is made under subsection (c) dismisses the application with prejudice, or if the corporation fails to apply for a decree under subsection (c) within 30 days after the date on which the trustee is appointed under subsection (b), the trustee shall transfer all assets and records of the plan held by him to the plan administrator within 3 business days after such dismissal or the expiration of such 30-day period, and shall not be liable to the plan or any other person for his acts as trustee except for willful misconduct, or for conduct in violation of the provisions of part 4 of subtitle B of title I of this Act (except as provided in subsection (d)(1)(A)(v)). The 30-day period referred to in this subparagraph may be extended as provided by agreement between the plan administrator and the corporation or by court order obtained by the corporation.

(B) If the court to which an application is made under subsection (c) issues the decree requested in such application, in addition to the powers described in subparagraph (A), the trustee shall have the power—

(i) to pay benefits under the plan in accordance with the allocation requirements of section 4044;

(ii) to collect for the plan any amounts due the plan;

(iii) to receive any payment made by the corporation to the plan under this title;

(iv) to commence, prosecute, or defend on behalf of the plan any suit or proceeding involving the plan, except to the extent that the corporation is an adverse party in a suit or proceeding;

Ante, p. 874.

Post, p. 1025.

(v) to issue, publish, or file such notices, statements, and reports as may be required by the corporation or any order of the court;

(vi) to liquidate the plan assets;

(vii) to recover payments under section 4045(a); and

(viii) to do such other acts as may be necessary to comply with this title or any order of the court and to protect the interests of plan participants and beneficiaries.

(2) As soon as practicable after his appointment, the trustee shall give notice to interested parties of the institution of proceedings under this title to determine whether the plan should be terminated or to terminate the plan, whichever is applicable. For purposes of this paragraph, the term "interested party" means—

"Interested party."

(A) the plan administrator,

(B) each participant in the plan and each beneficiary of a deceased participant, and

(C) each employer who may be subject to liability under section 4062, 4063, or 4064.

(3) Except to the extent inconsistent with the provisions of this Act, or as may be otherwise ordered by the court, a trustee appointed under this section shall be subject to the same duties as a trustee appointed under section 47 of the Bankruptcy Act, and shall be, with respect to the plan, a fiduciary within the meaning of paragraph (21) of section 3 of this Act and under section 4975(e) of the Internal Revenue Code of 1954 (except to the extent that the provisions of this title are inconsistent with the requirements applicable under part 4 of subtitle B of title I of this Act and of such section 4975).

11 USC 75.

Ante, p. 833.

Ante, p. 971.

Ante, p. 874.

(e) An application by the corporation under this section may be filed notwithstanding the pendency in the same or any other court of any bankruptcy, mortgage foreclosure, or equity receivership proceeding, or any proceeding to reorganize, conserve, or liquidate such plan or its property, or any proceeding to enforce a lien against property of the plan.

(f) Upon the filing of an application for the appointment of a trustee or the issuance of a decree under this section, the court to which an application is made shall have exclusive jurisdiction of the plan involved and its property wherever located with the powers, to the extent consistent with the purposes of this section, of a court of bankruptcy and of a court in a proceeding under chapter X of the Bankruptcy Act. Pending an adjudication under subsection (c) such court shall stay, and upon appointment by it of a trustee, as provided in this section such court shall continue the stay of, any pending bankruptcy, mortgage foreclosure, equity receivership, or other proceeding to reorganize, conserve, or liquidate the plan or its property and any other suit against any receiver, conservator, or trustee of the plan or its property. Pending such adjudication and upon the appointment by it of such trustee, the court may stay any proceeding to enforce a lien against property of the plan or any other suit against the plan.

11 USC 501.

(g) An action under this subsection may be brought in the judicial district where the plan administrator resides or does business or where any asset of the plan is situated. A district court in which such action is brought may issue process with respect to such action in any other judicial district.

(h)(1) The amount of compensation paid to each trustee appointed under the provisions of this title shall require the prior approval of the corporation, and, in the case of a trustee appointed by a court, the consent of that court.

Compensation,
approval.

(2) Trustees shall appoint, retain, and compensate accountants, actuaries, and other professional service personnel in accordance with regulations prescribed by the corporation.

REPORTABLE EVENTS

29 USC 1343.

SEC. 4043. (a) Within 30 days after the plan administrator knows or has reason to know that a reportable event described in subsection (b) has occurred, he shall notify the corporation that such event has occurred. The corporation is authorized to waive the requirement of the preceding sentence with respect to any or all reportable events with respect to any plan, and to require the notification to be made by including the event in the annual report made by the plan. Whenever an employer making contributions under a plan to which section 4021 applies knows or has reason to know that a reportable event has occurred he shall notify the plan administrator immediately.

(b) For purposes of this section a reportable event occurs—

Ante, p. 832.

(1) when the Secretary of the Treasury issues notice that a plan has ceased to be a plan described in section 4021(a)(2), or when the Secretary of Labor determines the plan is not in compliance with title I of this Act;

(2) when an amendment of the plan is adopted if, under the amendment, the benefit payable with respect to any participant may be decreased;

(3) when the number of active participants is less than 80 percent of the number of such participants at the beginning of the plan year, or is less than 75 percent of the number of such participants at the beginning of the previous plan year;

Ante, p. 901.

(4) when the Secretary of the Treasury determines that there has been a termination or partial termination of the plan within the meaning of section 411(d)(3) of the Internal Revenue Code of 1954, but the occurrence of such a termination or partial termination does not, by itself, constitute or require a termination of a plan under this title;

Ante, p. 914.

Ante, p. 1014.

Ante, p. 869.

(5) when the plan fails to meet the minimum funding standards under section 412 of such Code (without regard to whether the plan is a plan described in section 4021(a)(2) of this Act) or under section 302 of this Act;

(6) when the plan is unable to pay benefits thereunder when due;

(7) when there is a distribution under the plan to a participant who is a substantial owner as defined in section 4022(b)(6) if—

(A) such distribution has a value of \$10,000 or more;

(B) such distribution is not made by reason of the death of the participant; and

(C) immediately after the distribution, the plan has non-forfeitable benefits which are not funded;

Ante, p. 865.

(8) when a plan merges, consolidates, or transfers its assets under section 208 of this Act, or when an alternative method of compliance is prescribed by the Secretary of Labor under section 110 of this Act; or

Ante, p. 851.

(9) when any other event occurs which the corporation determines may be indicative of a need to terminate the plan.

For purposes of paragraph (7), all distributions to a participant within any 24-month period are treated as a single distribution.

(c) The Secretary of the Treasury shall notify the corporation—

(1) whenever a reportable event described in paragraph (1), (4), or (5) of subsection (b) occurs, or

- (2) whenever any other event occurs which the Secretary of the Treasury believes indicates that the plan may not be sound.
- (d) The Secretary of Labor shall notify the corporation—
- (1) whenever a reportable event described in paragraph (1), (5), or (8) of subsection (b) occurs, or
- (2) whenever any other event occurs which the Secretary of Labor believes indicates that the plan may not be sound.

ALLOCATION OF ASSETS

SEC. 4044. (a) In the case of the termination of a defined benefit plan, the plan administrator shall allocate the assets of the plan (available to provide benefits) among the participants and beneficiaries of the plan in the following order:

29 USC 1344.

(1) First, to that portion of each individual's accrued benefit which is derived from the participant's contributions to the plan which were not mandatory contributions.

(2) Second, to that portion of each individual's accrued benefit which is derived from the participant's mandatory contributions.

(3) Third, in the case of benefits payable as an annuity—

(A) in the case of the benefit of a participant or beneficiary which was in pay status as of the beginning of the 3-year period ending on the termination date of the plan, to each such benefit, based on the provisions of the plan (as in effect during the 5-year period ending on such date) under which such benefit would be the least,

(B) in the case of a participant's or beneficiary's benefit (other than a benefit described in subparagraph (A)) which would have been in pay status as of the beginning of such 3-year period if the participant had retired prior to the beginning of the 3-year period and if his benefits had commenced (in the normal form of annuity under the plan) as of the beginning of such period, to each such benefit based on the provisions of the plan (as in effect during the 5-year period ending on such date) under which such benefit would be the least.

For purposes of subparagraph (A), the lowest benefit in pay status during a 3-year period shall be considered the benefit in pay status for such period.

(4) Fourth—

(A) to all other benefits (if any) of individuals under the plan guaranteed under this title (determined without regard to section 4022(b)(5)), and

(B) to the additional benefits (if any) which would be determined under subparagraph (A) if section 4022(b)(6) did not apply.

For purposes of this paragraph, section 4021 shall be applied without regard to subsection (c) thereof.

(5) Fifth, to all other nonforfeitable benefits under the plan.

(6) Sixth, to all other benefits under the plan.

(b) For purposes of subsection (a)—

(1) The amount allocated under any paragraph of subsection (a) with respect to any benefit shall be properly adjusted for any allocation of assets with respect to that benefit under a prior paragraph of subsection (a).

(2) If the assets available for allocation under any paragraph of subsection (a) (other than paragraphs (5) and (6)) are insufficient to satisfy in full the benefits of all individuals which are

described in that paragraph, the assets shall be allocated pro rata among such individuals on the basis of the present value (as of the termination date) of their respective benefits described in that paragraph.

(3) This paragraph applies if the assets available for allocation under paragraph (5) of subsection (a) are not sufficient to satisfy in full the benefits of individuals described in that paragraph.

(A) If this paragraph applies, except as provided in subparagraph (B), the assets shall be allocated to the benefits of individuals described in such paragraph (5) on the basis of the benefits of individuals which would have been described in such paragraph (5) under the plan as in effect at the beginning of the 5-year period ending on the date of plan termination.

(B) If the assets available for allocation under subparagraph (A) are sufficient to satisfy in full the benefits described in such subparagraph (without regard to this subparagraph), then for purposes of subparagraph (A), benefits of individuals described in such subparagraph shall be determined on the basis of the plan as amended by the most recent plan amendment effective during such 5-year period under which the assets available for allocation are sufficient to satisfy in full the benefits of individuals described in subparagraph (A) and any assets remaining to be allocated under such subparagraph shall be allocated under subparagraph (A) on the basis of the plan as amended by the next succeeding plan amendment effective during such period.

(4) If the Secretary of the Treasury determines that the allocation made pursuant to this section (without regard to this paragraph) results in discrimination prohibited by section 401(a)(4) of the Internal Revenue Code of 1954 then, if required to prevent the disqualification of the plan (or any trust under the plan) under section 401(a), 403(a), or 405(a) of such Code, the assets allocated under subsections (a)(4)(B), (a)(5), and (a)(6) shall be reallocated to the extent necessary to avoid such discrimination.

(5) The term "mandatory contributions" means amounts contributed to the plan by a participant which are required as a condition of employment, as a condition of participation in such plan, or as a condition of obtaining benefits under the plan attributable to employer contributions. For this purpose, the total amount of mandatory contributions of a participant is the amount of such contributions reduced (but not below zero) by the sum of the amounts paid or distributed to him under the plan before its termination.

(6) A plan may establish subclasses and categories within the classes described in paragraphs (1) through (6) of subsection (a) in accordance with regulations prescribed by the corporation.

(c) Any increase or decrease in the value of the assets of a plan occurring during the period beginning on the later of (1) the date a trustee is appointed under section 4042(b) or (2) the date on which the plan is terminated is to be allocated between the plan and the corporation in the manner determined by the court (in the case of a court-appointed trustee) or as agreed upon by the corporation and the plan administrator in any other case. Any increase or decrease in the value of the assets of a plan occurring after the date on which the plan is terminated shall be credited to, or suffered by, the corporation.

Ante, p. 938.

26 USC 403,
405.

"Mandatory
contributions."

Ante, p. 1021.

(d)(1) Any residual assets of a plan may be distributed to the employer if—

(A) all liabilities of the plan to participants and their beneficiaries have been satisfied,

(B) the distribution does not contravene any provision of law, and

(C) the plan provides for such a distribution in these circumstances.

(2) Notwithstanding the provisions of paragraph (1), if any assets of the plan attributable to employee contributions, remain after all liabilities of the plan to participants and their beneficiaries have been satisfied, such assets shall be equitably distributed to the employees who made such contributions (or their beneficiaries) in accordance with their rate of contributions.

RECAPTURE OF CERTAIN PAYMENTS

SEC. 4045. (a) Except as provided in subsection (c), the trustee is authorized to recover for the benefit of a plan from a participant the recoverable amount (as defined in subsection (b)) of all payments from the plan to him which commenced within the 3-year period immediately preceding the time the plan is terminated.

29 USC 1345.

(b) For purposes of subsection (a) the recoverable amount is the excess of the amount determined under paragraph (1) over the amount determined under paragraph (2).

(1) The amount determined under this paragraph is the sum of the amount of the actual payments received by the participant within the 3-year period.

(2) The amount determined under this paragraph is the sum of—

(A) the sum of the amount such participant would have received during each consecutive 12-month period within the 3 years if the participant received the benefit in the form described in paragraph (3),

(B) the sum for each of the consecutive 12-month periods of the lesser of—

(i) the excess, if any, of \$10,000 over the benefit in the form described in paragraph (3), or

(ii) the excess of the actual payment, if any, over the benefit in the form described in paragraph (3), and

(C) the present value at the time of termination of the participant's future benefits guaranteed under this title as if the benefits commenced in the form described in paragraph (3).

(3) The form of benefit for purposes of this subsection shall be the monthly benefit the participant would have received during the consecutive 12-month period, if he had elected at the time of the first payment made during the 3-year period, to receive his interest in the plan as a monthly benefit in the form of a life annuity commencing at the time of such first payment.

(c)(1) In the event of a distribution described in section 4043(b) (7) the 3-year period referred to in subsection (b) shall not end sooner than the date on which the corporation is notified of the distribution.

(2) The trustee shall not recover any payment made from a plan after or on account of the death of a participant, or to a participant who is disabled (within the meaning of section 72(m)(7) of the Internal Revenue Code of 1954).

26 USC 72.

Waiver.

(3) The corporation is authorized to waive, in whole or in part, the recovery of any amount which the trustee is authorized to recover for the benefit of a plan under this section in any case in which it determines that substantial economic hardship would result to the participant or his beneficiaries from whom such amount is recoverable.

REPORTS TO TRUSTEE

29 USC 1346.

SEC. 4046. The corporation and the plan administrator of any plan to be terminated under this subtitle shall furnish to the trustee such information as the corporation or the plan administrator has and, to the extent practicable, can obtain regarding—

(1) the amount of benefits payable with respect to each participant under a plan to be terminated,

(2) the amount of benefits guaranteed under section 4022 which are payable with respect to each participant in the plan,

(3) the present value, as of the time of termination, of the aggregate amount of benefits payable under section 4022 (determined without regard to section 4022(b)(5)),

(4) the fair market value of the assets of the plan at the time of termination,

(5) the computations under section 4044, and all actuarial assumptions under which the items described in paragraphs (1) through (4) were computed, and

(6) any other information with respect to the plan the trustee may require in order to terminate the plan.

RESTORATION OF PLANS

29 USC 1347.

SEC. 4047. Whenever the corporation determines that a plan which is to be terminated, or which is in the process of being terminated, under this subtitle should not be terminated as a result of such circumstances as the corporation determines to be relevant, the corporation is authorized to cease any activities undertaken to terminate the plan, and to take whatever action is necessary and within its power to restore the plan to its status prior to the determination that the plan was to be terminated. In the case of a plan which has been terminated under section 4042 the corporation is authorized in any such case in which the corporation determines such action to be appropriate and consistent with its duties under this title, to take such action as may be necessary to restore the plan to its pretermination status, including, but not limited to, the transfer to the employer or a plan administrator of control of part or all of the remaining assets and liabilities of the plan.

DATE OF TERMINATION

29 USC 1348.

SEC. 4048. For purposes of this title the date of termination is—

(1) in the case of a plan terminated in accordance with the provisions of section 4041, the date established by the plan administrator and agreed to by the corporation,

(2) in the case of a plan terminated in accordance with the provisions of section 4042, the date established by the corporation and agreed to by the plan administrator, or

(3) in the case of a plan terminated in accordance with the provisions of either section in any case in which no agreement is reached between the plan administrator and the corporation (or the trustee), the date established by the court.

Subtitle D—Liability

AMOUNTS PAYABLE BY THE CORPORATION

SEC. 4061. The corporation shall pay benefits under a plan terminated under this title subject to the limitations and requirements of subtitle B of this title. Amounts guaranteed by the corporation under section 4022 shall be paid by the corporation out of the appropriate fund.

29 USC 1361.

Ante, p. 1014.*Ante*, p. 1016.

LIABILITY OF EMPLOYER

SEC. 4062. (a) This section applies to any employer who maintained a plan (other than a multiemployer plan) at the time it was terminated, but does not apply—

29 USC 1362.

(1) to an employer who maintained a plan with respect to which he paid the annual premium described in section 4006(a)(2)(B) for each of the 5 plan years immediately preceding the plan year during which the plan terminated unless the conditions imposed by the corporation on the payment of coverage under section 4023 do not permit such coverage to apply under the circumstances, or

Ante, p. 1010.

(2) to the extent of any liability arising out of the insolvency of an insurance company with respect to an insurance contract.

(b) Any employer to which this section applies shall be liable to the corporation, in an amount equal to the lesser of—

(1) the excess of—

(A) the current value of the plan's benefits guaranteed under this title on the date of termination over

(B) the current value of the plan's assets allocable to such benefits on the date of termination, or

(2) 30 percent of the net worth of the employer determined as of a day, chosen by the corporation but not more than 120 days prior to the date of termination, computed without regard to any liability under this section.

(c) For purposes of subsection (b)(2) the net worth of an employer is—

(1) determined on whatever basis best reflects, in the determination of the corporation, the current status of the employer's operations and prospects at the time chosen for determining the net worth of the employer, and

(2) increased by the amount of any transfers of assets made by the employer determined by the corporation to be improper under the circumstances, including any such transfers which would be inappropriate under the Bankruptcy Act if the employer were the subject of a proceeding under that Act.

11 USC 1 note.

(d) For purposes of this section the following rules apply in the case of certain corporate reorganizations:

(1) If an employer ceases to exist by reason of a reorganization which involves a mere change in identity, form, or place of organization, however effected, a successor corporation resulting from such reorganization shall be treated as the employer to whom this section applies.

(2) If an employer ceases to exist by reason of a liquidation into a parent corporation, the parent corporation shall be treated as the employer to whom this section applies.

(3) If an employer ceases to exist by reason of a merger, consolidation, or division, the successor corporation or corporations shall be treated as the employer to whom this section applies.

(e) If an employer ceases operations at a facility in any location and, as a result of such cessation of operations, more than 20 percent of the total number of his employees who are participants under a plan established and maintained by him are separated from employment, the employer shall be treated with respect to that plan as if he were a substantial employer under a plan under which more than one employer makes contributions and the provisions of sections 4063, 4064, and 4065 shall apply.

LIABILITY OF SUBSTANTIAL EMPLOYER FOR WITHDRAWAL

29 USC 1363.

SEC. 4063. (a) Except as provided in subsection (d), the plan administrator of a plan under which more than one employer makes contributions—

(1) shall notify the corporation of the withdrawal of a substantial employer from the plan, within 60 days after such withdrawal, and

(2) request that the corporation determine the liability of such employer under this subtitle with respect to such withdrawal. The corporation shall, as soon as practicable thereafter, determine whether such employer is liable for any amount under this subtitle with respect to the withdrawal and notify such employer of such liability.

Ante, p. 1014.

(b) Except as provided in subsection (c), an employer who withdraws from a plan to which section 4021 applies, during a plan year for which he was a substantial employer, and who is notified by the corporation as provided by subsection (a), shall be liable to the corporation in accordance with the provisions of section 4062 and this section. The amount of such employer's liability shall be computed on the basis of an amount determined by the corporation to be the amount described in section 4062 for the entire plan, as if the plan had been terminated by the corporation on the date of the employer's withdrawal, multiplied by a fraction—

(1) the numerator of which is the total amount required to be contributed to the plan by such employer for the last 5 years ending prior to the withdrawal, and

(2) the denominator of which is the total amount required to be contributed to the plan by all employers for such last 5 years. In addition to and in lieu of the manner prescribed in the preceding sentence, the corporation may also determine the liability of each such employer on any other equitable basis prescribed by the corporation in regulations. Any amount collected by the corporation under this subsection shall be held in escrow subject to disposition in accordance with the provisions of paragraphs (2) and (3) of subsection (c).

(c) (1) In lieu of payment of his liability under this section the employer may be required to furnish a bond to the corporation in an amount not exceeding 150 percent of his liability to insure payment of his liability under this section. The bond shall have as surety thereon a corporate surety company which is an acceptable surety on Federal bonds under authority granted by the Secretary of the Treasury under sections 6 through 13 of title 6, United States Code. Any such bond shall be in a form or of a type approved by the Secretary including individual bonds or schedule or blanket forms of bonds which cover a group or class.

(2) If the plan is not terminated within the 5-year period commencing on the day of withdrawal, the liability of such employer is abated and any payment held in escrow shall be refunded without interest to the employer (or his bond cancelled) in accordance with bylaws or rules prescribed by the corporation.

(3) If the plan terminates within the 5-year period commencing on the day of withdrawal, the corporation shall—

(A) demand payment or realize on the bond and hold such amount in escrow for the benefit of the plan;

(B) treat any escrowed payments under this section as if they were plan assets and apply them in a manner consistent with this subtitle; and

(C) refund any amount to the employer which is not required to meet any obligation of the corporation with respect to the plan.

(d) The provisions of this subsection apply in the case of a withdrawal described in subsection (a), and the provisions of subsections (b) and (c) shall not apply, if the corporation determines that the procedure provided for under this subsection is consistent with the purposes of this section and section 4064 and is more appropriate in the particular case. Upon a showing by the plan administrator of a plan that the withdrawal from the plan by any employer or employers has resulted, or will result, in a significant reduction in the amount of aggregate contributions to or under the plan by employers, the corporation may—

(1) require the plan fund to be equitably allocated between those participants no longer working in covered service under the plan as a result of their employer's withdrawal, and those participants who remain in covered service under the plan;

(2) treat that portion of the plan funds allocable under paragraph (1) to participants no longer in covered service as a termination; and

(3) treat that portion of the plan fund allocable to participants remaining in covered service as a separate plan.

(e) The corporation is authorized to waive the application of the provisions of subsections (b), (c), and (d) of this section to any employer or plan administrator whenever it determines that there is an indemnity agreement in effect among all other employers under the plan which is adequate to satisfy the purposes of this section and of section 4064.

Waiver.

LIABILITY OF EMPLOYERS ON TERMINATION OF PLAN MAINTAINED BY MORE THAN ONE EMPLOYER

SEC. 4064. (a) This section applies to all employers who maintain a plan under which more than one employer makes contributions at the time such plan is terminated, or who, at any time within the 5 plan years preceding the date of termination, made contributions under the plan.

29 USC 1364.

(b) The corporation shall determine the liability of each such employer in a manner consistent with section 4062 except that the amount of the liability determined under section 4062(b)(1) with respect to the entire plan shall be allocated to each employer by multiplying such amounts by a fraction—

(1) the numerator of which is the amount required to be contributed to the plan by each employer for the last 5 plan years ending prior to the termination, and

(2) the denominator of which is the total amount required to be contributed to the plan by all such employers for such last 5 years,

and the limitation described in section 4062(b)(2) shall be applied separately to each employer. The corporation may also determine the liability of each such employer on any other equitable basis prescribed by the corporation in regulations.

ANNUAL REPORT OF PLAN ADMINISTRATOR

29 USC 1365.

SEC. 4065. For each plan year for which section 4021 applies to a plan, the plan administrator shall file with the corporation, on a form prescribed by the corporation, an annual report which identifies the plan and plan administrator and which includes—

(1) a copy of each notification required under section 4063 with respect to such year, and

(2) a statement disclosing whether any reportable event (described in section 4043(b)) occurred during the plan year. The report shall be filed within 6 months after the close of the plan year to which it relates. The corporation shall cooperate with the Secretary of the Treasury and the Secretary of Labor in an endeavor to coordinate the timing and content, and possibly obtain the combination, of reports under this section with reports required to be made by plan administrators to such Secretaries.

ANNUAL NOTIFICATION TO SUBSTANTIAL EMPLOYERS

29 USC 1366.

Ante, p. 1003.

SEC. 4066. The plan administrator of each plan under which contributions are made by more than one employer shall notify, within 6 months after the close of each plan year, any employer making contributions under that plan who is described in section 4001(a)(2) that he is a substantial employer for that year.

RECOVERY OF EMPLOYER LIABILITY FOR PLAN TERMINATION

29 USC 1367.

SEC. 4067. The corporation is authorized to make arrangements with employers who are liable under section 4062, 4063, or 4064 for payment of their liability, including arrangements for deferred payment on such terms and for such periods as the corporation deems equitable and appropriate.

LIEN FOR LIABILITY OF EMPLOYER

29 USC 1368.

SEC. 4068. (a) If any employer or employers liable to the corporation under section 4062, 4063, or 4064 neglect or refuse to pay, after demand, the amount of such liability (including interest), there shall be a lien in favor of the corporation upon all property and rights to property, whether real or personal, belonging to such employer or employers.

(b) The lien imposed by subsection (a) arises on the date of termination of a plan, and continues until the liability imposed under section 4062, 4063, or 4064 is satisfied or becomes unenforceable by reason of lapse of time.

26 USC 6323.

(c) (1) Except as otherwise provided under this section, the priority of the lien imposed under subsection (a) shall be determined in the same manner as under section 6323 of the Internal Revenue Code of 1954. Such section 6323 shall be applied by substituting "lien imposed by section 4068 of the Employee Retirement Income Security Act of 1974" for "lien imposed by section 6321"; "corporation" for "Secretary or his delegate"; "employer liability lien" for "tax lien"; "employer" for "taxpayer"; "lien arising under section 4068(a) of the Employee

Retirement Income Security Act of 1974” for “assessment of the tax”; and “payment of the loan value is made to the corporation” for “satisfaction of a levy pursuant to section 6332(b)”; each place such terms appear.

26 USC 6332.

(2) In the case of bankruptcy or insolvency proceedings, the lien imposed under subsection (a) shall be treated in the same manner as a tax due and owing to the United States for purposes of the Bankruptcy Act or section 3466 of the Revised Statutes (31 U.S.C. 191).

11 USC 1 note.

(3) For purposes of applying section 6323(a) of the Internal Revenue Code of 1954 to determine the priority between the lien imposed under subsection (a) and a Federal tax lien, each lien shall be treated as a judgment lien arising as of the time notice of such lien is filed.

26 USC 6323.

(4) For purposes of this subsection, notice of the lien imposed by subsection (a) shall be filed in the same manner as under section 6323 (f) and (g) of the Internal Revenue Code of 1954.

(d) (1) In any case where there has been a refusal or neglect to pay the liability imposed under section 4062, 4063, or 4064, the corporation may bring civil action in a district court of the United States to enforce the lien of the corporation under this section with respect to such liability or to subject any property, of whatever nature, of the employer, or in which he has any right, title, or interest to the payment of such liability.

Ante, pp. 1029-1031.

(2) The liability imposed by section 4062, 4063, or 4064 may be collected by a proceeding in court if the proceeding is commenced within 6 years after the date upon which the plan was terminated or prior to the expiration of any period for collection agreed upon in writing by the corporation and the employer before the expiration of such 6-year period. The period of limitations provided under this paragraph shall be suspended for the period the assets of the employer are in the control or custody of any court of the United States, or of any State, or of the District of Columbia, and for 6 months thereafter, and for any period during which the employer is outside the United States if such period of absence is for a continuous period of at least 6 months.

(c) If the corporation determines, with the consent of the board of directors, that release of the lien or subordination of the lien to any other creditor of the employer or employers would not adversely affect the collection of the liability imposed under section 4062, 4063, or 4064, or that the amount realizable by the corporation from the property to which the lien attaches will ultimately be increased by such release or subordination, and that the ultimate collection of the liability will be facilitated by such release or subordination, the corporation may issue a certificate of release or subordination of the lien with respect to such property, or any part thereof.

Subtitle E—Amendments to Internal Revenue Code of 1954; Effective Dates

AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

SEC. 4081. (a) Section 404 of the Internal Revenue Code of 1954 (relating to deduction for contributions of an employer to employees' trust or annuity plan in compensation under a deferred-payment plan) is amended by adding at the end thereof the following new subsection:

26 USC 404.

“(g) CERTAIN EMPLOYER LIABILITY PAYMENTS CONSIDERED AS CONTRIBUTIONS.—For purposes of this section any amount paid by an employer under section 4062, 4063, or 4064 of the Employee Retirement Income Security Act of 1974 shall be treated as a contribution to which this section applies by such employer to or under a stock bonus, pension, profit-sharing, or annuity plan.”

Ante, pp. 1029-1031.

26 USC 6511.

(b) Section 6511(d) of the Internal Revenue Code of 1954 (relating to special rules applicable to income taxes) is amended by adding at the end thereof the following new paragraph:

Ante, p. 1027.

“(8) SPECIAL PERIOD OF LIMITATION WITH RESPECT TO AMOUNTS INCLUDED IN INCOME SUBSEQUENTLY RECAPTURED UNDER QUALIFIED PLAN TERMINATION.—If the claim for credit or refund relates to an overpayment of tax imposed by subtitle A on account of the recapture, under section 4045 of the Employee Retirement Income Security Act of 1974, of amounts included in income for a prior taxable year, the 3-year period of limitation prescribed in subsection (a) shall be extended, for purposes of permitting a credit or refund of the amount of the recapture, until the date which occurs one year after the date on which such recaptured amount is paid by the taxpayer.”

EFFECTIVE DATE; SPECIAL RULES

29 USC 1381.

SEC. 4082. (a) The provisions of this title take effect on the date of enactment of this Act.

(b) Notwithstanding the provisions of subsection (a), the corporation shall pay benefits guaranteed under this title with respect to any plan—

Ante, p. 1014.

- (1) which is not a multiemployer plan,
- (2) which terminates after June 30, 1974, and before the date of enactment of this Act,
- (3) to which section 4021 would apply if that section were effective beginning on July 1, 1974, and
- (4) with respect to which a notice is filed with the Secretary of Labor and received by him not later than 10 days after the date of enactment of this Act, except that, for reasonable cause shown, such notice may be filed with the Secretary of Labor and received by him not later than October 31, 1974, stating that the plan is a plan described in paragraphs (1), (2), and (3).

Ante, p. 1029.

The corporation shall not pay benefits guaranteed under this title with respect to a plan described in the preceding sentence unless the corporation finds substantial evidence that the plan was terminated for a reasonable business purpose and not for the purpose of obtaining the payment of benefits by the corporation under this title or for the purpose of avoiding the liability which might be imposed under subtitle D if the plan terminated on or after the date of enactment of this Act. The provisions of subtitle D do not apply in the case of such a plan which terminates before the date of enactment of this Act. For purposes of determining whether a plan is a plan described in paragraph (2), the provisions of section 4048 shall not apply, but the corporation shall make the determination on the basis of the date on which benefits ceased to accrue or on any other reasonable basis consistent with the purposes of this subsection.

(c)(1) Except as provided in paragraphs (2), (3), and (4), the corporation shall not pay benefits guaranteed under this title with respect to a multiemployer plan which terminates before January 1,

1978. Whenever the corporation exercises the authority granted under paragraph (2) or (3), the corporation shall notify the Committee on Education and Labor and the Committee on Ways and Means of the House of Representatives, and the Committee on Labor and Public Welfare and the Committee on Finance of the Senate.

Notice to congressional committees.

(2) The corporation may, in its discretion, pay benefits guaranteed under this title with respect to a multiemployer plan which terminates after the date of enactment of this Act and before January 1, 1978, if—

(A) the plan was maintained during the 60 months immediately preceding the date on which the plan terminates, and

(B) the corporation determines that the payment by the corporation of benefits guaranteed under this title with respect to that plan will not jeopardize the payments the corporation anticipates it may be required to make in connection with benefits guaranteed under this title with respect to multiemployer plans which terminate after December 31, 1977.

(3) Notwithstanding any provision of section 4021 or 4022 which would prevent such payments, the corporation, in carrying out its authority under paragraph (2), may pay benefits guaranteed under this title with respect to a multiemployer plan described in paragraph (2) in any case in which those benefits would otherwise not be payable if—

Ante, pp. 1014, 1016.

(A) the plan has been in effect for at least 5 years,

(B) the plan has been in substantial compliance with the funding requirements for a qualified plan with respect to the employees and former employees in those employment units on the basis of which the participating employers have contributed to the plan for the preceding 5 years, and

(C) the participating employers and employee organization or organizations had no reasonable recourse other than termination.

(4) If the corporation determines, under paragraph (2) or (3), that it will pay benefits guaranteed under this title with respect to a multiemployer plan which terminates before January 1, 1978, the corporation—

(A) may establish requirements for the continuation of payments which commenced before January 2, 1974, with respect to retired participants under the plan,

(B) may not, notwithstanding any other provision of this title, make payments with respect to any participant under such a plan who, on January 1, 1974, was receiving payment of retirement benefits, in excess of the amounts and rates payable with respect to such participant on that date,

(C) may not make any payments with respect to benefits guaranteed under this title in connection with such a plan which are derived, directly or indirectly, from amounts borrowed under section 4005(c), and

Ante, p. 1009.

(D) shall review from time to time payments made under the authority granted to it by paragraphs (2) and (3), and reduce or terminate such payments to the extent necessary to avoid jeopardizing the ability of the corporation to make payments of benefits guaranteed under this title in connection with multiemployer plans which terminate after December 31, 1977, without increasing premium rates for such plans.

Approved September 2, 1974.

“(b) Any officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the Executive Protective Service, or the United States Park Police force who separates from that force, department, or service, and who is subsequently reappointed to such force, department, or service within three years after the date of such separation shall receive any scheduled rate of basic compensation provided in salary class 1 of the salary schedule in section 101(a) which does not exceed the scheduled rate of basic compensation being paid at the time of such reappointment for the class and service step he had attained at the time of his separation. For purposes of this subsection, no additional compensation authorized by this Act shall be used in determining service step placement.”

Ante, p. 1036.

(5) Section 302 of that Act (D.C. Code, sec. 4-828) is amended to read as follows: “An officer or member described in paragraph (1) (B) shall receive such compensation until the position of dog handler is determined under section (a) not to be included in salary class 4 as a technician’s position or until he no longer performs the duty of dog handler, whichever first occurs.”

Dog handler.

(6) Section 302 of that Act (D.C. Code, sec. 4-828) is further amended by adding at the end thereof the following:

“(e) Whenever any officer or member receiving additional compensation authorized by subsection (b) or (c) is no longer entitled to receive such additional compensation, without a change in salary class, he shall receive, irrespective of any subsequent salary schedule or service step adjustment authorized by this Act, basic compensation equal to the sum of his existing scheduled rate of basic compensation and the amount of such additional compensation until his schedule rate of basic compensation equals or exceeds such sum.

“(f) The loss of the additional compensation authorized by subsection (b) or (c) shall not constitute an adverse action for the purposes of section 7511 of title 5 of the United States Code.”

(7) Section 302 of that Act (D.C. Code, sec. 4-828) is further amended (1) by striking out “\$680” in subsection (a) thereof and inserting in lieu thereof “\$735”; and (2) by striking out “\$500” each time it appears in subsection (c) thereof and inserting in lieu thereof “\$540”.

(8) Section 401(a)(2) of that Act (D.C. Code, sec. 4-832(a)(2)) is amended to read as follows:

Longevity pay computation.

“(2) For purpose of paragraph (1), continuous service as an officer or member includes only those periods of his service determined to have been satisfactory service and any period of his service in the Armed Forces of the United States other than any period of such service (A) determined not to have been satisfactory service, (B) rendered before appointment as an officer or member, or (C) rendered after resignation as an officer or member.”

(9) The second sentence of section 401(c) of that Act (D.C. Code, sec. 4-832(c)) is amended to read as follows: “For purposes of this subsection, in computing a deputy chief’s continuous service on the police force or fire department, there shall be included only those periods of his service determined to have been satisfactory service and any period of his service in the Armed Forces of the United States other than any period of such service—

“(1) determined not to have been satisfactory service,

“(2) rendered before appointment as an officer or member, or

“(3) rendered after resignation as an officer or member.”

(b) Each officer or member who immediately prior to the effective date of the amendment made by paragraph (1) of subsection (a) was assigned to service step 1, service step 2, or service step 3 of salary class

D.C. Code 4-823 note.

2 shall be placed in and receive basic compensation in service step 4 of salary class 2.

Holidays.

SEC. 102. The second section of the Act approved October 24, 1951 (D.C. Code, sec. 4-808) is amended by striking out "the 22d day of February", "the 30th day of May", and "the 11th day of November", and inserting in lieu thereof "the third Monday in February", "the last Monday in May", "the second Monday in October", and "the fourth Monday in October".

Effective dates.
D.C. Code 4-
823 note.

SEC. 103. (a) Except as provided in subsections (b) and (c), the amendments made by this title and subsection (b) of the first section shall take effect on and after the first day of the first pay period beginning on or after July 1, 1974.

(b) The amendment made by paragraph (6) of section 101 shall take effect on and after the first day of the first pay period beginning on or after January 1, 1974.

(c) The amendments made by paragraphs (8) and (9) of section 101 shall take effect on and after the first day of the first pay period beginning on or after May 1, 1972.

Retroactive
compensation.
D.C. Code 4-
823 note.

SEC. 104. (a) Retroactive compensation or salary shall be paid by reason of the amendments made by this title only in the case of an individual in the service of the District of Columbia government or of the United States (including service in the Armed Forces of the United States) on the date of enactment of this Act, except that such retroactive compensation or salary shall be paid (1) to an officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, or the Executive Protective Service who retired during the period beginning on the first day of the first pay period which begins on or after July 1, 1974, and ending on the date of enactment of this Act for services rendered during such period, and (2) in accordance with the provisions of subchapter 8 of chapter 55 of title 5, United States Code (relating to settlement of accounts of deceased employees), for services rendered during the period beginning on the first day of the first pay period which begins on or after July 1, 1974, and ending on the date of enactment of this Act, by an officer or member who dies during such period.

5 USC 5581.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

(c) For the purpose of determining the amount of insurance for which an officer or member is eligible under the provisions of chapter 87 of title 5, United States Code (relating to government employees group life insurance), all changes in rates of compensation or salary which result from the enactment of this title shall be held and considered to be effective as of July 1, 1974.

5 USC 8701.

PART 2—STUDY OF POLICE AND FIREMEN'S SALARIES AND RECOMMENDATIONS

D.C. Code 4-
838.

SEC. 111. (a) The Commissioner of the District of Columbia, and after January 2, 1975, the Mayor of the District of Columbia, shall annually conduct a thorough study of the compensation being paid officers and members of the police and fire departments of other jurisdictions in the Washington metropolitan area and other cities of comparable size. The annual study may include other conditions of employment of police and firemen, such as hours of work, health

benefits, retirement benefits, sick pay, and vacation time. The annual study shall also include the current percentage change in the Consumer Price Index for the Washington metropolitan area published by the Bureau of Labor Statistics, Department of Labor, and rates of compensation for Federal and District of Columbia employees having comparable duties and responsibilities.

(b) (1) In order to conduct the annual study specified in subsection (a), the Commissioner, or the Mayor, as the case may be, shall establish a city personnel salary and benefits study committee whose sole function shall be to conduct such annual study. The size of the committee shall be determined by the Commissioner, or the Mayor, as the case may be, who shall appoint the management members of the committee. Each labor organization or other association or group which has been selected to represent the officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia shall select representatives of their respective labor organizations or other association or group to be members of the labor-management committee.

Study committee, establishment.

(2) The number of management members and the number of members representing the labor organizations or other associations or groups on the labor-management committee shall be equal. The chairman of the labor management committee shall be chosen by members of the committee, and shall not be an officer or employee of the District of Columbia government or a member or employee of a labor organization or other association or group represented on the committee. If the committee has not chosen a chairman within 10 days after the date of the first meeting of the committee, then the chairman shall be chosen by the Director of the Federal Mediation and Conciliation Service.

Chairman.

(c) On or before June 30 of each year, the results of the annual study shall be made public and shall be available to the parties involved in negotiations between the District of Columbia and representatives of the officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia under the District of Columbia labor relations program. The results of such annual study shall also form the basis for consideration of adjustments in pay levels for officers of the Metropolitan Police force and the Fire Department of the District of Columbia whose compensation is adjusted in a manner which is outside the scope of the negotiations referred to in the first sentence of this subsection.

SEC. 112. (a) If after January 2, 1975, as a result of collective bargaining the parties have reached a negotiated solution with respect to changes in compensation for officers and members of the Police and Fire Departments, the Mayor shall recommend to the Council of the District of Columbia that said changes should be authorized and that the Congress shall be requested to appropriate sufficient funds for that purpose. The first recommendation made by the Mayor under this subsection shall be made by no later than October 1, 1975.

D.C. Code 4-839.

(b) The recommendations submitted by the Mayor under subsection (a) shall be considered a labor-management issue for the purposes of subsection (c).

(c) If the parties have reached an impasse in negotiations on or before the expiration date of their existing collective bargaining agreements, either party shall promptly notify the Director of the Federal Mediation and Conciliation Service in writing. He shall assist in the resolution of that impasse by selecting an impartial person experienced in public sector disputes to serve as a mediator. If mediation does not resolve the impasse within thirty days, or any shorter period designated by the mediator, the Director shall, only upon the

Labor-management disputes, mediation.

Board of Arbitration.

request of either party, then appoint an impartial Board of Arbitration to investigate the labor-management issues involved in the dispute, conduct whatever hearing it deems necessary, and to issue a written award to the parties with the object of achieving a prompt, peaceful, and fair settlement of the dispute. The award shall be issued within twenty days after the Board has been established. The award shall contain findings of fact and a statement of reasons. The award shall be final and binding upon the parties to the dispute.

(d) If the procedures set forth in subsection (c) are implemented, no change in the status quo in effect prior to contract expiration date in the case of negotiations for a contract renewal, or in effect prior to the time of impasse in the case of an initial bargaining negotiation, shall be made pending the completion of mediation and/or arbitration.

Compensation.

(e) The factfinder, mediator, and any members of the Board of Arbitration appointed by the Director of the Federal Mediation and Conciliation Service shall be entitled to compensation at the maximum daily rate allowable by law for each day they are actually engaged in performing services under this section.

PART 3—POLICEMEN AND FIREMEN'S RETIREMENT AND DISABILITY ACT

SEC. 121. (a) Subsection (a) of the Policemen and Firemen's Retirement and Disability Act (D.C. Code, sec. 4-521) is amended by adding after paragraph (16) the following new paragraph:

"Average pay."

"(17) The term 'average pay' means the highest annual rate resulting from averaging the member's rates of basic salary in effect over any twelve consecutive months of police or fire service, with each rate weighted by the time it was in effect, except that if the member retires under subsection (g) and if on the date of his retirement under the subsection he has not completed twelve consecutive months of police or fire service, such term means his basic salary at the time of his retirement."

(b)(1) Subsections (f), (g), and (h) of that Act (D.C. Code, secs. 4-526—4-528) are each amended by striking out "his basic salary at the time of retirement" each place it occurs and inserting in lieu thereof "his average pay".

(2) Subsection (g)(2) and (h)(1) of that Act are each amended by striking out "his basic salary at the time of his retirement" and inserting in lieu thereof "his average pay".

(3) Subsection (h)(3) of that Act is amended by striking out "the basic salary of such member at the time of retirement" and inserting in lieu thereof "the average pay of such member".

(4) Subsection (k)(2) of that Act (D.C. Code, sec. 4-531) is amended by (1) striking out "basic salary" and inserting in lieu thereof "average pay", and (2) striking out "subclass (a)," and inserting in lieu thereof "of salary".

(5) Subsection (k)(3) of that Act (D.C. Code, sec. 4-531) is amended by striking out "basic salary" each place it occurs and inserting in lieu thereof "average pay".

(c) Subsection (g) of that Act (D.C. Code, sec. 4-527) is amended by adding at the end thereof the following new paragraph:

"(3) A member shall be retired under this subsection only upon the recommendation of the Board of Police and Fire Surgeons and the concurrence therein by the Commissioner, except that in any case in which a member seeks his own retirement under this subsection, he shall, in the absence of such recommendation, provide the necessary evidence to form the basis for the approval of such retirement by the Commissioner."

(d) (1) Subsection (a) (3) of that Act (D.C. Code, sec. 4-521(3)) is amended to read as follows:

“(3) The term ‘widow’ means the surviving wife of a member or former member if—

“(A) she was married to such member or former member (i) while he was a member, or (ii) for at least one year immediately preceding his death, or

“(B) she is the mother of issue by such marriage.”

(2) The amendment made by paragraph (1) shall apply with respect to any surviving wife of a member (as that term is defined in subsection (a) (1) of the Policemen and Firemen's Retirement and Disability Act) or former member irrespective of whether such wife became a widow (as that term is defined in such amendment) prior to, on, or after the date of the enactment of this Act, except that no annuity shall be paid by reason of the amendment made by paragraph (1) for any period prior to the first day of the first pay period beginning on or after July 1, 1974.

SEC. 122. (a) In order to carry out his responsibilities under the Policemen and Firemen's Retirement and Disability Act (D.C. Code, secs. 4-521 et seq.) with respect to retirement and disability determinations, and related functions, the Commissioner of the District of Columbia shall establish a Police and Firemen's Retirement and Relief Board (hereinafter in this section referred to as the “Board”). The Board shall be composed of—

(1) members and alternates appointed from among persons who are employees of the District of Columbia, one member and alternate each from the District of Columbia Personnel Office, Corporation Counsel, Department of Human Resources, Metropolitan Police Force, and the Fire Department of the District of Columbia; and

(2) two members, one of whom shall be a physician, appointed from among persons who are not officers or employees of the District of Columbia.

The member, and alternate, appointed to the Board from among employees of the Department of Human Resources shall both be medical officers. All appointments shall be made by the Commissioner.

(b) The members appointed under subsection (a) (2) shall be appointed for two years, and shall be entitled to receive compensation for each day they are actually engaged in carrying out duties vested in the Board in the same manner as persons employed intermittently under section 3109 of title 5 of the United States Code. Such members shall be appointed within ninety days after the date of enactment of this title.

(c) The Commissioner shall establish rules for the Board to assure that the Board functions fairly and equitably. The Commissioner shall provide the staff necessary for the Board.

SEC. 123. Subsection (m) (2) of the Policemen and Firemen's Retirement and Disability Act (D.C. Code, sec. 4-533(2)) is amended by inserting at the end thereof “The Commissioner shall not require employment questionnaires or the medical examination of such member after he reaches the age of 50.”

SEC. 124. (a) The amendments made by subsections (a), (b), and (d) of section 121 shall apply with respect to any annuity which begins on or after July 1, 1975.

(b) The amendment made by subsection (c) of section 121 shall take effect on the first day of the first pay period beginning more than thirty days after the date of enactment of this title.

(c) Section 122 shall take effect on the date of enactment of this title.

“Widow.”

Effective date.
D.C. Code 4-
521 note.

Police and
Firemen's Retirement and Relief
Board.
Establishment.
D.C. Code 4-
533a.

Term and compensation.

Rules.

Effective dates.
D.C. Code 4-
521 note.

Teacher's Salary Act Amendments of 1974.
D.C. Code 31-1501 note.

TITLE II—TEACHERS' COMPENSATION

SEC. 201. This title may be cited as the "Teachers' Salary Act Amendments of 1974".

SEC. 202. The District of Columbia Teachers' Salary Act of 1955 (D.C. Code, sec. 31-1501 et seq.) is amended as follows:

(1) Effective on the first day of the first pay period beginning on or after September 1, 1974, the salary schedule contained in section 1 of that Act (D.C. Code, sec. 31-1501) is amended to read as follows: *Provided, however,* That salary paid to class 1A shall not exceed the amount payable to level III of the Executive Schedule and that the salary paid to any other class shall not exceed the amount payable to level V of the Executive Schedule:

5 USC 5314.

5 USC 5316.

(2) Effective on the first day of the first pay period beginning on or after January 1, 1975, that salary schedule is amended to read as follows, except that salary paid to class 1A shall not exceed the amount payable to level III of the Executive Schedule and that the salary paid to any other class shall not exceed the amount payable to level V of the Executive Schedule:

31 USC 1501.

5 USC 5314.

5 USC 5316.

(c) For purposes of implementing this section the Board shall determine the appropriateness of the course work obtained in lieu of the degree.

Appointment
and promotion
requirement.

SEC. 205. (a) Section 2(a) of the District of Columbia Teachers' Salary Act of 1955 (D.C. Code, sec. 31-1511(a)) is amended by striking out "(D) attendance officer, or (E) child labor inspector," and inserting "or" after "tactics," in paragraph (B).

D.C. Code 31-
1511 note.

(b) The employees in the category repealed by the amendment made by subsection (a) shall meet the general requirements of such section 2(a).

Effective date.

(c) The amendment made by subsection (a) shall be effective on and after the date of enactment of this Act.

TITLE III—TEACHER'S RETIREMENT ANNUITIES

Annuity compu-
tation.

SEC. 301. Section 5 of the Act entitled "An Act for the retirement of public school teachers in the District of Columbia", approved August 7, 1946 (D.C. Code, sec. 31-725) is amended by adding at the end thereof the following:

"(e) (1) Notwithstanding any other provision of this Act, other than this subsection, the monthly rate of annuity payable under this section shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act.

42 USC 401.

"(2) Notwithstanding any other provision of this Act, other than this subsection, the monthly rate of annuity payable under this section to a surviving child shall not be less than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act, or three times such primary insurance amount divided by the number of surviving children entitled to an annuity, whichever is the lesser.

"(3) The provisions of this subsection shall not apply to an annuitant or to a survivor who is or becomes entitled to receive from the United States, or the District of Columbia, an annuity or retired pay under any other civilian or military retirement system, benefits under title II of the Social Security Act, a pension, veterans' compensation, or any other periodic payment of a similar nature, when the monthly rate thereof is equal to or greater than the smallest primary insurance amount, including any cost-of-living increase added to that amount, authorized to be paid from time to time under title II of the Social Security Act.

"(4) An annuity payable from the teachers' retirement and annuity fund to a former teacher, which is based on a separation occurring prior to October 20, 1969, is increased by \$240.

"(5) In lieu of any increase based on an increase under paragraph (4) of this subsection, an annuity payable from the teachers' retirement and annuity fund to the surviving spouse of a teacher or annuitant, which is based on a separation occurring prior to October 20, 1969, shall be increased by \$132.

"(6) The monthly rate of an annuity resulting from an increase under paragraph (4) or (5) shall be considered as the monthly rate of annuity payable under subsection (a) for purposes of computing the minimum annuity under subsection (e)."

Effective date.
D.C. Code 31-
725 note.

SEC. 302. This title shall become effective on the date of enactment. Annuity increases under this title shall apply to annuities which commence before, on, or after the date of enactment of this title, but

no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the ninetieth day after the date of enactment of this title, or the date on which the annuity commences, whichever is later.

TITLE IV—REAL PROPERTY TAX

PART 1—SHORT TITLE, STATEMENT OF PURPOSE, AND DEFINITIONS

SEC. 401. This title may be cited as the “District of Columbia Real Property Tax Revision Act of 1974”.

SEC. 402. It is the intent of Congress to revise the real property tax in the District of Columbia to achieve the following objectives:

(1) Equitable sharing of the financial burden of the government of the District of Columbia.

(2) Full public information regarding assessments and appeal procedures.

(3) Promotion of economic activity, diversity of land use, and preservation of the character of the District of Columbia.

(4) Assurance that shifts in the tax burden on individual taxpayers will not be excessive.

(5) Comparability of tax effort between the District of Columbia and surrounding jurisdictions in the metropolitan area and cities of comparable size.

SEC. 403. For the purposes of this title—

(1) The term “real property” means real estate identified by plat on the records of the District of Columbia Surveyor according to lot and square together with improvements thereon.

(2) The term “Commissioner” means the Commissioner of the District of Columbia established under Reorganization Plan Numbered 3 of 1967.

(3) The term “Council” means the District of Columbia Council established under Reorganization Plan Numbered 3 of 1967.

(4) The term “estimated market value” means 100 per centum of the most probable price at which a particular piece of real property, if exposed for sale in the open market with a reasonable time for the seller to find a purchaser, would be expected to transfer under prevailing market conditions between parties who have knowledge of the uses to which the property may be put, both seeking to maximize their gains and neither being in a position to take advantage of the exigencies of the other.

(5) The term “regulation”, unless specifically identified as a regulation of the Commissioner, means a regulation of the Council enacted under section 406 of the Reorganization Plan Numbered 3 of 1967, and after January 2, 1975, such term means an act of the Council of the District of Columbia enacted under section 412 (and related sections) of the District of Columbia Self-Government and Governmental Reorganization Act.

(6) The term “tax year” means—

(A) with respect to a real property tax rate proposed by the Mayor or established by the Council after January 1 but before June 30 of any calendar year, the next following fiscal year; and

(B) with respect to a real property tax rate proposed by the Mayor or established by the Council after June 30 in any calendar year, the fiscal year during which the rate was proposed or established.

District of Columbia Real Property Tax Revision Act of 1974.

D.C. Code 47-621 note.

D.C. Code 47-621.

Definitions.
D.C. Code 47-622.

5 USC app.

D.C. Code 1-146.

PART 2—AUTHORITY AND PROCEDURE TO ESTABLISH REAL PROPERTY TAX RATES

SUBPART A—REAL PROPERTY TAX RATE

D.C. Code 47-631.

SEC. 411. Notwithstanding the provisions of the Act of June 2, 1922 (D.C. Code, sec. 47-501), there is hereby levied for each fiscal year a tax on the real property in the District of Columbia at a rate determined according to the provisions of this title. Unless otherwise provided by law, all revenues received from such tax shall be deposited, from time to time, in the Treasury of the United States, to the credit of the District of Columbia.

Public hearing.
D.C. Code 47-632.

SEC. 412. The Council, after public hearing, shall establish each year, within thirty days after receipt of the Commissioner's recommendation under section 413, a rate of taxation which, except as provided in section 431, shall be applied, during the tax year, to the assessed value of all real property subject to taxation. The Council may by resolution extend the time for any year for setting such rate of taxation, except that if the Council does make such an extension, it must establish such a rate for that tax year. If the Council fails to establish such a rate within such thirty days, and fails to extend the time for establishing such a rate, the rate calculated by the Commissioner, pursuant to section 413, shall be the rate for that tax year.

D.C. Code 47-633.

SEC. 413. (a) (1) Except as provided in paragraph (2), by July 15 of each year, the Commissioner shall calculate and submit to the Council a proposed real property tax rate for the tax year, and inform the Council of his certification of the assessment roll pursuant to section 426(g). The Commissioner may extend the period for submitting such recommendation.

(2) With respect to the real property tax rate for the fiscal year ending June 30, 1975, the Commissioner shall submit his recommendation to the Council within 30 days after the date of enactment of this title.

(b) At the time the Commissioner submits to the Council the proposed real property tax rate under subsection (a), he shall also submit the following:

(1) The total aggregate assessed value of taxable real property for the year preceding the tax year by major class or type of property.

(2) The estimated total aggregate assessed value of taxable real property for the tax year for which the property tax rate recommendation is being made, by major class or type of property, indicating separately for each class or type the estimated value attributable to new construction.

(3) The real property tax rate (rounded to the nearest penny) calculated to yield in the tax year the same amount of revenue (exclusive of the revenue attributable to new construction) as was raised by that tax at the rate applicable during the year preceding the tax year.

(c) The real property tax rate submitted by the Commissioner pursuant to subsection (a) shall become the real property tax rate applicable during the tax year for which it is submitted unless the Council acts to set a different such rate pursuant to section 412.

(d) On or before February 1 of each year the Commissioner shall estimate as closely as possible the rate to be calculated in subsection (a) and shall so inform the Council.

(e) The real property tax rate applicable in the District for the fiscal year ending June 30, 1975, calculated according to the provisions of sections 411, 412, 413, and 461, shall be applied to the assessment roll

for 1975 determined according to provisions of law in effect prior to the effective date of this Act.

SEC. 414. At the time the Commissioner submits to the Council the proposed real property tax rate under section 413, he shall also submit the following:

D.C. Code 47-634.

(1) The total aggregate assessed value of real property exempt from the real property tax levied in the District for the current fiscal year by major class or type of exempt status and the tax that would have been paid during such fiscal year had such property not been exempt.

(2) The estimated total aggregate assessed value of real property exempt from the real property tax levied in the District by major class or type of exempt status and the tax that would be paid during the fiscal year under the real property tax rate proposed by the Commissioner pursuant to section 413.

SEC. 415. In establishing a real property tax rate the Council shall make a comparison of tax rates and burdens applicable to residential and nonresidential property in the District with those such rates applicable to such property in jurisdictions in the vicinity of the District. The comparison shall include other major taxes in addition to the tax on real property. Without in any way limiting the authority of the Council, it is the intention of Congress that tax burdens in the District be reasonably comparable to those in the surrounding jurisdictions of the Washington metropolitan area.

D.C. Code 47-635.

SEC. 416. The Commissioner shall, by June 30 of each year, compile and publish information regarding the relative amount of tax for all major taxes in the District compared with those in surrounding jurisdictions in the Washington metropolitan area and with those in other cities. The information shall include the rate of the property tax levied on residential and nonresidential property, and the effect of major taxes levied on families of different income levels and on businesses.

D.C. Code 47-636.

SUBPART B—ASSESSMENT AND ADMINISTRATION

SEC. 421. (a) The assessed value of all real property shall be listed on the assessment roll for real property taxation purposes annually as provided in this part. The assessed value for all real property shall be the estimated market value of such property as of January 1 of the year preceding the tax year, as determined by the Commissioner. In determining estimated market value for various kinds of real property the Commissioner shall take into account any factor which might have a bearing on the market value of the real property including, but not limited to, sales information on similar types of real property, mortgage, or other financial considerations, reproduction cost less accrued depreciation because of age, condition, and other factors, income earning potential (if any), zoning, and government-imposed restrictions. Assessments shall be based upon the sources of information available to the Commissioner which may include actual view.

D.C. Code 47-641.

(b) All real property shall be assessed no less frequently than once every two years, and as soon as practicable such assessment shall be made annually. The Council may authorize and direct assessments to be made annually for some or all classes of real property, except that for fiscal year 1978, and for each fiscal year thereafter, all real property shall be assessed on an annual basis.

(c) The Council may adopt regulations concerning the assessment and reassessment of real property and matters relating thereto which shall be consistent with the provisions of this title and other applicable provisions of law.

Regulations.

Regulations.

(d) The Council may adopt regulations regarding information to be furnished the Commissioner by owners of real property. Such regulations shall provide, under penalty of law, that all such information with respect to income derived from investment on income-producing real property shall be handled in the same confidential manner as income tax returns and supporting data required to be submitted to the government of the District of Columbia under laws applicable in the District.

(e) The Commissioner shall submit to the Council, within forty-five days after the date of enactment of this title, proposed regulations to be adopted by the Council pursuant to subsection (c).

Regulations.

(f) Consistent with the provisions of this Act and regulations of the Council, the Commissioner shall promulgate necessary regulations and administrative orders. If the Council shall not have adopted regulations concerning assessment pursuant to subsection (c) within ninety days after the date of enactment of this title, the Commissioner shall promulgate such regulations.

Real property,
assessment.
D.C. Code 47-
642.

SEC. 422. (a) The Commissioner shall assess all real property, identifying separately the value of land and improvements thereon, and administer and collect the real property tax within the District. The Commissioner shall also notify owners of real property of assessments and of appeal procedures. In addition, he shall maintain adequate records relating to the administration of the real property tax in the District, and provide appropriate public information concerning such tax.

Assessors, ap-
pointment.

(b) The Commissioner shall appoint assessors competent to determine values of real property to carry out the provisions of this title and other relevant portions of this title. Each person so appointed shall take and subscribe an oath to diligently, faithfully, and impartially assess all real property according to applicable law and regulations and otherwise perform the duties of office.

(c) The Commissioner shall assure that information regarding the characteristics of real property, sales and exchanges of all such property, building permits, land use plans, and any other information pertinent to the assessment process shall be made available to the assessors on a timely basis.

D.C. Code 47-
643.

SEC. 423. (a) All real property, except as hereinafter provided, shall be assessed in the name of the owner, or trustee or trustees of the owner thereof. All undivided real property of a deceased person may be assessed in the name of such deceased person until such undivided real property is divided according to law, or has otherwise passed into the possession of some other person; and all real property, the ownership of which is unknown, shall be assessed as owner unknown.

(b) All real property, whether taxable or not, shall be assessed according to the address and the number of the squares and lots thereof, or part of lots, and upon the number of the square or superficial feet in each square or lot or part of a lot.

Preliminary
assessment roll.
D.C. Code 47-
644.

SEC. 424. (a) The Commissioner shall, on or before March 1 of each year, compile in tabular form and place in a book, known as the preliminary assessment roll, the name of the owner, address, lot and square, amount, description, and value, as of January 1 of that year, of the land and improvements of all real property whether such property is taxable or exempt.

Public inspec-
tion.

(b) The preliminary assessment roll, together with all maps, field books, assessment-sales ratio studies, surveys, and plats, shall be open to public inspection during normal business hours. In addition, any notes and memorandums relating to the assessment of his real property, or a statement clearly indicating the basis upon which his real property has been assessed, shall be open to inspection by the taxpayer or his

designated representative during normal business hours. Provision shall be made to furnish copies of all material to any person, upon request, at the lowest charge which covers cost of making such copies.

(c) The Commissioner shall undertake, publish, and otherwise publicize the results of assessment-sales ratio studies for different types of real property for the entire District and for different types of real property within each of the districts utilized in making assessments. If, for a given year, adequate sales data are lacking for particular studies, the Commissioner shall so indicate.

(d) The Commissioner shall, either himself or in a newspaper of general circulation, publish a listing of the assessed value of each property by address, lot, and square, and he shall also make such listing available at the main public library in the District and at such other points as he may determine. Such publication can be by neighborhood areas so long as maps showing the assessment areas are generally available.

SEC. 425. Beginning as soon as possible after January 1, but no later than March 1 of each year, each taxpayer shall be notified of the assessment of his real property for the next fiscal year. The notice, or statement accompanying the notice, shall include—

(1) the address, lot, square, and type of land use by major category of the property;

(2) the assessed value of the land and improvements (shown separately and in total) of the property for the next fiscal year and such amounts for the previous fiscal year;

(3) the amount and percentage of change in assessed value over the previous fiscal year;

(4) an indication of the reason for such change in assessment, such as, but not limited to, improvements to the property, zoning change, changing market values;

(5) statement of appeal procedures pursuant to section 426(i);

(6) the citation to the regulations or orders under which the property was assessed;

(7) the location of the assessment roll, studies, and notes referred to in sections 424 and 426(g) and the hours during which the information is available;

(8) the availability of a listing of the assessed value of property referred to in section 424(c); and

(9) an explanation of all special benefits, incentives, limitations, or credits which relate to real property taxes as a result of this or any other Act.

SEC. 426. (a) There is established a Board of Equalization and Review for the District (hereinafter in this title referred to as the "Board") which shall be composed of fifteen members, a majority of whom shall be residents of the District, appointed by the Commissioner, with the advice and consent of the Council. The Council may authorize a larger size if the caseload so requires. Members of the Board shall be persons having knowledge of the valuation of property, real estate transactions, building costs, accounting, finance, or statistics. The Commissioner shall name one member as Chairman. None of the members may be officers of the District of Columbia government. Each member shall serve for a term of five years, except of the members first appointed under this section, the Commissioner shall designate equal numbers for terms of one, two, three, four, and five years. The terms of the members first appointed under this section shall begin on January 1, 1975. Any person appointed to fill a vacancy shall be appointed to serve for the remainder of the term during which the vacancy arose. Each member shall receive compensation at a rate to be determined by the Council unless otherwise prohibited by law,

Copies.

Assessment-
sales ratio stud-
ies, publication.

Assessed prop-
erty values, pub-
lication.

Notice.
D.C. Code 47-
645.

Board of Equal-
ization and Re-
view for the Dis-
trict of Columbia.
Establishment;
membership.
D.C. Code 47-
646.

Chairman.

Term.

Compensation.

but not to exceed one two-thousandth of the annual salary of the highest step of grade 15 of the General Schedule in section 5332 of title 5 of the United States Code for each hour such member is engaged in the actual performance of duties vested in the Board.

5 USC 5332
note.

(b) The Commissioner shall provide such other support as is needed for the efficient operation of the Board.

Meetings.

(c) The Board shall convene as business necessitates from the first Monday in January until the Commissioner shall be presented with the assessment roll for the fiscal year as provided in subsection (g). The Board shall also convene as business necessitates for a period of thirty days following any special assessment which shall be generally applicable to a class of real property, and as business in the Board otherwise makes necessary.

(d) A majority of the Board shall constitute a quorum for transacting business, except the Board may provide for the establishment of three member panels for hearing and deciding individual appeals. The Board shall adopt and publish necessary rules, and all applicable provisions of the District of Columbia Administrative Procedures Act (D.C. Code, secs. 1-1501—1-1510) shall apply to the rules and procedure of the Board.

Appeal.

(e) On or before April 15 of each year any taxpayer may appeal the amount of his assessment for the forthcoming fiscal year.

Assessment re-
visions.

(f) Pursuant to applicable provisions of law, regulations adopted by the Council, or orders of the Commissioner, the Board shall attempt to assure that all real property is assessed at the estimated market value. Based on the record of complaints or of other information available to or solicited by the Board, the Board shall raise or lower the estimated market value of any real property which it finds to be more than 5 per centum above or below the estimated market value contained in the preliminary assessment roll prepared by the Commissioner according to section 423 and shall revise the assessment roll accordingly.

(g) On or before June 1 the Board shall present the revised assessment roll for the forthcoming fiscal year to the Commissioner. The Commissioner shall make such further revisions to the assessment roll as are required under other applicable provisions of law, and shall approve such assessment roll not later than June 30. Except as otherwise provided by law, the approved assessment roll shall constitute the basis of assessment for the forthcoming fiscal year and until another assessment roll is made according to law.

(h) Neither the Board nor any court shall order the increase of the assessed value of any parcel of real property above its estimated market value, nor the decrease of the assessed value of any parcel of real property below its estimated market value solely on the basis of average ratio studies comparing sales and assessments, unless such studies are the primary basis for the assessment, or reassessment of the concerned property.

(i) Any person aggrieved by any assessment, equalization, or valuation made, may, by October 15 of the calendar year in which such assessment, equalization, or valuation is made, appeal from such assessment, equalization, or valuation in the same manner and to the same extent as provided in sections 3 and 14 of title IX of the Act of August 17, 1937 (D.C. Code, secs. 47-2404, 47-24143), if such person shall have first made his complaint to the Board respecting such assessment as herein provided, except that in any case where no notice in writing of such increase of valuation was given the taxpayer prior to March 15 of the particular year, no such complaint shall be required for appeal.

D.C. Code 47-
2403, 2413.

D.C. Code 47-
647.

SEC. 427. Each assessor of the District, and each assistant assessor, in the discharge of any of his duties, or the Board, may administer

all necessary oaths or affirmations. The Commissioner or, in his absence, his designated agent, and the Chairman of the Board, shall have power to summon the attendance of any person to be examined under oath touching such matters and things as the Commissioner or the Board may deem advisable in the discharge of their duties; and any member of the Metropolitan Police force of the District of Columbia may serve subpoenas in his behalf. Such fees shall be allowed witnesses so examined, to be paid out of funds available to the Commissioner, as are allowed in civil actions before the United States District Court for the District of Columbia. Any person summoned and examined as aforesaid who shall knowingly make false oath or affirmation shall be guilty of perjury, and upon conviction thereof be punished according to the laws in force for the punishment of perjury.

Subpoenas.

Witness fees.

SEC. 428. Within one year after the date of enactment of this title the Superior Court of the District of Columbia shall establish a method which it deems appropriate by which class action cases regarding any matter relating to real and personal property taxes may be brought before the Superior Court.

Class action
cases.
D.C. Code 47-
648.

SEC. 429. Any person who shall refuse or knowingly neglect to perform any duty enjoined on him by law, or who shall consent to or connive at any evasion of the provision of the first section of the Act of March 3, 1881 (D.C. Code, sec. 47-209), or section 13 of the Act of August 14, 1894 (D.C. Code, sec. 47-606), or any other provision of this title shall, for each offense, be removed from office and fined not more than \$10,000, or imprisoned for no longer than one year, or both, in the discretion of the court.

Violations,
penalty.
D.C. Code 47-
649.
D.C. Code 47-
301.

SUBPART C—MODIFIED HOMEOWNER EXEMPTION TO PREVENT SHIFT OF THE TAX BURDEN TO LOW AND MODERATE INCOME FAMILIES WHO RENT OR OWN SINGLE FAMILY HOMES

SEC. 430. (a) In order that the shift to equalized assessment at the same percentage of estimated market value for all properties not result in increases in proportionate tax burden for households of low or moderate income who own or rent property identified on the assessment roll as row dwellings, detached dwellings, or semi-detached dwellings, the Council by regulation is authorized to provide that the amount of up to \$3,000 of market value may be deducted from the estimated market value of some or all of such property.

D.C. Code 47-
650.

(b) Subsection (a) shall take effect on and after July 1, 1974.

Effective date.

SUBPART D—TAX INCENTIVES FOR REHABILITATION OF PROPERTY AND NEW CONSTRUCTION IN AREAS OF THE CITY AND FOR THE PRESERVATION OF HISTORIC PROPERTY

SEC. 431. (a) The Council shall, within one year after the date of enactment of this title, after public hearing, adopt regulations providing tax incentives for the rehabilitation of existing structures and for new construction, including rehabilitation or construction of commercial property, located in areas of the District as designated by the Council. The Council shall also adopt regulations providing tax incentives for the rehabilitation and maintenance of historic property. Such tax incentives may include, but are not limited to—

Hearing; regu-
lations.
D.C. Code 47-
651.

(1) establishing different tax rates for land and for improvements thereon; and

(2) providing that any increase in assessed value of improvements resulting from rehabilitation or new construction be ignored for tax purposes for up to five years from the year of such reassessment.

(b) To be eligible for incentive under this section, historic property must be property designated as an historic landmark and conform to the provisions of subpart E.

SUBPART E—TAX RELIEF FOR CERTAIN HISTORIC PROPERTIES

D.C. Code 47-
652.

SEC. 432. For certain officially designated historic property in the District, the Commissioner shall, in addition to assessing at full market value, assess land and improvement on the basis of current use and structures of the property, which latter assessment, if it is less than full market value, shall be the basis of tax liability to the District.

D.C. Code 47-
653.

SEC. 433. To be eligible for historic property tax relief, real property must be historic property designated by the Joint Committee on Landmarks of the National Capital Planning Commission and the Commission on Fine Arts, and, in addition, must be approved by the Commissioner under section 434.

D.C. Code 47-
654.

SEC. 434. The Council may provide that the owners of properties which have been designated historic landmarks by the Joint Committee on Landmarks of the National Capital Planning Commission and the Commission of Fine Arts may enter into agreements with the government of the District of Columbia for periods of at least twenty years which will assure the continued maintenance of historic properties in return for property tax relief. Such a provision shall, as a condition for tax relief, require reasonable assurance that such property will be used and properly maintained and such other conditions as the Council finds to be necessary to encourage the preservation of historic property. The Council shall also provide for the recovery of back taxes, with interest, which would have been due and payable in the absence of the exemption, if the conditions for such exemption are not fulfilled.

SUBPART F—TAX DEFERRAL

D.C. Code 47-
655.

SEC. 435. (a) An eligible taxpayer may defer each year any real property tax owed in excess of 110 per centum of his immediately preceding year's real property tax liability. To be eligible for such deferral the taxpayer must—

(1) have owned for at least five years the residential real property for which deferral is claimed;

(2) certify that the combined household adjusted gross income (for purposes of District income taxes) does not exceed \$20,000 in one year;

(3) file a written request for deferral on a form prescribed by the Commissioner;

(4) certify that such residential real property is the principal place of residence of the taxpayer;

(5) certify that the zoning classification of such residential property has not changed in the immediately past fiscal year;

(6) certify that increases in the assessed valuation of such residential real property attributable to improvements which increase the intrinsic value of such residential real property are not included in the calculation of the increase in real property tax payable; and

(7) certify that the assessment of such residential real property for the immediately previous fiscal year was not the result of an obvious arithmetical error.

Interest.

(b) Taxes deferred under this section shall bear interest compounded annually. The rate of interest which shall be applied in each year shall be the average Treasury bill rate for the preceding twelve months as certified by the Secretary of the Treasury to the Commissioner.

(c) No further deferrals of real property tax shall be granted a taxpayer when his deferred tax plus interest equals more than 10 per centum of the current assessed value of his property.

Limitation.

(d) Taxes deferred under this section, together with all accumulated interest, shall constitute a preferential lien upon the real property which shall be immediately payable by the seller, transferor, or conveyor whenever the real property is sold, refinanced, transferred, or conveyed in any manner, or whenever additional co-owners (other than spouse) are added to the real property.

Preferential
lien.

SEC. 436. (a) Any owner of residential real property whose combined household adjusted gross income is in excess of \$20,000, and who meets the qualifications specified in clauses (1), (3), (4), (5), and (6) of subsection (a) of section 435, may defer the amount of real property tax attributable to an increase by more than 25 per centum in any one year over the assessment of the immediately previous fiscal year. For the purposes of this section and section 435, for the fiscal year 1975 the assessed value of all properties assessed at 55 per centum of estimated market value shall be the assessed value of the property divided by 0.55.

D.C. Code 47-
656.

(b) Taxes deferred under this section shall bear interest compounded annually. Notwithstanding any other provision of law, the rate of interest which shall be applied in each year is the average Treasury bill rate for the preceding twelve months as certified by the Secretary of the Treasury to the Commissioner.

Interest.

(c) No further deferrals of real property tax shall be granted a taxpayer when his deferred tax plus interest equals more than 10 per centum of the current assessed value of his property.

Limitation.

(d) Taxes deferred under this section, together with all accumulated interest, shall constitute a preferential lien upon the property which shall be immediately payable by the seller, transferor, or conveyor whenever the property is sold, refinanced, transferred, or conveyed in any manner, or whenever additional co-owners (other than spouse) are added to the property.

Preferential
lien.

(e) The deferral provided in this section shall terminate June 30, 1979 unless specifically extended by the Council.

Termination
date.

SUBPART G—DISPOSAL OF TAX DELINQUENT PROPERTY TO ENCOURAGE HOMEOWNERSHIP

SEC. 437. Notwithstanding any other provision of law, whenever any real property in the District of Columbia has been, or shall hereafter be, offered for sale for nonpayment of taxes or assessments of any kind whatsoever, and shall have been bid off in the name of the District of Columbia, and two years or more have elapsed since such property was bid off as aforesaid, and the same has not been redeemed as provided by law, the Commissioner of the District may enforce the lien of the District for taxes or other assessments on such real property by ordering that a deed in fee simple to such property be issued by the Commissioner of the District of Columbia to the District of Columbia, and up to the time of the issuance of the deed such property may be redeemed by the owner or other person having an interest therein by the payment of all taxes or assessments due the District of Columbia upon said property, and all legal penalties, interest and costs thereon, together with such other expenses and costs, including costs of publication, as may have been incurred by the District.

D.C. Code 47-
657.

SEC. 438. The Council is hereby authorized to establish a program whereby title to properties acquired by tax sale pursuant to section

D.C. Code 47-
658.

437 may, for whatever sum it deems appropriate, be transferred to persons meeting criteria which shall be established by the Council, who guarantee to pay taxes on and to live in the property for at least five years, and who give assurance of bringing such property into reasonable compliance with the building code in the District.

PART 3—REAL AND PERSONAL PROPERTY TAX EXEMPTIONS

Effective date.
D.C. Code 47-
801a.

SEC. 441. The first section of the Act of December 24, 1942 (D.C. Code, sec. 47-801(a)) is amended, on and after July 1, 1974, by adding at the end thereof the following:

“(s) Buildings owned by and actually occupied and used for legitimate theater, music, or dance purposes by a corporation which is not organized or operated for commercial purposes or for private gain, which buildings are open to the public, generally, and for admission to which charges may be made to cover the cost of expenses.”

List of exempt
property, publica-
tion.
D.C. Code 47-
801-1.

SEC. 442. The Commissioner shall publish, by class and by individual property, a listing of all real property exempt from the real property tax in the District. Such listing shall include the address, lot, and square, the name of the owner, the assessed value of the land and improvements of such property, and the amount of the tax exemption in the previous fiscal year.

PART 4—PROPERTY TAX CREDIT FOR DISTRICT OF COLUMBIA RESIDENTS

Effective date.
D.C. Code 47-
1567.

SEC. 451. Effective January 1, 1975, title VI of the District of Columbia Income and Franchise Act of 1947 is amended by adding at the end thereof the following new section:

D.C. Code 47-
1567g.

“SEC. 7. CREDIT FOR PROPERTY TAXES ACCRUED AND PAYABLE BY DISTRICT OF COLUMBIA RESIDENTS.—(a) (1) For purposes of providing relief to certain District of Columbia residents who own or rent their principal place of abode and who reside in same, a credit shall be allowed to the eligible claimant equal to the amount by which all or a portion of real property taxes the taxpayer pays, or rent paid constituting property taxes, on his principal place of residence for the taxable year, exceeds a percentage (determined under subsection (a) (2)) of his household gross income for that year.

“(2) The percentage required under paragraph (1) of this subsection to be determined under this subsection for taxpayers shall be the percentage specified in the following table:

“If household gross income is:	The percentage of property tax paid on the first \$400 of property tax, or rent constituting property tax, which shall constitute credit is:
Under \$3,000-----	80 per centum of tax in excess of 2 per centum of income.
\$3,000 to \$4,999-----	70 per centum of tax in excess of 3 per centum of income.
\$5,000 to \$6,999-----	60 per centum of tax in excess of 4 per centum of income.

“(b) DEFINITIONS.—For purposes of this section:

“(1) (A) The term ‘household gross income’ means gains, profits, and income derived from salaries, wages, or compensation for personal services of whatever kind and in whatever form paid, including salaries, wages, and compensation paid by the United States to its officers and employees, or income derived from any trade or business or sales or dealings in property, whether real or personal, including capital assets as defined in this article growing out of the ownership or sale of or interest in such property; income from rent, royalties,

interest, dividends, securities, or transactions of any trade or business carried on for gain or profit, or gains or profits and income derived from any source whatever, including but not limited to alimony, and separate maintenance payments (including amounts received under separate maintenance agreements), strike benefits, cash public assistance and relief (not including relief or credit granted under this section), sick pay, workmen's compensation, proceeds of life insurance policies, the gross amount of any pension or annuity (including railroad retirement benefits, veterans' disability pensions, or payment received under the Federal Social Security Act), State or District of Columbia unemployment compensation laws, and nontaxable interest received from the United States, a State or any agency or instrumentality thereof. The word 'income' does not include gifts from nongovernmental sources, food stamps, or food or other relief in kind supplied by a governmental agency.

42 USC 1305.

“(B) In determining household gross income the exclusions from gross income as provided by subsection (b) of section 2 of title III of this article shall not apply.

D.C. Code 47-1557a.

“(2) The term 'household income' shall have the same meaning as the words 'adjusted gross income' are defined in subsection (c) of section 2 of title III of this article. For purposes of determining adjusted gross income within the meaning of this section, gross income shall mean household income as defined in this section.

“(3) The term 'home' means the claimant's dwelling house, whether owned or rented by the claimant, and so much of the land surrounding it as is reasonably necessary for use of the dwelling as a home, and may include a multiunit building or a multipurpose building and a part of the land upon which it is located.

“(4) The term 'claimant' means a person who has filed a claim under this section, was an owner of record of a home in the District, or a lessee, tenant at will or tenant at sufferance paying rent on a home in the District, during the entire calendar year preceding the year in which he files a claim for relief under this section. Only one claimant per home and per household per year shall be entitled to relief under this section.

“(5) (A) The term 'rent constituting property taxes accrued' means 15 per centum of the rent actually paid by a claimant in cash or its equivalent in the calendar year 1975 or any subsequent calendar year solely for the right to occupy his District home in such calendar year, and which rent constitutes the basis in the succeeding calendar year for the claim for relief made by the claimant under this section, exclusive of amounts which are paid as rent or other consideration for the providing by the landlord of furniture or furnishings of any kind, and exclusive of amounts included in the rent for utilities. Whenever the amount of rent includes charges for the providing by the landlord of furniture or furnishings or charges for utilities, and the charges therefor are not separately stated, then there shall be deducted from the rent as the charge for such furniture or furnishings 20 per centum of the rent, and for utilities 10 per centum of the rent, and the balance shall be deemed to be the amount paid by the claimant solely for the right to occupy his District home for the purposes of the credit allowed under this section.

“(c) In the event that any installment of rent for a calendar year for which a claim is filed is paid prior to the beginning of or subsequent to the end of such calendar year, it shall be included as rent for the year for which the claim was made and for no other year,

and shall not be included as rent for purposes of this section for the year in which the installment was paid.

“(d) If the Commissioner determines that the rent paid was not the result of an agreement entered into at arm’s length between the tenant and his landlord, the Commissioner may adjust the rent to a reasonable amount for the purposes of this section.

“(e) (1) Beginning with the calendar year 1975 and for each succeeding calendar year, if a claimant owns and occupies his home in the District on July 1 of any such year, ‘property taxes accrued’ means property taxes (exclusive of special assessments, interest on a delinquency in payment of tax, and any penalties and service charges) assessed and paid to date against such home commencing January 1, 1975, and for succeeding years. If a home is an integral part of a larger unit such as a multipurpose building or a multidwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the home bears to the total value of the property.

“(2) When a claimant rents two or more different homes in the District in the same calendar year, rent paid by the claimant during that year shall be determined by dividing the rent paid pursuant to the last rental agreement in force during that calendar year by the number of months during that calendar year for which this rent was paid and multiplying the result by twelve.

Claims.

“(f) The right to file under this section shall be personal to the claimant, but such right may be exercised by his legal guardian or attorney-in-fact. The right to file a claim shall not survive the death of a claimant. If a claimant dies after having filed a claim, any amount refunded as a result thereof shall be disbursed to his estate: *Provided*, That if no executor or administrator qualifies therein within two years of the filing of the claim, or no petition for distribution of a small estate is filed pursuant to the first section of the Act of September 14, 1965 (D.C. Code, secs. 20-2101 and 20-2102), the claim shall not be allowed.

“(g) Subject to the limitations provided in this section, commencing with the taxable year beginning after December 31, 1974, and for succeeding taxable years, the claimant may claim as a credit against the District income taxes otherwise due on his income, property taxes accrued or rent constituting property taxes accrued for that year. If the allowable amount of such claim exceeds the income taxes otherwise due from the claimant, or other tax liabilities of the claimant to the District, or if there are no District income taxes due from the claimant, the amount of the claim not used as an offset against income taxes or other tax liabilities of the claimant to the District shall be paid or credited to the claimant. No interest shall be allowed on any payment made to a claimant pursuant to this section.

“(h) No claim with respect to property taxes accrued or with respect to rent constituting property taxes accrued shall be allowed unless a District of Columbia individual income tax return or (if the claimant is not required to file such return) a claim for credit under this section is filed with the District on the forms and in such manner and with such information as the Commissioner may prescribe. Any claim for credit shall be filed on or before the time prescribed for the filing of a return of individual income under this article. The Commissioner may grant a reasonable extension of time, not to exceed six months, for the filing of a return or claim for credit under this section whenever in his judgment good cause exists therefor.

Time extensions.

“(i) The amount of any claim otherwise payable under this section may be applied by the District against any outstanding tax liability of the claimant to the District.

“(j) (1) In determining eligibility for the credit allowable under this section, and for the purpose of determining outstanding tax liability (if any) of the claimant to the District household income for which the claim is filed and the claimant’s outstanding tax liability (if any) shall be determined on the basis of the combined household income of all members present in the household, except there shall be excluded from the computation of gross household income the first \$1,000 earned by a dependent.

Eligibility.

“(2) In the case of husband and wife, who during the entire calendar year for which a claim is filed under this section, maintain separate homes, for the purpose of determining household income and the claimant’s outstanding tax liability (if any), such husband and wife shall be deemed to have been unmarried during the calendar year for which the claim is made.

“(k) No credit shall be allowed under this title for any year during which the person claiming the credit was a dependent, under any State, Federal, or District law levying a tax on income, unless during that year such person is or becomes sixty-five years of age or older.

“(l) In the case of persons whose incomes vary substantially from year to year, the District of Columbia Council shall adopt regulations concerning income averaging for purposes of calculating benefits.

Income averaging, regulations.

“(m) Each owner of a rental unit or his authorized agent shall, when requested in writing, furnish to the tenant making such written request a statement indicating the amount of rent paid by the tenant during the calendar year solely for the right of occupancy of the leased premises. Requests shall be made under this paragraph only by those persons entitled to file a claim under this section or who at the time of the making of the request deem themselves entitled to file a claim for credit under this section.

“(n) (1) If, on an audit of any claim filed under this section, the Commissioner finds the amount to have been incorrectly computed, he shall determine the correct amount and notify the claimant in accordance with the procedures set forth in section 5 of title XII of this article.

D.C. Code 47-1586d.

“(2) If it is determined that a claim was filed with fraudulent intent, it shall be disallowed in full. If the claim has been paid or a credit has been allowed against income taxes otherwise payable, the credit shall be canceled and the amount paid shall be assessed against the claimant and recovered in the same manner as provided for the collection of taxes under section 1601 of title XVI of the Act of May 18, 1954 (D.C. Code, sec. 47-312).

“(o) No claim for relief under this section shall be allowed to any person who was not living in a home which was subject to District of Columbia real property taxation during the calendar year for which the claim is filed.

“(p) Notwithstanding any other provision of law to the contrary, any person aggrieved by the denial in whole or in part of a claim for the credit authorized by this section, or an assessment of tax made pursuant to paragraph (1) of this section, may appeal the denial within six months after notice of the denial of the claim or within six months after notice of assessment, to the Board which shall consider such appeal as a contested case under section 10 of the District of Columbia Administrative Procedure Act (D.C. Code, sec. 1-1509). In

the case of an assessment of tax, the mailing to the claimant of a statement of taxes due shall be considered notice of assessment with respect to such taxes.

“(q) The Commissioner is authorized to provide a table which will approximate, as closely as feasible, the amount of relief allowable under this section.

“(r) If it is determined by the District that a claimant received title to his home in the District or became legally obligated to pay rent for his home in the District primarily for the purpose of receiving benefits under the provisions of this section, his claim shall be disallowed.

“(s) The District of Columbia Council is empowered to make such changes in the amount of annual relief provided under section 7(a) of this title as it may deem proper.”.

PART 5—DISTRICT OF COLUMBIA PROPERTY TAX RATE.

D.C. Code 47-
632 note.

SEC. 461. Notwithstanding any other provision of law the property tax rate for the District of Columbia for fiscal year 1975 shall be set by the Council at such an amount to yield at least \$146 million in fiscal year 1975; except that such amount may be reduced by any amount raised by the Council pursuant to delegation of authority contained in section 471 of this Act, or by any revenue obtained pursuant to any other provision of law, or by any amount raised by reprogramming or reallocation of the fiscal year 1975 budget.

PART 6—DELEGATION OF GENERAL TAXING AUTHORITY; AMENDMENTS TO DISTRICT SALES TAX ACT AND MISCELLANEOUS

D.C. Code 47-
504.

Ante, p. 1042.
5 USC app.

SEC. 471. In order to provide for additional revenue to meet additional expenditures resulting from a compensation increase adopted for persons paid under the District of Columbia Teachers' Salary Act of 1955, policemen, and firemen, the Council, in accordance with section 406 of Reorganization Plan Numbered 3 of 1967, is authorized to change the rate of the taxes imposed under—

- (1) the District of Columbia Income and Franchise Tax Act of 1947,
- (2) the District of Columbia Sales Tax Act,
- (3) the District of Columbia Use Tax Act,
- (4) the District of Columbia Cigarette Tax Act,
- (5) the District of Columbia Alcoholic Beverage Control Act,
- (6) the Act of April 23, 1924 (relating to motor vehicle fuel tax),
- (7) title V of the District of Columbia Revenue Act of 1937, and
- (8) any other Act of Congress imposing a tax solely in the District of Columbia.

SEC. 472. Section 471 shall take effect on the date of enactment of this Act.

SEC. 473. Section 114(a) (8) of the District of Columbia Sales Tax Act (D.C. Code, sec. 47-2601(a) (8)) is amended to read as follows:

“(8) The sale of or charges for admission to public events, except live performances of ballet, dance, or choral performances, concerts (instrumental and vocal), plays (with and without music), operas and readings and exhibitions of paintings, sculpture, photography, graphic and craft arts, but including movies, circuses, burlesque shows, sporting events, and performances or exhibitions of any other type or

D.C. Code 47-
1551 note,
D.C. Code 47-
2601 note,
D.C. Code 47-
2701.
D.C. Code 47-
2801 note,
D.C. Code 25-
101.
D.C. Code 47-
1901.
D.C. Code 47-
1601.

Effective date,
D.C. Code 47-
504 note.

nature: *Provided*, That any casual or isolated sale of or charge for admission made by a semipublic institution not regularly engaged in asking such sales or charges shall not be considered a retail sale or sale at retail."

SEC. 474. The following Acts or parts of Acts are repealed effective June 30, 1975:

Repeals.

(a) Title XV of the District of Columbia Public Works Act of 1954 (D.C. Code, sec. 47-501a.).

(b) The fourth and fifth paragraphs under the heading "General Expenses" of the Act of March 3, 1881 (D.C. Code, sec. 47-601).

D.C. Code 47-301.

(c) The fifth paragraph under the paragraph headed "Militia" of the Act of July 7, 1898 (D.C. Code, sec. 47-602).

(d) Section 11 of the Act of June 25, 1938 (D.C. Code, sec. 47-603).

(e) The first paragraph of section 5 (D.C. Code, sec. 47-713), and the second unnumbered paragraph of section 6 (D.C. Code, sec. 47-605), of the Act of July 1, 1902.

(f) The first section, and sections 2, 3, 4, 6, 7, and 8 of the Act of August 14, 1894 (D.C. Code, secs. 47-604, 701, 702, 704, 707).

D.C. Code 47-705, 706.

(g) The first five sentences, and the last two sentences, of section 5(a) of the Act of August 17, 1937 (D.C. Code, secs. 47-708—47-709).

D.C. Code 47-2405.

(h) Section 5 of the Act of March 3, 1883 (D.C. Code, sec. 47-703).

SEC. 475. Except as specifically provided in this title, nothing in this title, or any amendments made by this Act, shall be construed so as to affect the authority vested in the Commissioner of the District of Columbia or the authority vested in the District of Columbia Council by Reorganization Plan Numbered 3 of 1967. The performance of any function vested by this title in the Commissioner of the District of Columbia or in any office or agency under his jurisdiction and control, or in the District of Columbia Council, may be delegated by the Commissioner or by the Council, as the case may be, in accordance with the provisions of such plan.

D.C. Code 47-621 note.

5 USC app.

SEC. 476. (a) The repeal or amendment by this title of any provision of law shall not affect any act done or any right accrued or accruing under such provision of law before the effective date of this title or any suit or proceeding had or commenced before the effective date of this title, but all such rights and liabilities under such law shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

Savings provision.
D.C. Code 47-621 note.

(b) All offenses committed, and all penalties incurred, prior to the effective date of this title, under any provision of law hereby repealed or amended, may be prosecuted and punished in the same manner and with the same effect as if this title had not been enacted.

SEC. 477. Except as specifically provided in this Act, or in other provisions of law applicable to the District of Columbia, the Council may by regulation establish penalties for violations of any provision of this title, including any regulation issued pursuant to this title. Such penalties may not exceed imprisonment for longer than one year, or a fine not to exceed \$10,000, or both, for each offense.

Regulations.
D.C. Code 47-661.

Penalties.

SEC. 478. Except as specifically provided in this title, the provisions of this title shall take effect on the date of enactment of this title, except that Part 1 and subparts A through G of Part 2 shall apply beginning with the fiscal year beginning July 1, 1975.

Effective date.
D.C. Code 47-621 note.

TITLE V—POWERS OF THE COUNCIL

D.C. Code 47-621 note.

D.C. Code 1-121 note.

SEC. 501. Notwithstanding any other provision of law, or any rule of law, nothing in this Act shall be construed as limiting the authority of the Council of the District Columbia to enact any act, resolution, or regulation, after January 2, 1975, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act with respect to any matter covered by this Act.

Approved September 3, 1974.

Public Law 93-408

AN ACT

September 3, 1974
[S. 1871]

To amend the Youth Conservation Corps Act of 1972 (Public Law 92-597, 86 Stat. 1319) to expand and make permanent the Youth Conservation Corps, and for other purposes.

Youth Conservation Corps Act of 1970, amendment.

42 USC prec. 2711 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of August 13, 1970 (84 Stat. 794) is amended to read as follows:

“POLICY AND PURPOSE

16 USC 1701.

“SECTION 1. The Congress finds that the Youth Conservation Corps has demonstrated a high degree of success as a pilot program wherein American youth, representing all segments of society, have benefited by gainful employment in the healthful outdoor atmosphere of the national park system, the national forest system, other public land and water areas of the United States and by their employment have developed, enhanced, and maintained the natural resources of the United States, and whereas in so doing the youth have gained an understanding and appreciation of the Nation’s environment and heritage equal to one full academic year of study, it is accordingly the purpose of this Act to expand and make permanent the Youth Conservation Corps and thereby further the development and maintenance of the natural resources by America’s youth, and in so doing to prepare them for the ultimate responsibility of maintaining and managing these resources for the American people.

“YOUTH CONSERVATION CORPS

16 USC 1702.

Participants.

“SEC. 2. (a) To carry out the purposes of this Act, there is established in the Department of the Interior and the Department of Agriculture a Youth Conservation Corps (hereinafter referred to as the ‘Corps’). The Corps shall consist of young men and women who are permanent residents of the United States, its territories, possessions, trust territories, or Commonwealth of Puerto Rico who have attained age fifteen but have not attained age nineteen, and whom the Secretary of the Interior or the Secretary of Agriculture may employ without regard to the civil service or classification laws, rules, or regulations, for the purpose of developing, preserving, or maintaining the lands and waters of the United States.

Equal opportunity and employment, term.

“(b) The Corps shall be open to youth from all parts of the country of both sexes and youth of all social, economic, and racial classifications with all Corps members receiving compensation consistent with work accomplished, and with no person being employed as a member of the Corps for a term in excess of ninety days during any single year.

"SECRETARIAL DUTIES AND FUNCTIONS

"SEC. 3. (a) In carrying out this Act, the Secretary of the Interior and the Secretary of Agriculture shall—

16 USC 1703.

"(1) determine the areas under their administrative jurisdictions which are appropriate for carrying out the programs using employees of the Corps;

"(2) determine with other Federal agencies the areas under the administrative jurisdiction of these agencies which are appropriate for carrying out programs using members of the Corps, and determine and select appropriate work and education programs and projects for participation by members of the Corps;

"(3) determine the rates of pay, hours, and other conditions of employment in the Corps, except that all members of the Corps shall not be deemed to be Federal employees other than for the purpose of chapter 171 of title 28, United States Code, and chapter 81 of title 5, United States Code.

28 USC 2671.

5 USC 8101.

"(4) provide for such transportation, lodging, subsistence, and other services and equipment as they may deem necessary or appropriate for the needs of members of the Corps in their duties;

"(5) promulgate regulation to insure the safety, health, and welfare of the Corps members; and

Regulations.

"(6) provide to the extent possible, that permanent or semi-permanent facilities used as Corps camps be made available to local schools, school districts, State junior colleges and universities, and other education institutions for use as environmental/ecological education camps during periods of nonuse by the Corps program.

Facilities, availability to educational institutions.

Costs for operations maintenance, and staffing of Corps camp facilities during periods of use by non-Corps programs as well as any liability for personal injury or property damage stemming from such use shall be the responsibility of the entity or organization using the facility and shall not be a responsibility of the Secretaries or the Corps.

"(b) Existing but unoccupied Federal facilities and surplus or unused equipment (or both), of all types including military facilities and equipment, shall be utilized for the purposes of the Corps, where appropriate and with the approval of the Federal agency involved. To minimize transportation costs, Corps members shall be employed on conservation projects as near to their places of residence as is feasible.

Unoccupied Federal facilities and surplus equipment, use.

"(c) The Secretary of the Interior and the Secretary of Agriculture may contract with any public agency or organization or any private nonprofit agency or organization which has been in existence for at least five years for the operation of any Youth Conservation Corps project.

Contract authority.

"GRANT PROGRAM FOR STATE PROJECTS

"SEC. 4. (a) The Secretary of the Interior and the Secretary of Agriculture shall jointly establish a program under which grants shall be made to States to assist them in meeting the cost of projects for the employment of young men and women to develop, preserve, and maintain non-Federal public lands and waters within the States. For purposes of this section, the term 'States' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

16 USC 1704.

"States."

Application re-
quirements.

“(b) (1) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary of the Interior and the Secretary of Agriculture. Such application shall be in such form, and submitted in such manner, as the Secretaries shall jointly by regulation prescribe, and shall contain—

“(A) assurances satisfactory to the Secretaries that individuals employed under the project for which the application is submitted shall (i) have attained the age of fifteen but not attained the age of nineteen, (ii) be permanent residents of the United States or its territories, possessions, or the Trust Territory of the Pacific Islands, (iii) be employed without regard to the personnel laws, rules, and regulations applicable to full-time employees of the applicant, (iv) be employed for a period of not more than ninety days in any calendar year, and (v) be employed without regard to their sex or social, economic, or racial classification; and

“(B) such other information as the Secretaries may jointly by regulation prescribe.

“(2) The Secretaries may approve applications which they determine (A) to meet the requirements of paragraph (1), and (B) are for projects which will further the development, preservation, or maintenance of non-Federal public lands or waters within the jurisdiction of the applicant.

Limitation.

“(c) (1) The amount of any grant under this section shall be determined jointly by the Secretaries, except that no grant for any project may exceed 80 per centum of the cost (as determined by the Secretaries) of such project.

Payments.

“(2) Payments under grants under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the Secretaries find necessary.

“(d) Thirty per centum of the sums appropriated under section 6 for any fiscal year shall be made available for grants under this section for such fiscal year.

“SECRETARIAL REPORTS

Joint report to
President and
Congress.
16 USC 1705.

“SEC. 5. The Secretary of the Interior and Secretary of Agriculture shall annually prepare a joint report detailing the activities carried out under this Act and providing recommendations. Each report for a program year shall be submitted concurrently to the President and the Congress not later than April 1 following the close of that program year.

“AUTHORIZATION OF APPROPRIATIONS

16 USC 1706.

“SEC. 6. There are authorized to be appropriated amounts not to exceed \$60,000,000 for each fiscal year, which amounts shall be made available to the Secretary of the Interior and the Secretary of Agriculture to carry out the purposes of this Act. Notwithstanding any other provision of law, funds appropriated for any fiscal year to carry out this Act shall remain available for obligation and expenditure until the end of the fiscal year following the fiscal year for which appropriated.”

Approved September 3, 1974.

Public Law 93-409

AN ACT

September 3, 1974
[H. R. 11864]

To provide for the early development and commercial demonstration of the technology of solar heating and combined solar heating and cooling systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Solar Heating and Cooling Demonstration Act of 1974”.

Solar Heating
and Cooling Dem-
onstration Act of
1974.
42 USC 5501
note.

FINDINGS AND POLICY

42 USC 5501.

SEC. 2. (a) The Congress hereby finds that—

(1) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;

(2) the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies;

(3) the technologies for solar heating are close to the point of commercial application in the United States;

(4) the technologies for combined solar heating and cooling still require research, development, testing and demonstration, but no insoluble technical problem is now foreseen in achieving commercial use of such technologies;

(5) the early development and export of viable solar heating equipment and combined solar heating and cooling equipment, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(6) the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment;

(7) the mass production and use of solar heating and cooling equipment will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(8) the widespread introduction of low-cost solar energy will be beneficial to consumers in a period of rapidly rising fuel cost;

(9) innovation and creativity in the development of solar heating and combined solar heating and cooling components and systems can be fostered through encouraging direct contact between the manufacturers of such systems and the architects, engineers, developers, contractors, and other persons interested in installing such systems in buildings;

(10) evaluation of the performance and reliability of solar heating and combined solar heating and cooling technologies can be expedited by testing under carefully controlled conditions; and

(11) commercial application of solar heating and combined solar heating and cooling technologies can be expedited by early commercial demonstration under practical conditions.

(b) It is therefore declared to be the policy of the United States and the purpose of this Act to provide for the demonstration within a three-year period of the practical use of solar heating technology, and to provide for the development and demonstration within a five-year period of the practical use of combined heating and cooling technology.

DEFINITIONS

42 USC 5502.

SEC. 3. For purposes of this Act—

(1) the term “solar heating”, with respect to any building, means the use of solar energy to meet such portion of the total heating needs of such building (including hot water), or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development utilizing the services of the Director of the National Bureau of Standards, and in consultation with the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration;

(2) the terms “solar heating and cooling” and “combined solar heating and cooling”, with respect to any building, mean the use of solar energy to provide both such portion of the total heating needs of such building (including hot water) and such portion of the total cooling needs of such building, or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of a building, as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development utilizing the services of the Director of the National Bureau of Standards, and in consultation with the Director of the National Science Foundation, and the Administrator of the National Aeronautics and Space Administration, and such term includes cooling by means of nocturnal heat radiation, by evaporation, or by other methods of meeting peakload energy requirements at nonpeakload times;

(3) the term “residential dwellings” includes previously occupied and new single family and multifamily dwellings, mobile homes, and publicly assisted housing owned by a private sponsor or a State or local housing authority not covered by section 17;

(4) the term “Administrator” means the Administrator of the National Aeronautics and Space Administration;

(5) the term “Secretary” means the Secretary of Housing and Urban Development; and

(6) the term “Director” means the Director of the National Science Foundation.

CONDUCT OF ACTIVITIES IN SOLAR HEATING AND COOLING TECHNOLOGIES BY
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 4. Section 203 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473) is amended by redesignating subsection (b) as subsection (c), and by inserting immediately after subsection (a) the following new subsection:

“(b) The Administration shall initiate, support, and carry out such research, development, demonstrations, and other related activities in solar heating and cooling technologies (to the extent that funds are appropriated therefor) as are provided for in sections 5, 6, and 9 of the Solar Heating and Cooling Demonstration Act of 1974.”.

DEVELOPMENT AND DEMONSTRATION OF SOLAR HEATING SYSTEMS TO BE
USED IN RESIDENTIAL DWELLINGS

42 USC 5503.

SEC. 5. (a) The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of solar heating systems (including

collectors, controls, and thermal storage) for use in residential dwellings.

(b) (1) Within 120 days after the date of the enactment of this Act, the Secretary, utilizing the services of the Director of the National Bureau of Standards and in consultation with the Administrator and the Director, shall determine, prescribe, and publish—

Performance
criteria, publica-
tion.

(A) interim performance criteria for solar heating components and systems to be used in residential dwellings, and

(B) interim performance criteria (relating to suitability for solar heating) for such dwellings themselves, taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1), the Secretary, in consultation with the Director of the National Bureau of Standards and the Administrator, will select on the basis of open competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of solar heating systems meeting the performance criteria prescribed under paragraph (1) (A).

Design selec-
tion.

(c) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and under program guidelines established jointly by the Administrator and the Secretary, shall, after consultation with the Secretary—

Contracts and
grants.
42 USC 2471 et
seq.

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of solar heating systems meeting the performance criteria prescribed under subsection (b) (1) (A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria); and

(2) enter into contracts with a number of persons or firms for the procurement of solar heating components and systems meeting such performance criteria (including adequate numbers of spare and replacement parts for such systems).

(d) The Secretary shall (1) arrange for the installation of solar heating systems procured by the Administrator under subsection (c) (2) in a substantial number of residential dwellings and (2) provide for the satisfactory operation of such installations during the demonstration period. Title to and ownership of any dwellings constructed hereunder and of solar heating systems installed hereunder may be conveyed to purchasers or owners of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that any such purchaser or owner shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser or owner (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

Installation and
monitoring.

(e) The Secretary of Defense shall arrange for the installation of solar heating systems procured by the Administrator under subsection (c) (2) in a substantial number of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel.

Federal prop-
erty installations.

(f) The Secretary and the Secretary of Defense, and officials responsible for administering Federal or federally administered property, shall coordinate their activities under this section to assure that solar heating systems are installed in a substantial number of resi-

dential dwellings and in a sufficient number of different geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this Act.

DEVELOPMENT AND DEMONSTRATION OF COMBINED SOLAR HEATING AND COOLING SYSTEMS TO BE USED IN RESIDENTIAL DWELLINGS

42 USC 5504.

SEC. 6. (a) The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of combined solar heating and cooling systems (including collectors, controls, and thermal storage) for use in residential dwellings.

Performance
criteria, publica-
tion.

(b) (1) As soon as possible after the date of the enactment of this Act, the Secretary, utilizing the services of the Director of the National Bureau of Standards and in consultation with the Administrator and the Director, shall determine, prescribe, and publish—

(A) interim performance criteria for combined solar heating and cooling components and systems to be used in residential dwellings, and

(B) interim performance criteria (relating to suitability for solar heating and cooling) for such dwellings themselves, taking into account in each instance climatic variations existing between different geographic areas.

Design selec-
tion.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1) (and if possible before the completion of the research and development provided for in subsection (c)), the Secretary, in consultation with the Director of the National Bureau of Standards and the Administrator, will select on the basis of open competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of combined solar heating and cooling systems meeting the performance criteria prescribed under paragraph (1) (A).

Technological
research and
development.

(c) During the period immediately following the publication of performance criteria under subsection (b) (1), the Administrator, in coordination with the Director, shall undertake and conduct with respect to solar heating and cooling a program of research, development, and testing designed to provide the additional technological resources necessary for the development and commercial application of combined solar heating and cooling systems as contemplated by the program under this section.

Contracts and
grants.
42 USC 2471
et seq.

(d) The Administrator, in accordance with the applicable provisions of title II of the National Aeronautics and Space Act of 1958 and under program guidelines established jointly by the Administrator and the Secretary, and at the earliest possible time during or immediately after the period specified in subsection (c), shall, after consultation with the Secretary—

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of combined solar heating and cooling systems meeting the performance criteria prescribed under subsection (b) (1) (A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria or to reflect the results of the activities conducted under subsection (c)); and

(2) enter into contracts with a number of persons or firms for the procurement of combined solar heating and cooling systems meeting such performance criteria (including adequate numbers of spare and replacement parts for such systems).

Installation and
monitoring.

(e) The Secretary shall (1) arrange for the installation of combined solar heating and cooling systems procured by the Administrator

under subsection (d) (2) in a substantial number of residential dwellings and (2) provide for the satisfactory operation of such installations during the demonstration period. Title to and ownership of any dwellings constructed hereunder and of combined solar heating and cooling systems installed hereunder may be conveyed to purchasers or owners of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that any such purchaser or owner shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser or owner (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(f) The Secretary of Defense shall arrange for the installation of combined solar heating and cooling systems procured by the Administrator under subsection (d) (2) in a substantial number of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel. Federal property installations.

(g) The Secretary and the Secretary of Defense, and officials responsible for administering Federal or federally administered property, shall coordinate their activities under this section to assure that combined solar heating and cooling systems are installed in a substantial number of residential dwellings and in a sufficient number of geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this Act.

COMPREHENSIVE PROGRAM DEFINITION

SEC. 7. (a) The Administrator and the Secretary are authorized and directed to prepare a comprehensive plan for the conduct of the development and demonstration activities under sections 5 and 6. In the preparation of such plan, the Administrator and Secretary shall consult with the Director of the National Bureau of Standards, the Director, the Secretary of Defense, and other Federal agencies and private organizations as appropriate. 42 USC 5505.

(b) The Administrator and the Secretary shall transmit such comprehensive program plan to the President and to each House of the Congress. The plan shall be transmitted within 120 days after the date of the enactment of this Act. Report to President and Congress.

TEST PROCEDURES AND DEFINITIVE PERFORMANCE CRITERIA

SEC. 8. As soon as feasible, and utilizing data available from the demonstration programs under sections 5 and 6, the Secretary, utilizing the services of the Director of the National Bureau of Standards and in consultation with the Administrator and the Director shall determine, prescribe, and publish in the Federal Register in accordance with the applicable provisions regarding rulemaking prescribed by section 553 of title 5, United States Code— 42 USC 5506.

(1) definitive performance criteria for solar heating and combined solar heating and cooling components and systems to be used in residential dwellings, taking into account climatic variations existing between different geographic areas;

(2) definitive performance criteria (relating to suitability for solar heating and for combined solar heating and cooling) for Publication in Federal Register.

such dwellings, taking into account climatic variations existing between different geographic areas; and

(3) procedures whereby manufacturers of solar heating and combined solar heating and cooling components and systems shall have their products tested in order to provide certification that such products conform to the performance criteria established under paragraph (1).

DEVELOPMENT AND DEMONSTRATION OF SOLAR HEATING AND COMBINED
SOLAR HEATING AND COOLING SYSTEMS FOR COMMERCIAL BUILDINGS

42 USC 5507.

SEC. 9. The Administrator, in consultation with the Secretary, the Director, the Administrator of General Services, and the Director of the National Bureau of Standards and concurrently with the conduct of the programs under sections 5 and 6, shall enter into arrangements with appropriate Federal agencies to carry out such projects and activities (including demonstration projects) with respect to apartment buildings, office buildings, factories, crop-drying facilities and other agricultural structures, public buildings (including schools and colleges), and other non-residential, commercial, or industrial buildings, taking into account the special needs of and individual differences in such buildings based upon size, function, and other relevant factors, as may be appropriate for the early development and demonstration of solar heating and combined solar heating and cooling systems suitable and effective for use in such buildings.

SOLAR HEATING AND COOLING RESEARCH BY NATIONAL SCIENCE
FOUNDATION

42 USC 5508.

SEC. 10. (a) The Director shall conduct a program of applied research relevant to (1) the improvement of solar heating components and systems and (2) the development and commercial application of combined solar heating and cooling components and systems as contemplated by the programs under this Act.

(b) The Director shall apprise the Secretary and the Administrator on a continuing basis of the results of the programs being conducted in accordance with subsection (a), and the Secretary and the Administrator shall insure that such results, where appropriate, are incorporated into the development and demonstration programs established by this Act.

COORDINATION, MONITORING, AND LIAISON

42 USC 5509.

SEC. 11. (a) The Secretary, utilizing the services of the Director of the National Bureau of Standards and in coordination with such other Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this Act;

(2) collect and evaluate data and information on the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this Act; and

(3) from time to time, carrying out such studies and investigations and take such other actions, including the submission of special reports to the Congress when appropriate, as may be necessary to assure that the programs for which the Secretary is responsible under this Act effectively carry out the policy of this Act.

(b) In the development of the performance criteria and test procedures required under sections 5, 6, and 8, the Secretary shall work

closely with the appropriate scientific, technical, and professional societies and industry representatives to insure the best possible use of available expertise in this area.

(c) The Secretary shall also maintain continuing liaison with the building industry and related industries and interests, and with the scientific and technical community during and after the period of the programs carried out under this Act, in order to assure that the projected benefits of such programs are and will continue to be realized.

DISSEMINATION OF INFORMATION AND OTHER ACTIONS TO PROMOTE PRACTICAL USE OF SOLAR HEATING AND COOLING TECHNOLOGIES

SEC. 12. (a) The Secretary shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this Act is made available to Federal, State, and local authorities, the building industry and related segments of the economy, the scientific and technical community, and the public at large, both during and after the close of the programs under this Act, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of solar energy for the heating and cooling of buildings throughout the United States. In accordance with regulations prescribed under section 16 such information shall be disseminated on a coordinated basis by the Secretary, the Administrator, the Director of the National Bureau of Standards, the Director, the Commissioner of the Patent Office, and other appropriate Federal offices and agencies.

42 USC 5510.

(b) In addition, the Secretary shall—

(1) study and investigate the effect of building codes, zoning ordinances, tax regulations, and other laws, codes, ordinances, and practices upon the practical use of solar energy for the heating and cooling of buildings;

(2) determine the extent to which such laws, codes, ordinances, and practices should be changed to permit or facilitate such use, and the methods by which any such changes may best be brought about; and

(3) study the necessity of a program of incentives to accelerate the commercial application of solar heating and cooling technology.

(c) (1) In carrying out his functions under subsections (a) and (b) the Secretary, utilizing the capabilities of the National Aeronautics and Space Administration, the Department of Commerce, and the National Science Foundation to the maximum extent possible, shall establish and operate a Solar Heating and Cooling Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating solar heating and cooling information and data in a timely and accurate manner in support of the objectives of this Act.

Solar Heating
and Cooling In-
formation Data
Bank.
Establishment.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on solar energy research, development, and applications;

(B) technical information on the design, construction, and maintenance of buildings compatible with solar heating and cooling concepts;

(C) physical and chemical properties of the materials required for solar heating and cooling;

(D) climatic conditions in appropriate areas of the United States, including those areas where the demonstrations are to be located; and

(E) engineering performance of devices utilized in solar heating and cooling or to be employed in the demonstrations.

(3) In accordance with regulations prescribed under section 16, the Secretary shall provide retrieval and dissemination services to cover the solar heating and cooling information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities, colleges, and other nonprofit organizations; and

(C) private persons, upon request, in appropriate cases.

(4) In carrying out his functions under this subsection, the Secretary shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base.

(d) Each Federal officer and agency having functions under this Act shall include in his or its annual report to the President and the Congress a full and complete description of his or its activities (current and projected) under this Act, along with his or its recommendations for legislative, administrative, or other action to improve the programs under this Act or to achieve the objectives of this Act more promptly and effectively. In addition, the Secretary shall submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this Act, with the objective of presenting a comprehensive overall view of such programs.

Reports to
President and
Congress.

LIMITATIONS ON FEDERALLY ASSISTED OR FEDERALLY CONSTRUCTED HOUSING

42 USC 5511.

SEC. 13. (a)(1) In determining the maximum dollar amount of any federally assisted mortgage loan (as defined in subsection (b)) or the maximum per unit or other cost or floor area limitation of any federally constructed housing (as defined in subsection (c)), where the law establishing the program under which the loan is made or the housing is constructed specifies such maximum per unit or other cost or floor area limitation and the structure involved is furnished with solar heating or combined solar heating and cooling equipment under the demonstration program established by section 5, 6, or 9, the maximum amount or cost or floor area limitation so specified which is applicable to such structure shall be deemed to be increased by the amount by which (as determined by the Secretary or the Secretary of Defense, as appropriate) the price or cost or floor area limitation of the structure including such solar heating or combined solar heating and cooling equipment exceeds the price or cost or floor area limitation of the structure with such equipment replaced by conventional heating equipment or conventional heating and cooling equipment (as the case may be).

(2) In addition, in the case of a federally assisted mortgage loan, the cost excess specified in subsection (a) shall be fully taken into account in determining the value or cost of the structure involved for purposes of applying any statutory provision specifying the maximum loan-to-value or -cost ratio; except that, if the law specifies different rates of downpayment for successive increments of such value or cost, the lowest such rate shall apply to the additional cost attributable to the solar heating or combined solar heating and cooling equipment, and such equipment shall otherwise be excluded in determining the total value or cost of the structure.

(b) As used in subsection (a), the term "mortgage loan" means a loan which is made to finance the purchase or construction of a residence or any other building or structure; and the term "federally assisted mortgage loan" means a mortgage loan which—

"Mortgage loan" and "federally assisted mortgage loan."

(1) is made in whole or in part by any lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is itself regulated by any agency of the Federal Government; or

(2) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary or any other officer or agency of the Federal Government or under or in connection with a housing, urban development, or related program administered by the Secretary or a housing or related program administered by any other such officer or agency; or

(3) is eligible for purchase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

(4) is made in whole or in part by any "creditor," as defined in section 103(f) of the Consumer Credit Protection Act of 1968 (15 U.S.C. 1602(f)), who makes or invests in residential real estate loans aggregating more than \$1,000,000 per year.

(c) As used in subsection (a), the term "federally constructed housing" means (1) residential or multifamily housing which is constructed by agencies of the Federal Government to provide dwelling accommodations for particular types or classes of persons under programs administered by such Federal agencies (including all housing constructed by the Department of Defense to provide dwelling accommodations for personnel of the armed services or for such personnel and their families), and (2) residential or multifamily housing which is constructed by agencies of State or local government, with financial assistance in any form from the Federal Government, to provide dwelling accommodations for particular types or classes of persons under programs administered by such State or local agencies.

"Federally constructed housing."

ENCOURAGEMENT AND PROTECTION OF SMALL BUSINESS

SEC. 14. In carrying out their functions under this Act, all Federal officers and agencies shall take steps to assure that small business concerns will have realistic and adequate opportunities to participate in the programs under this Act to the maximum extent possible.

42 USC 5512.

PRIORITIES

SEC. 15. The Secretary shall set priorities as far as possible consistent with the intent and operation of this Act in accordance with the following criteria:

42 USC 5513.

(a) The residential dwellings and other buildings which will be part of the demonstration programs referred to in sections 5, 6, and 9 shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems and combined solar heating and cooling systems involved, and of the dwellings and other buildings themselves, in both rural and urban locations and under climatic conditions which vary as much as possible.

(b) Consideration shall be given to projected costs of commercial production and maintenance of the solar heating systems and combined solar heating and cooling systems utilized in the demonstration programs.

Cost sharing.

(c) Encouragement should be given in the conduct of programs under this Act to those projects in which funds, appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government for the purchase and installation of solar heating or combined solar heating and cooling components and systems, are committed before or after the date of the enactment of this Act.

REGULATIONS

42 USC 5514.

SEC. 16. The Administrator and the Secretary in consultation with the Director of the National Bureau of Standards, the Director, the Administrator of the General Services Administration, the Secretary of Defense, and other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Administrator and the Secretary, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

USE OF PUBLICLY ASSISTED HOUSING

42 USC 5515.

42 USC 1430.

SEC. 17. The Secretary shall make appropriate use of publicly assisted housing and particularly low-rent housing assisted under the United States Housing Act of 1937 in demonstrating solar heating systems and combined solar heating and cooling systems under this Act.

TRANSFER OF FUNCTIONS

42 USC 5516.

SEC. 18. Within sixty days after the effective date of the law creating the Energy Research and Development Administration or any other law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the enactment of this Act if the effective date of such law occurs prior to the enactment of this Act), the energy research and development functions vested in the National Aeronautics and Space Administration and the National Science Foundation under this Act and any funds which may have been appropriated pursuant to section 19 of this Act, to the extent necessary or appropriate, may, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in the Energy Research and Development Administration or such other organization or agency.

AUTHORIZATION OF APPROPRIATIONS

42 USC 5517.

SEC. 19. (a) There is hereby authorized to be appropriated to the National Aeronautics and Space Administration for the fiscal year ending June 30, 1975, \$5,000,000, to remain available until expended, to carry out the functions vested in the Administrator by this Act.

(b) There is hereby authorized to be appropriated to the Department of Housing and Urban Development for the fiscal year ending June 30, 1975, \$5,000,000, to remain available until expended. Any

sums so appropriated shall be available (1) to carry out the functions vested in the Secretary of Housing and Urban Development by this Act, and (2) for transfer to the Department of Defense, the National Bureau of Standards, and the General Services Administration to enable them to carry out their respective functions under this Act.

(c) There is hereby authorized to be appropriated for the fiscal years ending June 30, 1976, 1977, 1978, and 1979, \$50,000,000 in the aggregate to carry out the programs established by this Act.

Approved September 3, 1974.

Public Law 93-410

AN ACT

September 3, 1974
[H. R. 14920]

To further the conduct of research, development, and demonstrations in geothermal energy technologies, to establish a Geothermal Energy Coordination and Management Project, to provide for the carrying out of research and development in geothermal energy technology, to carry out a program of demonstrations in technologies for the utilization of geothermal resources, to establish a loan guaranty program for the financing of geothermal energy development, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Geothermal
Energy Research,
Development, and
Demonstration
Act of 1974.

SECTION 1. This Act may be cited as the "Geothermal Energy Research, Development, and Demonstration Act of 1974".

30 USC 1101
note.

FINDINGS

SEC. 2. The Congress hereby finds that—

30 USC 1101.

(1) the Nation is currently suffering a critical shortage of environmentally acceptable forms of energy;

(2) the inadequate organizational structures and levels of funding for energy research have limited the Nation's current and future options for meeting energy needs;

(3) electric energy is a clean and convenient form of energy at the location of its use and is the only practicable form of energy in some modern applications, but the demand for electric energy in every region of the United States is taxing all of the alternative energy sources presently available and is projected to increase: some of the sources available for electric power generation are already in short supply, and the development and use of other sources presently involve undesirable environmental impacts;

(4) the Nation's critical energy problems can be solved only if a national commitment is made to dedicate the necessary financial resources, and enlist the cooperation of the private and public sectors, in developing geothermal resources and other nonconventional sources of energy;

(5) the conventional geothermal resources which are presently being used have limited total potential; but geothermal resources which are different from those presently being used, and which have extremely large energy content, are known to exist;

(6) some geothermal resources contain energy in forms other than heat; examples are methane and extremely high pressures available upon release as kinetic energy;

(7) some geothermal resources contain valuable byproducts such as potable water and mineral compounds which should be processed and recovered as national resources;

(8) technologies are not presently available for the development of most of these geothermal resources, but technologies for the generation of electric energy from geothermal resources are potentially economical and environmentally desirable, and the development of geothermal resources offers possibilities of process energy and other nonelectric applications;

(9) much of the known geothermal resources exist on the public lands;

(10) Federal financial assistance is necessary to encourage the extensive exploration, research, and development in geothermal resources which will bring these technologies to the point of commercial application;

(11) the advancement of technology with the cooperation of private industry for the production of useful forms of energy from geothermal resources is important with respect to the Federal responsibility for the general welfare, to facilitate commerce, to encourage productive harmony between man and his environment, and to protect the public interest; and

(12) the Federal Government should encourage and assist private industry through Federal assistance for the development and demonstration of practicable means to produce useful energy from geothermal resources with environmentally acceptable processes.

DEFINITIONS

30 USC 1102.

SEC. 3. For the purposes of this Act—

(1) the term “geothermal resources” means (A) all products of geothermal processes, embracing indigenous steam, hot water, and brines, (B) steam and other gases, hot water and hot brines, resulting from water, gas, or other fluids artificially introduced into geothermal formations, and (C) any byproduct derived from them;

(2) the term “byproduct” means any mineral or minerals which are found in solution or in association with geothermal resources and which have a value of less than 75 percent of the value of the geothermal steam and associated geothermal resources or are not, because of quantity, quality, or technical difficulties in extraction and production, of sufficient value to warrant extraction and production by themselves;

(3) “pilot plant” means an experimental unit of small size used for early evaluation and development of new or improved processes and to obtain technical, engineering, and cost data;

(4) “demonstration plant” means a complete facility which produces electricity, heat energy, or useful byproducts for commercial disposal from geothermal resources and which will make a significant contribution to the knowledge of full-size technology, plant operation, and process economics;

(5) the term “Project” means the Geothermal Energy Coordination and Management Project established by section 101(a);

(6) the term “fund” means the Geothermal Resources Development Fund established by section 204(a); and

(7) the term “Chairman” means the Chairman of the Project.

TITLE I—GEOTHERMAL ENERGY COORDINATION AND MANAGEMENT PROJECT

ESTABLISHMENT

30 USC 1121.

SEC. 101. (a) There is hereby established the Geothermal Energy Coordination and Management Project.

Membership.

(b) (1) The Project shall be composed of six members as follows:

- (A) one appointed by the President;
- (B) an Assistant Director of the National Science Foundation;
- (C) an Assistant Secretary of the Department of the Interior;
- (D) an Associate Administrator of the National Aeronautics and Space Administration;
- (E) the General Manager of the Atomic Energy Commission;
- and
- (F) an Assistant Administrator of the Federal Energy Administration.

(2) The President shall designate one member of the Project to serve as Chairman of the Project.

(3) If the individual appointed under paragraph (1)(A) is an officer or employee of the Federal Government, he shall receive no additional pay on account of his service as a member of the Project. If such individual is not an officer or employee of the Federal Government, he shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315) for each day (including traveltime) during which he is engaged in the actual performance of duties vested in the Project.

Compensation.

(c) The Project shall have overall responsibility for the provision of effective management and coordination with respect to a national geothermal energy research, development, and demonstration program. Such program shall include—

- (1) the determination and evaluation of the resource base;
- (2) research and development with respect to exploration, extraction, and utilization technologies;
- (3) the demonstration of appropriate technologies; and
- (4) the loan guaranty program under title II.

(d)(1) The Project shall carry out its responsibilities under this section acting through the following Federal agencies:

(A) the Department of the Interior, the responsibilities of which shall include evaluation and assessment of the resource base, including development of exploration technologies;

(B) the National Aeronautics and Space Administration, the responsibilities of which shall include the provision of contract management capability, evaluation and assessment of the resource base, and the development of technologies pursuant to section 102(b);

(C) the Atomic Energy Commission, the responsibilities of which shall include the development of technologies; and

(D) the National Science Foundation, the responsibilities of which shall include basic and applied research.

(2) Upon request of the Project, the head of any such agency is authorized to detail or assign, on a reimbursable basis or otherwise, any of the personnel of such agency to the Project to assist it in carrying out its responsibilities under this Act.

(e) The Project shall have exclusive authority with respect to the establishment or approval of programs or projects initiated under this Act, except that the agency involved in any particular program or project shall be responsible for the operation and administration of such program or project.

PROGRAM DEFINITION

SEC. 102. (a)(1) The Chairman, acting through the Administrator of the National Aeronautics and Space Administration, is authorized and directed to prepare a comprehensive program definition of an integrated effort and commitment for effectively developing geothermal energy resources. Such Administrator, in preparing such comprehensive program definition, is authorized to consult with other Federal agencies and non-Federal entities.

30 USC 1122.

Transmittal to
President and
Congress.
Interim reports.

Inventory sched-
ule and objec-
tives, transmittal
to President and
Congress.

(2) The Chairman shall transmit such comprehensive program definition to the President and to each House of the Congress. Interim reports shall be transmitted not later than November 30, 1974, and not later than January 31, 1975. Such comprehensive program definition shall be transmitted as soon as possible thereafter, but in any case not later than August 31, 1975.

(3) As part of the comprehensive program definition required by paragraph (1), the Chairman, acting through the Geological Survey, shall transmit to the President and to each House of the Congress a schedule and objectives for the inventorying of geothermal resources.

(b) The National Aeronautics and Space Administration is authorized to undertake and carry out those programs assigned to it by the Project.

RESOURCE INVENTORY AND ASSESSMENT PROGRAM

30 USC 1123.

SEC. 103. (a) The Chairman shall initiate a resource inventory and assessment program with the objective of making regional and national appraisals of all types of geothermal resources, including identification of promising target areas for industrial exploration and development. The specific goals shall include—

(1) the improvement of geophysical, geochemical, geological, and hydrological techniques necessary for locating and evaluating geothermal resources;

(2) the development of better methods for predicting the power potential and longevity of geothermal reservoirs;

(3) the determination and assessment of the nature and power potential of the deeper unexplored parts of high temperature geothermal convection systems; and

(4) the survey and assessment of regional and national geothermal resources of all types.

(b) The Chairman, acting through the Geological Survey and other appropriate agencies, shall—

(1) develop and carry out a general plan for the orderly inventorying of all forms of geothermal resources of the Federal lands and, where consistent with property rights and determined by the Chairman to be in the national interest, of non-Federal lands;

(2) conduct regional surveys, based upon such a general plan, using innovative geological, geophysical, geochemical, and stratigraphic drilling techniques, which will lead to a national inventory of geothermal resources in the United States;

(3) publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of geothermal resources for beneficial use and consistent with the national interest;

(4) make such recommendations for legislation as may from time to time appear to be necessary to make Federal leasing policy for geothermal resources consistent with known inventories of various resource types, with the current state of technologies for geothermal energy development, and with current evaluations of the environmental impacts of such development; and

(5) participate with appropriate Federal agencies and non-Federal entities in research to develop, improve, and test technologies for the discovery and evaluation of all forms of geothermal resources, and conduct research into the principles controlling the location, occurrence, size, temperature, energy content, producibility, and economic lifetimes of geothermal reservoirs.

RESEARCH AND DEVELOPMENT

SEC. 104. (a) The Chairman, acting through the appropriate Federal agencies and in cooperation with non-Federal entities, shall initiate a research and development program for the purpose of resolving all major technical problems inhibiting the fullest possible commercial utilization of geothermal resources in the United States. The specific goals of such programs shall include—

30 USC 1124.

(1) the development of effective and efficient drilling methods to operate at high temperatures in formations of geothermal interest;

(2) the development of reliable predictive methods and control techniques for the production of geothermal resources from reservoirs;

(3) the exploitation of new concepts for fracturing rock to permit recovery of contained heat reserves;

(4) the improvement of equipment and technology for the extraction of geothermal resources from reservoirs;

(5) the development of improved methods for converting geothermal resources and byproducts to useful forms;

(6) the development of improved methods for controlling emissions and wastes from geothermal utilization facilities, including new monitoring methods to any extent necessary;

(7) the development and evaluation of waste disposal control technologies and the evaluation of surface and subsurface environmental effects of geothermal development;

(8) the improvement of the technical capability to predict environmental impacts resulting from the development of geothermal resources, the preparation of environmental impact statements, and the assuring of compliance with applicable standards and criteria;

(9) the identification of social, legal, and economic problems associated with geothermal development (both locally and regionally) for the purpose of developing policy and providing a framework of policy alternatives for the commercial utilization of geothermal resources;

(10) the provision for an adequate supply of scientists to perform required geothermal research and development activities; and

(11) the establishment of a program to encourage States to establish and maintain geothermal resources clearinghouses, which shall serve to (A) provide geothermal resources developers with information with respect to applicable local, State, and Federal laws, rules, and regulations, (B) coordinate the processing of permit applications, impact statements, and other information which geothermal resources developers are required to provide, (C) encourage uniformity with respect to local and State laws, rules, and regulations with respect to geothermal resources development, and (D) encourage establishment of land use plans, which would include zoning for geothermal resources development and which would assure that geothermal resources developers will be able to carry out development programs to the production stage.

(b) The Chairman, acting through the appropriate Federal agencies and in cooperation with non-Federal entities, shall implement a coordinated program of research and development in order to demonstrate the technical means for the extraction and utilization of the resource base, including any byproducts of such base, and in order to

accomplish the goals established by subsection (a). Research authorized by this Act having potential applications in matters other than geothermal energy may be pursued to the extent that the findings of such research can be published in a form for utilization by others.

DEMONSTRATION

30 USC 1125.

SEC. 105. (a) The Chairman, acting through the appropriate Federal agencies and in cooperation with non-Federal entities, shall initiate a program to design and construct geothermal demonstration plants. The specific goals of such program shall include—

(1) the development of economical geothermal resources production systems and components which meet environmental standards;

(2) the design of plants to produce electric power and, where appropriate, the large-scale production and utilization of any useful byproducts;

(3) the involvement of engineers, analysts, technicians, and managers from industry field and powerplant development, which shall lead to the early industrial exploitation of advanced geothermal resources;

(4) the provision for an adequate supply of trained geothermal engineers and technicians;

(5) the provision of experimental test beds for component testing an evaluation by laboratories operated by the Federal Government, industry, or institutions of higher education;

(6) the construction and operation of pilot plants; and

(7) the construction and operation of demonstration plants.

(b) In carrying out his responsibilities under this section, the Chairman, acting through the appropriate Federal agencies, and in cooperation with non-Federal entities, may provide for the establishment of one or more demonstration projects utilizing each geothermal resource base involved, which shall include, as appropriate, all of the exploration, siting, drilling, pilot plant construction and operation, demonstration plant construction and operation, and other facilities and activities which may be necessary for the generation of electric energy and the utilization of geothermal resource byproducts.

(c) The Chairman, acting through the appropriate Federal agencies, is authorized to investigate and enter into agreements for the cooperative development of facilities to demonstrate the production of energy from geothermal resources. The responsible Federal agency may consider—

(1) cooperative agreements with utilities and non-Federal governmental entities for construction of facilities to produce energy for commercial disposition; and

(2) cooperative agreements with other Federal agencies for the construction and operation of facilities to produce energy for direct Federal consumption.

(d) The responsible Federal agency is authorized to investigate the feasibility of, construct, and operate, demonstration projects without entering into cooperative agreements with respect to such projects, if the Chairman finds that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or any other significant factor of the proposal offers opportunities to make important contributions to the general

Cooperative
agreements.

knowledge of geothermal resources, the techniques of its development, or public confidence in the technology; and

(2) there is no opportunity for cooperative agreements with any utility or non-Federal governmental entity willing and able to cooperate in the demonstration project under subsection (c) (1), and there is no opportunity for cooperative agreements with other Federal agencies under subsection (c) (2).

(e) Before favorably considering proposals under subsection (c), the responsible Federal agency must find that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or any other significant factor of the proposal offers opportunities to make important contributions to the general knowledge of geothermal resources, the techniques of its development, or public confidence in the technology;

(2) the development of the practical benefits as set forth in paragraph (1) are unlikely to be accomplished without such cooperative development; and

(3) where non-Federal participants are involved, the proposal is not eligible for adequate Federal assistance under the loan guaranty provisions of title II of this Act.

(f) If the estimate of the Federal investment with respect to construction and operation costs of any demonstration project proposed to be established under this section exceeds \$10,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

(g) (1) At the conclusion of the program under this section or as soon thereafter as may be practicable, the responsible Federal agencies shall, by sale, lease, or otherwise, dispose of all Federal property interests which they have acquired pursuant to this section (including mineral rights) in accordance with existing law and the terms of the cooperative agreements involved.

Federal property interests, disposal.

(2) The agency involved shall, under appropriate agreements or other arrangements, provide for the disposition of geothermal resource byproducts of the project administered by such agency.

Project by-products, disposal.

SCIENTIFIC AND TECHNICAL EDUCATION

SEC. 106. (a) It is the policy of the Congress to encourage the development and maintenance of programs through which there may be provided the necessary trained personnel to perform required geothermal research, development, and demonstration activities under sections 103, 104, and 105.

30 USC 1126.

(b) The National Science Foundation is authorized to support programs of education in the sciences and engineering to carry out the policy of subsection (a). Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

(c) The National Science Foundation is authorized and directed to coordinate its actions, to the maximum extent practicable, with the Project or any permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States, in determining the optimal selection of programs of education to carry out the policy of subsection (a).

(d) The National Science Foundation is authorized to encourage, to the maximum extent practicable international participation and cooperation in the development and maintenance of programs of education to carrying out the policy of subsection (a).

TITLE II—LOAN GUARANTIES

ESTABLISHMENT OF LOAN GUARANTY PROGRAM

30 USC 1141.

SEC. 201. (a) It is the policy of the Congress to encourage and assist in the commercial development of practicable means to produce useful energy from geothermal resources with environmentally acceptable processes. Accordingly, it is the policy of the Congress to facilitate such commercial development by authorizing the Chairman of the Project to designate an appropriate Federal agency to guarantee loans for such purposes.

(b) In order to encourage the commercial production of energy from geothermal resources, the head of the designated agency is authorized to, in consultation with the Secretary of the Treasury, guarantee, and to enter into commitments to guarantee, lenders against loss of principal or interest on loans made by such lenders to qualified borrowers for the purposes of—

- (1) the determination and evaluation of the resource base;
- (2) research and development with respect to extraction and utilization technologies;
- (3) acquiring rights in geothermal resources; or
- (4) development, construction, and operation of facilities for the demonstration or commercial production of energy from geothermal resources.

(c) Any guaranty under this title shall apply only to so much of the principal amount of any loan as does not exceed 75 percent of the aggregate cost of the project with respect to which the loan is made.

Terms and conditions.

(d) Loan guaranties under this title shall be on such terms and conditions as the head of the designated agency determines, except that a guaranty shall be made under this title only if—

(1) the loan bears interest at a rate not to exceed such annual per centum on the principal obligation outstanding as the head of the designated agency determines to be reasonable, taking into account the range of interest rates prevailing in the private sector for similar loans and risks by the United States;

(2) the terms of such loan require full repayment over a period not to exceed thirty years, or the useful life of any physical asset to be financed by such loan, whichever is less (as determined by the head of the designated agency);

(3) in the judgment of the head of the designated agency, the amount of the loan (when combined with amounts available to the qualified borrower from other sources) will be sufficient to carry out the project; and

(4) in the judgment of the head of the designated agency, there is reasonable assurance of repayment of the loan by the qualified borrower of the guaranteed indebtedness.

Limitation.

(e) The amount of the guaranty for any loan for a project shall not exceed \$25,000,000, and the amount of the guaranty for any combination of loans for any single qualified borrower shall not exceed \$50,000,000.

"Qualified borrower."

(f) As used in this title, the term "qualified borrower" means any public or private agency, institution, association, partnership,

corporation, political subdivision, or other legal entity which (as determined by the head of the designated agency) has presented satisfactory evidence of an interest in geothermal resources and is capable of performing research or completing the development and production of energy in an acceptable manner.

PAYMENT OF INTEREST

SEC. 202. (a) With respect to any loan guaranteed pursuant to this title, the head of the designated agency is authorized to enter into a contract to pay, and to pay, the lender for and on behalf of the borrower the interest charges which become due and payable on the unpaid balance of any such loan if the head of the designated agency finds—

Contract author-
ity.
30 USC 1142.

(1) that the borrower is unable to meet interest charges, and that it is in the public interest to permit the borrower to continue to pursue the purposes of his project, and that the probable net cost to the Federal Government in paying such interest will be less than that which would result in the event of a default; and

(2) the amount of such interest charges which the head of the designated agency is authorized to pay shall be no greater than the amount of interest which the borrower is obligated to pay under the loan agreement.

(b) In the event of any default by a qualified borrower on a guaranteed loan, the head of the designated agency is authorized to make payment in accordance with the guaranty, and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments (including any payment of interest under subsection (a)) from such assets of the defaulting borrower as are associated with the project, or from any other surety included in the terms of the guaranty.

PERIOD OF GUARANTIES AND INTEREST ASSISTANCE

SEC. 203. No loan guaranties shall be made, or interest assistance contract entered into, pursuant to this title, after the expiration of the ten-calendar-year period following the date of enactment of this Act.

30 USC 1143.

GEOHERMAL RESOURCES DEVELOPMENT FUND

SEC. 204. (a) There is established in the Treasury of the United States a Geothermal Resources Development Fund, which shall be available to the head of the designated agency for carrying out the loan guaranty and interest assistance program authorized by this title, including the payment of administrative expenses incurred in connection therewith. Moneys in the fund not needed for current operations may, with the approval of the Secretary of the Treasury, be invested in bonds or other obligations of, or guaranteed by, the United States.

Establishment.
30 USC 1144.

(b) There shall be paid into the fund the amounts appropriated pursuant to section 304(c) and such amounts as may be returned to the United States pursuant to section 202(b), and the amounts in the fund shall remain available until expended, except that after the expiration of the ten-year period established by section 203, such amounts in the fund which are not required to secure outstanding

guaranty obligations shall be paid into the general fund of the Treasury.

Financial re-
ports, submittal
to Congress.

(c) Business-type financial reports covering the operations of the fund shall be submitted to the Congress by the head of the designated agency annually upon the completion of an appropriate accounting period.

TITLE III—GENERAL PROVISIONS

PROTECTION OF ENVIRONMENT

30 USC 1161.

SEC. 301. In the conduct of its activities, the Project and any participating public or private persons or agencies shall place particular emphasis upon the objective of assuring that the environment and the safety of persons or property are effectively protected; and the program under title I shall include such special research and development as may be necessary for the achievement of that objective.

REPORTING REQUIREMENTS

Reports to
President and
Congress.
30 USC 1162.

SEC. 302. (a) The Chairman of the Project shall submit to the President and the Congress full and complete annual reports of the activities of the Project, including such projections and estimates as may be necessary to evaluate the progress of the national geothermal energy research, development, and demonstration program and to provide the basis for as accurate a judgment as is possible concerning the extent to which the objectives of this Act will have been achieved by June 30, 1980.

(b) No later than one year after the termination of each demonstration project under section 105, the Chairman of the Project shall submit to the President and the Congress a final report on the activities of the Project related to each project, including his recommendations with respect to any further legislative, administrative, and other actions which should be taken in support of the objectives of this Act.

TRANSFER OF FUNCTIONS

30 USC 1163.

SEC. 303. (a) Within sixty days after the effective date of the law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the date of the enactment of this Act if the effective date of such law occurs prior to the date of the enactment of this Act), all of the research, development, and demonstration functions (including the loan guaranty program) vested in the Project under this Act, along with related records, documents, personnel, obligations, and other items to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such organization or agency.

(b) Upon the establishment of a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States, and when all research and development (and other) functions of the Project are transferred, the members of the Project may provide advice and counsel to the head of such organization or agency, in accordance with arrangements made at that time.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 304. (a) For the fiscal years ending June 30, 1976, and September 30, 1977, 1978, 1979, and 1980, only such sums may be appropriated as the Congress may hereafter authorize by law.

30 USC 1164.

(b) There are authorized to be appropriated to the National Aeronautics and Space Administration not to exceed \$2,500,000 for the fiscal year ending June 30, 1975, for the purpose of preparing the program definition under section 102(a).

(c) In addition to sums authorized to be appropriated by subsection (b), there are authorized to be appropriated to the fund not to exceed \$50,000,000 annually, such sums to carry out the provisions of the loan guaranty program by the Project under title II.

Approved September 3, 1974.

Public Law 93-411

AN ACT

September 3, 1974

To amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938.

[H. R. 6485]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Agricultural Adjustment Act of 1938 is amended by inserting after section 319 the following new section:

Tobacco.
Marketing
quotas.
7 USC 1314e.
7 USC 1314f.

"SEC. 320. Notwithstanding any other provision of law, beginning with the 1975 crop, any kind of tobacco for which marketing quotas are not in effect that is produced in an area where producers who are engaged in the production of a kind of tobacco traditionally produced in the area have approved marketing quotas under this Act shall be subject to the quota for the kind of tobacco traditionally produced in the area: *Provided, however,* That this section shall not apply in any case in which the Secretary or his designee finds any such nonquota tobacco is readily and distinguishably different from any kind of tobacco produced under quota, because of seed variety, cultural practices, method of curing and other factors affecting its physical characteristics, as determined through the application of the Federal Standards of Inspection and Identification of quota types and the tobacco does not possess any of the distinguishable characteristics of a quota type. If marketing quotas are in effect for more than one kind of tobacco in an area, any nonquota tobacco produced in the area shall be subject to quotas for the kind of tobacco traditionally produced in the area having the highest price support under the Agricultural Act of 1949."

7 USC 1421
note.

Approved September 3, 1974.

Public Law 93-412

AN ACT

September 3, 1974

To authorize in the District of Columbia a plan providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the District of Columbia, and for other purposes.

[S. 3703]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "District of Columbia Criminal Justice Act".

District of
Columbia Criminal
Justice Act.
D.C. Code 11-
2601 note.

SEC. 2. Title 11 of the District of Columbia Code is amended by adding at the end thereof the following new chapter:

**“Chapter 26.—REPRESENTATION OF INDIGENTS IN
CRIMINAL CASES**

“Sec.

“11-2601. Plan for furnishing representation to indigents in criminal cases.

“11-2602. Appointment of counsel.

“11-2603. Duration and substitution of appointments.

“11-2604. Payment for representation.

“11-2605. Services other than counsel.

“11-2606. Receipt of other payments.

“11-2607. Preparation of budget.

“11-2608. Authorization of appropriations.

“11-2609. Authority of council.

D.C. Code 11-
2601.

“§ 11-2601. Plan for furnishing representation of indigents in criminal cases

“The Joint Committee on Judicial Administration shall place in operation, within ninety days after the effective date of this chapter, in the District of Columbia a plan for furnishing representation to any person in the District of Columbia who is financially unable to obtain adequate representation—

USC prec.
title 1.

“(1) who is charged with a felony, or misdemeanor, or other offense for which the sixth amendment to the Constitution requires the appointment of counsel or for whom, in a case which he faces loss of liberty, any law of the District of Columbia requires the appointment of counsel;

“(2) who is under arrest, when such representation is required by law;

“(3) who is charged with violating a condition of probation or parole in custody as a material witness, or seeking collateral relief, as provided in—

“(A) Section 23-110 of the District of Columbia Code (remedies on motion attacking sentence),

D.C. Code 23-
701.

“(B) Chapter 7 of title 23 of the District of Columbia Code (extradition and fugitives from justice),

D.C. Code 16-
1901.

“(C) Chapter 19 of title 16 of the District of Columbia Code (habeas corpus),

“(D) Section 928 of the Act of March 8, 1901 (D.C. Code, sec. 24-302) (commitment of mentally ill person while serving sentence);

D.C. Code 21-
501.

“(4) who is subject to proceedings pursuant to chapter 5 of title 21 of the District of Columbia Code (hospitalization of the mentally ill);

“(5) who is a juvenile and alleged to be delinquent or in need of supervision.

Representation under the plan shall include counsel and investigative, expert, and other services necessary for an adequate defense. The plan shall include a provision for private attorneys, attorneys furnished by the Public Defender Service, and attorneys and qualified students participating in clinical programs.

D.C. Code 11
2602.

“§ 11-2602. Appointment of counsel

“Counsel furnishing representation under the plan shall in every case be selected from panels of attorneys designated and approved by the courts. In all cases where a person faces a loss of liberty and the Constitution or any other law requires the appointment of counsel, the court shall advise the defendant or respondent that he has the

USC prec.
title 1.

right to be represented by counsel and that counsel will be appointed to represent him if he is financially unable to obtain counsel. Unless the defendant or respondent waives representation by counsel, the court, if satisfied after appropriate inquiry that the defendant or respondent is financially unable to obtain counsel, shall appoint counsel to represent him. Such appointment may be made retroactive to include any representation furnished pursuant to the plan prior to appointment. The court shall appoint separate counsel for defendants or respondents having interests that cannot properly be represented by the same counsel, or when other good cause is shown. In all cases covered by this Act where the appointment of counsel is discretionary, the defendant or respondent shall be advised that counsel may be appointed to represent him if he is financially unable to obtain counsel, and the court shall in all such cases advise the defendant or respondent of the manner and procedures by which he may request the appointment of counsel.

“§ 11-2603. Duration and substitution of appointments

D.C. Code 11-2603.

“A person for whom counsel is appointed shall be represented at every stage of the proceedings from his initial appearance before the court through appeals, including ancillary matters appropriate to the proceedings. If at any time after the appointment of counsel the court finds that the person is financially able to obtain counsel or to make partial payment for the representation, it may terminate the appointment of counsel or authorize payment as provided in section 2606 of this chapter, as the interests of justice may dictate. If at any stage of the proceedings, including an appeal, the court finds that the person is financially unable to pay counsel whom he had retained, it may appoint counsel as provided in section 2602, and authorize payment as provided in section 2604, as the interests of justice may dictate. The court may, in the interest of justice, substitute one appointed counsel for another at any stage of the proceedings.

“§ 11-2604. Payment for representation

D.C. Code 11-2604.

“(a) Any attorney appointed pursuant to this chapter shall, at the conclusion of the representation or any segment thereof, be compensated at a rate fixed by the Joint Committee on Judicial Administration, not to exceed the hourly scale established by the provisions of section 3006A(d)(1) of title 18, United States Code. Such attorney shall be reimbursed for expenses reasonably incurred.

Expenses.

“(b) For representation of a defendant before the Superior Court or before the District of Columbia Court of Appeals, as the case may be, the compensation to be paid to an attorney shall not exceed the maximum amounts established by section 3006A(d)(2) of title 18, United States Code, in the corresponding kind of case or proceeding.

“(c) Claims for compensation and reimbursement in excess of any maximum amount provided in subsection (b) of this section may be approved for extended or complex representation whenever such payment is necessary to provide fair compensation. Any such request for payment shall be submitted by the attorney for approval by the chief judge of the Superior Court upon recommendation of the presiding judge in the case or, in cases before the District of Columbia Court of Appeals, approval by the chief judge of the Court of Appeals upon recommendation of the presiding judge in the case. A decision shall be made by the appropriate chief judge in the case of every claim filed under this subsection.

Excess amounts, claims.

Statement.

“(d) A separate claim for compensation and reimbursement shall be made to the Superior Court for representation before that court, and to the District of Columbia Court of Appeals for representation before that court. Each claim shall be supported by a sworn written statement specifying the time expended, services rendered, and expenses incurred while the case was pending before the court, and the compensation and reimbursement applied for or received in the same case from any other source. The court shall fix the compensation and reimbursement to be paid to the attorney. In cases where representation is furnished other than before the Superior Court or the District of Columbia Court of Appeals, claims shall be submitted to the Superior Court which shall fix the compensation and reimbursement to be paid.

“(e) For purposes of compensation and other payments authorized by this section, an order by a court granting a new trial shall be deemed to initiate a new case.

“(f) If a person for whom counsel is appointed under this section appeals to the District of Columbia Court of Appeals, he may do so without prepayment of fees and costs or security therefor and without filing the affidavit required by section 1915(a) of title 28, United States Code.

D.C. Code 11-2605.

“§ 11-2605. Services other than counsel

“(a) Counsel for a person who is financially unable to obtain investigative, expert, or other services necessary for an adequate defense may request them in an ex parte application. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the person is financially unable to obtain them, the court shall authorize counsel to obtain the services.

“(b) Counsel appointed under this section may obtain, subject to later review, investigative, expert, or other services, excluding the preparation of reporter's transcript, without prior authorization if necessary for an adequate defense. The total cost of services obtained without prior authorization may not exceed \$150 or the rate provided by section 3006A(e)(2) of title 18, United States Code, whichever is higher, and expenses reasonably incurred.

“(c) Compensation to be paid to a person for services rendered by him to a person under this subsection shall not exceed \$300, or the rate provided by section 3006A(e)(3) of title 18, United States Code, whichever is higher, exclusive of reimbursement for expenses reasonably incurred, unless payment in excess of that limit is certified by the court, as necessary to provide fair compensation for services of an unusual character or duration, and the amount of the excess payment is approved by the presiding judge in the case.

D.C. Code 11-2606.

“§ 11-2606. Receipt of other payments

“(a) Whenever the court finds that funds are available for payment from or on behalf of a person furnished representation, it may authorize or direct that such funds be paid to the appointed attorney, or to any person or organization authorized pursuant to section 2605 of this title to render investigative, expert, or other services, or to the court for deposit in the Treasury as a reimbursement to the appropriation, current at the time of payment, to carry out the provisions of this section. Except as so authorized or directed, no such person or organization may request or accept any payment or promise of payment for representing a defendant.

Penalty.

“(b) Any person compensated, or entitled to be compensated, for

any services rendered under this chapter who shall seek, ask, demand, receive, or offer to receive, any money, goods, or services in return therefor from or on behalf of a defendant or respondent shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

“§ 11-2607. Preparation of Budget

D.C. Code 11-2607.

“The joint committee shall prepare and annually submit to the Commissioner of the District of Columbia, in conformity with section 1743 of this title, or to his successor in accordance with section 445 of the District of Columbia Self-Government and Governmental Reorganization Act, for inclusion in the annual budget, annual estimates of the expenditures and appropriations necessary for furnishing representation by private attorneys to persons entitled to representation in accordance with section 2601 of this title.

D.C. Code 11 app.

“§ 11-2608. Authorization of appropriations

D.C. Code 11-2608.

“There are hereby authorized to be appropriated, out of any moneys in the Treasury credited to the District of Columbia, such funds as may be necessary for the administration of this chapter for fiscal years 1975 and 1976. When so specified in appropriation Acts, such appropriations shall remain available until expended.

“§ 11-2609. Authority of Council

D.C. Code 11-2609.

“Section 602(a) (4) of the District of Columbia Self-Government and Governmental Reorganization Act shall not apply to this chapter.”.

D.C. Code 1-147.

SEC. 3. (a) Paragraph (1) of section 3006A, title 18, United States Code, as amended, is amended to read:

“(1) APPLICABILITY IN THE DISTRICT OF COLUMBIA.—The provisions of this Act, other than subsection (h) of section 1, shall apply in the United States District Court for the District of Columbia and the United States Court of Appeals for the District of Columbia Circuit. The provisions of this Act shall not apply to the Superior Court of the District of Columbia and the District of Columbia Court of Appeals.”.

SEC. 4. This Act shall take effect upon the date of its enactment. Any person appointed on or after July 1, 1974, but prior to the commencing date of the plan referred to in section 11-2601 of the District of Columbia Code (as added by section 2 of this Act), by a judge of the Superior Court or the District of Columbia Court of Appeals to furnish to any person in the District of Columbia, who is financially unable to obtain adequate representation, that representation and those services referred to in such section 11-2601, may be compensated and reimbursed for such representation and services rendered, including expenses incurred therewith, upon filing a claim for payment. Payment shall not be allowed in excess of the amounts authorized in accordance with those sections added to the District of Columbia Code by such section 2.

Effective date.
D.C. Code 11-2601 note.

Approved September 3, 1974.

Public Law 93-413

AN ACT

To authorize appropriations for activities of the National Science Foundation, and for other purposes.

September 4, 1974
[H. R. 13999]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That there is hereby authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1975, for the following categories:

National Science
Foundation Au-
thorization Act,
1975.

- (1) Scientific Research Project Support, \$358,700,000.
- (2) National and Special Research Programs, \$91,900,000.
- (3) National Research Centers, \$52,500,000.
- (4) Science Information Activities, \$6,300,000.
- (5) International Cooperative Scientific Activities, \$8,000,000.
- (6) Research Applied to National Needs, \$148,900,000.
- (7) Intergovernmental Science Program, \$2,000,000.
- (8) Institutional Improvement for Science, \$12,000,000.
- (9) Graduate Student Support, \$15,000,000.
- (10) Science Education Improvement, \$70,000,000.
- (11) Planning and Policy Studies, \$2,700,000.
- (12) Program Development and Management, \$39,500,000.

SEC. 2. Notwithstanding any other provision of this or any other Act—

(a) of the total amount authorized under section 1, not less than \$10,000,000 shall be available for the purpose of "Institutional Improvement for Science";

(b) of the total amount authorized under section 1, not less than \$15,000,000 shall be available for the purpose of "Graduate Student Support";

(c) of the total amount authorized under section 1, not less than \$70,000,000 shall be available for the purpose of "Science Education Improvement";

(d) of the total amount authorized in category (2) of section 1—

(1) not less than \$1,600,000 shall be available for "Experimental R. & D. Incentives", and

(2) not less than \$4,000,000 shall be available for "Ship Construction/Conversion";

(e) of the total amount authorized in category (6) of section 1—

(1) not less than \$1,000,000 shall be available for "Fire Research", and

(2) not less than \$8,000,000 shall be available for "Earthquake Research and Engineering"; and

(f) of the total amount authorized in category (10) of section 1—

(1) not less than \$1,500,000 shall be available for "Science Faculty Fellowships for College Teachers".

(2) not less than \$3,800,000 shall be available for "Student Programs" including "Undergraduate Student Projects" and "Student Originated Studies", and

(3) not less than \$2,000,000 shall be available for "High School Student Projects".

SEC. 3. Appropriations made pursuant to this Act may be used, but not to exceed \$5,000, for official consultation, representation, or other extraordinary expenses upon the approval or authority of the Director of the National Science Foundation, and his determination shall be final and conclusive upon the accounting officers of the Government.

SEC. 4. In addition to such sums as are authorized by section 1, not to exceed \$5,000,000 is authorized to be appropriated for the fiscal year ending June 30, 1975, for expenses of the National Science Foundation incurred outside the United States to be paid for in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States.

SEC. 5. Appropriations made pursuant to sections 1 and 4 shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

SEC. 6. No funds may be transferred from any particular category listed in section 1 to any other category or categories listed in such section if the total of the funds so transferred from that particular category would exceed 10 per centum thereof, and no funds may be transferred to any particular category listed in section 1 from any other category or categories listed in such section if the total of the funds so transferred to that particular category would exceed 10 per centum thereof, unless—

Transfer of funds, limitation.

(A) a period of thirty legislative days has passed after the Director or his designee has transmitted to the Speaker of the House of Representatives and to the President of the Senate and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate a written report containing a full and complete statement concerning the nature of the transfer and the reason therefor, or

Report to Speaker of the House, President of the Senate and congressional committees.

(B) each such committee before the expiration of such period has transmitted to the Director written notice to the effect that such committee has no objection to the proposed action.

SEC. 7. Notwithstanding any other provision of this or any other Act, the Director of the National Science Foundation shall keep the Committee on Science and Astronautics of the House of Representatives and the Committee on Labor and Public Welfare of the Senate fully and currently informed with respect to all of the activities of the National Science Foundation.

Information to congressional committees.
42 USC 1882.

SEC. 8. This Act may be cited as the “National Science Foundation Authorization Act, 1975”.

Short title.

Approved September 4, 1974.

Public Law 93-414

AN ACT

Making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes.

September 6, 1974
[H. R. 15572]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, corporations, and offices for the fiscal year ending June 30, 1975, and for other purposes, namely:

Department of Housing and Urban Development; Space, Science, Veterans, and Certain Other Independent Agencies Appropriation Act, 1975.

TITLE I

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PRODUCTION AND MORTGAGE CREDIT

SALARIES AND EXPENSES, HOUSING PRODUCTION AND MORTGAGE CREDIT PROGRAMS

For necessary administrative expenses of housing production and mortgage credit, not otherwise provided for, \$13,233,000: *Provided,*

That none of these administrative funds may be used for the administration of the section 23 leasing program, or any replacement program, unless the available, unused balance of contract authority under the section 236 program, or any replacement program, is made available for commitment concurrent with the making available for commitment of any contract authority under the section 23 program, or any replacement program.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

For the payment of such insufficiencies as may be required by the Government National Mortgage Association, as trustee, on account of outstanding beneficial interests or participations in assets of the Department of Housing and Urban Development (including the Government National Mortgage Association) authorized by the Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, as amended, \$22,883,000.

81 Stat. 341.
12 USC 1717.

HOUSING MANAGEMENT

HOUSING PAYMENTS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U.S.C. 1410); for payments authorized by title IV of the Housing Act of 1950, as amended (12 U.S.C. 1749 et seq.); for rent supplement payments authorized by section 101 of the Housing and Urban Development Act of 1965, as amended (12 U.S.C. 1701s); and for homeownership and interest reduction payments as authorized by sections 235 and 236, of the National Housing Act, as amended (12 U.S.C. 1715z, 1715z-1), \$2,300,000,000, of which not less than \$450,000,000 shall be used only for the payment of operating subsidies to local housing authorities.

Ante, p. 666.

Ante, pp. 671,
672.

SALARIES AND EXPENSES, HOUSING MANAGEMENT PROGRAMS

For necessary administrative expenses of programs of housing management, not otherwise provided for, \$23,400,000: *Provided*, That administrative expenses in connection with the Revolving fund (liquidating programs) shall be exclusive of expenses necessary in the case of defaulted obligations to protect the interests of the Government.

COMMUNITY PLANNING AND DEVELOPMENT

URBAN RENEWAL PROGRAMS

For grants for urban renewal, fiscal year 1975, as an additional amount for urban renewal programs, as authorized by title I of the

Grants, additional amounts.

Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), and section 314 of the Housing Act of 1954, as amended (42 U.S.C. 1452a), \$197,000,000, to remain available until expended: *Provided*, That no part of any appropriation in this Act shall be used for administrative expenses in connection with commitments for grants aggregating more than the total of amounts available in the current year from the amounts authorized for making such commitments through June 30, 1967, plus the additional amounts appropriated therefor.

Limitation.

MODEL CITIES PROGRAMS

For financial assistance in connection with planning and carrying out comprehensive city demonstration programs pursuant to title I of the Demonstration Cities and Metropolitan Development Act of 1966, as amended (42 U.S.C. 3301), \$123,375,000, to remain available until June 30, 1976, of which \$1,000,000 shall be available only for rehabilitation and redevelopment of the DeKalb County, Tennessee, model cities area devastated by recent tornado damage.

COMPREHENSIVE PLANNING GRANTS

For comprehensive planning grants as authorized by section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$100,000,000, to remain available until expended.

SALARIES AND EXPENSES, COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS

For necessary administrative expenses of programs of community planning and development, not otherwise provided for, \$39,000,000.

FEDERAL INSURANCE ADMINISTRATION

FLOOD INSURANCE

For necessary administrative expenses, not otherwise provided for, in carrying out the National Flood Insurance Act of 1968, as amended (42 U.S.C. Chap. 50), \$50,000,000.

42 USC 4001
note.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$65,000,000, to remain available until June 30, 1976.

Ante, p. 738.

49 USC 1608
note.

SALARIES AND EXPENSES, POLICY DEVELOPMENT AND RESEARCH

For necessary administrative expenses of programs of policy development and research, not otherwise provided for, \$6,130,000.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING AND EQUAL OPPORTUNITY

For expenses necessary to carry out the functions of the Secretary pursuant to title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601), and other equal opportunity and fair housing programs authorized by law, not otherwise provided for, \$11,543,000.

DEPARTMENTAL MANAGEMENT

GENERAL DEPARTMENTAL MANAGEMENT

For necessary administrative expenses of the Secretary, not otherwise provided for, in overall program planning and direction in the Department, including not to exceed \$2,500 for official reception and representation expenses, \$5,413,000.

SALARIES AND EXPENSES, OFFICE OF GENERAL COUNSEL

For necessary expenses of the Office of General Counsel, not otherwise provided for, \$3,425,000.

SALARIES AND EXPENSES, OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, not otherwise provided for, \$6,626,000.

ADMINISTRATION AND STAFF SERVICES

For administrative expenses necessary in providing general administration and staff services within the Department, not otherwise provided for, \$18,928,000.

REGIONAL MANAGEMENT AND SERVICES

For necessary administrative expenses, not otherwise provided for, of management and program coordination in the regional offices of the Department, \$28,563,000.

FEDERAL DISASTER ASSISTANCE ADMINISTRATION

FUNDS APPROPRIATED TO THE PRESIDENT

DISASTER RELIEF

For expenses necessary to carry out the functions of the Department of Housing and Urban Development under the Disaster Relief Act of

1970, as amended, the Disaster Relief Act of 1974, and Reorganization Plan No. 1 of 1973, authorizing assistance to States and local governments in major disasters, \$200,000,000, to remain available until expended: *Provided*, That not to exceed 3 per centum of the foregoing amount shall be available for administrative expenses.

42 USC 4401
note.
Ante, p. 143.
5 USC app. II.

TITLE II

SPACE, SCIENCE, VETERANS, AND CERTAIN OTHER INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchase and repair of uniforms for caretakers of national cemeteries and monuments, outside of the United States and its territories and possessions; not to exceed \$67,000 for expenses of travel; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries when required by law of such countries; \$4,512,000: *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary pay, and allowances of personnel assigned to it.

36 USC 121b.

36 USC 122.

36 USC 122a.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of maintenance, operation, and improvement of the cemetery at the Soldiers' and Airmen's Home and Arlington National Cemetery, including the purchase of three passenger motor vehicles of which two shall be for replacement only, \$258,000, to remain available until expended: *Provided*, That reimbursement shall be made to the applicable military appropriation for the pay and allowances of any military personnel performing services primarily for the purposes of this appropriation.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); not to exceed \$250,000 for land and structures; not to exceed \$35,000 for improvement and care of grounds and repairs to buildings; not to exceed \$1,500 for official reception and representation expenses; purchase (not to exceed eight) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; \$46,900,000: *Provided*, That not to exceed \$500,000 of the foregoing amount shall remain available until June 30, 1976, for research and policy studies.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; tracking and data relay satellite services as authorized by section 7 of the National Aeronautics and Space Administration Authorization Act, 1975; and purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration, \$2,326,580,000, to remain available until expended.

Ante, p. 243.

CONSTRUCTION OF FACILITIES

For advance planning, design, rehabilitation, modification and construction of facilities for the National Aeronautics and Space Administration, and for the acquisition or condemnation of real property, as authorized by law, \$140,155,000, including (1) \$3,660,000 for addition to flight and guidance simulation laboratory, Ames Research Center; (2) \$890,000 for rehabilitation and modification of science and applications laboratories, Goddard Space Flight Center; (3) \$1,220,000 for modifications for fire protection and safety, Goddard Space Flight Center; (4) \$150,000 for acquisition of land, Jet Propulsion Laboratory; (5) \$3,790,000 for addition for integrated systems testing facility, Jet Propulsion Laboratory; (6) \$935,000 for modification of water supply system, Lyndon B. Johnson Space Center; (7) \$515,000 for modification of 6,000 p.s.i. air storage system, Langley Research Center; (8) \$2,990,000 for rehabilitation of 16-foot transonic wind tunnel, Langley Research Center; (9) \$2,580,000 for modification of propulsion systems laboratory, Lewis Research Center; (10) \$660,000 for modification of rocket engine test facility, Lewis Research Center; (11) \$4,060,000 for construction of X-ray telescope facility, Marshall Space Flight Center; (12) \$1,370,000 for modification of beach protection system, Wallops Station; (13) \$6,040,000 for construction of infrared telescope facility, Mauna Kea, Hawaii; (14) \$1,430,000 for modifications for fire protection and safety at various tracking and data stations; (15) \$77,020,000 for Space Shuttle facilities at various locations, as follows: (A) modification of the vibration and acoustic test facility, Lyndon B. Johnson Space Center, (B) modifications for crew training facilities, Lyndon B. Johnson Space Center, (C) construction of materials test facility, White Sands Test Facility, (D) modifications for dynamic test facilities, Marshall Space Flight Center,

and NASA Industrial Plant, Downey, California, (E) modifications for solid rocket booster structural test facilities, Marshall Space Flight Center, (F) construction of Orbiter landing facilities, John F. Kennedy Space Center, (G) construction of Orbiter processing facility, John F. Kennedy Space Center, (H) modifications to launch complex 39, John F. Kennedy Space Center, (I) \$1,940,000 for construction of an Orbiter Horizontal Flight Test Facility, Flight Research Center; (16) \$14,900,000 for minor rehabilitation and modification of facilities at various locations; (17) \$4,500,000 for minor construction of new facilities and additions to existing facilities at various locations; (18) \$10,900,000 for facility planning and design not otherwise provided for; and (19) \$4,880,000 for an addition to the Systems Development Laboratory (SDL) at the Jet Propulsion Laboratory (JPL); to remain available for obligation until June 30, 1977: *Provided*, That, notwithstanding the limitation on the availability of funds appropriated under this head by this appropriation act, and except with respect to items (16) through (18) above, when any activity, for which appropriations under this head made by this act are available, has been initiated by the incurrence of obligations therefor, the amount available for such activity shall remain available until expended.

RESEARCH AND PROGRAM MANAGEMENT

For necessary expenses of research in Government laboratories, management of programs and other activities of the National Aeronautics and Space Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); awards; hire, maintenance and operation of administrative aircraft; purchase (not to exceed sixteen for replacement only) and hire of passenger motor vehicles; and maintenance and repair of real and personal property, and not in excess of \$10,000 per project for construction of new facilities and additions to existing facilities, and not in excess of \$25,000 per project for rehabilitation and modification of facilities; \$740,000,000: *Provided*, That contracts may be entered into under this appropriation for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: *Provided further*, That not to exceed \$35,000 of the foregoing amount shall be available for scientific consultations or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive.

GENERAL PROVISION

Not to exceed one-quarter of 1 per centum of the appropriations made available to the National Aeronautics and Space Administration by this Act for "Research and development" and "Research and program management" may be transferred to either of the other mentioned appropriation, but not to exceed the amount authorized therefor by the National Aeronautics and Space Administration Authorization Act, 1975 (Public Law 93-316).

Ante, p. 240.

NATIONAL SCIENCE FOUNDATION

SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), title IX of the National Defense Education Act of 1958 (42 U.S.C. 1876-1879), and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881), including award of graduate fellowships;

services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; hire of passenger motor vehicles; not to exceed \$5,000 for official reception and representation expenses; not to exceed \$35,900,000 for program development and management; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; \$661,500,000, to remain available until June 30, 1976: *Provided*, That of the foregoing total amount, not more nor less than \$13,200,000 shall be used only for Graduate Student Support; not more nor less than \$65,150,000 shall be used only for Science Education Improvement; not more nor less than \$5,500,000 shall be used only for Institutional Improvement for Science; and not more than \$50,000,000 shall be available for Research Applied to National Needs: *Provided further*, That receipts for scientific support services and materials furnished by the National Research Centers may be credited to this appropriation: *Provided further*, That if an institution of higher education receiving funds hereunder determines after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has, after the date of enactment of this Act, willfully refused to obey a lawful regulation or order of such institution and that such refusal was of a serious nature and contributed to the disruption of the administration of such institution, then the institution shall deny any further payment to, or for the benefit of, such individual.

Funds to campus disrupters, prohibition.

SCIENTIFIC ACTIVITIES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for scientific activities, as authorized by law, \$4,850,000, to remain available until June 30, 1976: *Provided*, That this appropriation shall be available in addition to other appropriations to the National Science Foundation, for payments in the foregoing currencies.

RENEGOTIATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Renegotiation Board, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$5,163,000.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed \$1,200,000 for travel expenses and, not to exceed \$2,000 for official reception and representation expenses, \$43,077,000.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101-4118) for civilian employees; and expenses of the

National Selective Service Appeal Board; and not to exceed \$1,000 for official reception and representation expenses; \$45,000,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

31 USC 665.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For the payment of compensation, pensions, gratuities, and allowances, including burial awards, plot allowances, burial flags, headstones and grave markers, emergency and other officers' retirement pay, adjusted-service credits and certificates, and other benefits as authorized by law; and for payment of amounts of compromises or settlements under 28 U.S.C. 2677 of tort claims potentially subject to the offset provisions of 38 U.S.C. 351, \$7,283,000,000 to remain available until expended.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 31, and 33-39), \$2,676,000,000, to remain available until expended.

38 USC 801,
1501, 1601.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and soldiers' and sailors' civil relief, \$8,750,000, to remain available until expended.

MEDICAL CARE

For expenses necessary for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Veterans Administration, including care and treatment in facilities not under the jurisdiction of the Veterans Administration, and furnishing recreational facilities, supplies and equipment; funeral, burial and other expenses incidental thereto for beneficiaries receiving care in Veterans Administration facilities; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowance therefor as authorized by law (5 U.S.C. 5901-5902); and aid to State homes as authorized by law (38 U.S.C. 641); \$3,187,644,000, plus reimbursements: *Provided*, That allotments and transfers may be made from this appropriation to the Public Health Service of the Department of Health, Education, and Welfare, and the Army, Navy, and Air Force of the Department of Defense, for disbursements by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans Administration.

MEDICAL AND PROSTHETIC RESEARCH

For expenses necessary for carrying out programs of medical and prosthetic research and development, as authorized by law, to remain available until expended, \$89,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For expenses necessary for administration of the medical, hospital, domiciliary, construction and supply, research, employee education and training activities, as authorized by law, and for carrying out the provisions of section 5055, title 38, United States Code, relating to pilot programs and grants for exchange of medical information, \$37,508,000, plus reimbursements.

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed \$2,500 for official reception and representation expenses; cemetery expenses as authorized by law, purchase of one passenger motor vehicle (medium sedan for replacement only) and hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services; \$420,000,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, or for any of the purposes set forth in sections 5001, 5002 and 5004 of title 38, United States Code, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is \$1,000,000 or more, \$223,925,000, to remain available until expended: *Provided*, That none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, including planning, architectural and engineering services, and site acquisition, or for any of the purposes set forth in sections 5001, 5002 and 5004 of title 38, United States Code, where the estimated cost of a project is less than \$1,000,000, and for necessary expenses of the Office of Construction, \$43,796,000, to remain available until expended.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist the several States to construct State nursing home facilities and to remodel, modify or alter existing hospital and domiciliary facilities in State homes, for furnishing care to veterans, as authorized by law (38 U.S.C. 644 and 5031-5037), \$9,700,000, to remain available until June 30, 1977.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants, as authorized by law (38 U.S.C. 631-634), \$2,050,000, of which \$50,000 for hospital equipment, plant, and facilities rehabilitation grants shall remain available until expended.

PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES

For the payment of such insufficiencies as may be required by the Government National Mortgage Association, as trustee, on account of outstanding beneficial interests or participation in Direct loan revolving fund assets or Loan guaranty revolving fund assets, authorized by the Independent Offices, and Department of Housing and Urban Development Appropriation Act, 1968, to be issued pursuant to section 302 (c) of the Federal National Mortgage Association Charter Act, as amended (12 U.S.C. 1717(c)), \$1,828,000.

81 Stat. 341.

LOAN GUARANTY REVOLVING FUND

During the current fiscal year, the Loan guaranty revolving fund shall be available for expenses, but not to exceed \$500,000,000, for property acquisitions and other loan guaranty and insurance operations under Chapter 37, title 38, United States Code, except administrative expenses, as authorized by section 1824 of such title: *Provided*, That the unobligated balances including retained earnings of the Direct loan revolving fund shall be available, during the current fiscal year, for transfer to the Loan guaranty revolving fund in such amounts as may be necessary to provide for the timely payment of obligations of such fund and the Administrator of Veterans Affairs shall not be required to pay interest on amounts so transferred after the time of such transfer.

38 USC 1801.

VOCATIONAL REHABILITATION REVOLVING FUND

To increase the "Vocational Rehabilitation Revolving Fund" established by the Act of March 24, 1943, and continued by 38 U.S.C. 1507, \$97,000.

ADMINISTRATIVE PROVISIONS

Not to exceed 5 per centum of any appropriation for the current fiscal year for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented.

Transfer of funds.

Appropriations available to the Veterans Administration for the current fiscal year for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

No part of the appropriations in this Act for the Veterans Administration (except the appropriations for "Construction, major projects", and "Construction, minor projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

TITLE III

CORPORATIONS

31 USC 849. The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency except as hereinafter provided.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,
FEDERAL HOUSING ADMINISTRATION

63 Stat. 905.
12 USC 1702. For administrative expenses in carrying out duties imposed by or pursuant to law, not to exceed \$13,803,000 of the various funds of the Federal Housing Administration shall be available, in accordance with the National Housing Act, as amended (12 U.S.C. 1701): *Provided*, That funds shall be available for contract actuarial services (not to exceed \$1,500): *Provided further*, That nonadministrative expenses classified by section 2 of Public Law 387, approved October 25, 1949, shall not exceed \$190,500,000.

LIMITATION ON ADMINISTRATIVE EXPENSES, GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

Not to exceed \$8,080,000 shall be available for administrative expenses, which shall be on an accrual basis, and shall be exclusive of interest paid, expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of securities, depreciation, properly capitalized expenditures, fees for servicing mortgages, expenses (including services performed on a force account, contract or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Association or in which it has an interest, cost of salaries, wages, travel, and other expenses of persons employed outside the continental United States, and all administrative expenses reimbursable from other Government agencies and from the Federal National Mortgage Association: *Provided*, That the distribution of administrative expenses to the accounts of the Association shall be made in accordance with generally recognized accounting principles and practices.

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES,
FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of \$10,400,000 shall be available for administrative expenses of the Federal Home Loan Bank Board, which may procure services as authorized by 5 U.S.C. 3109, and contracts for such services with one organization may be renewed annually, and uniforms or allowances therefor in accordance with law (5 U.S.C. 5901-5902),

and said amount shall be derived from funds available to the Federal Home Loan Bank Board, including those in the Federal Home Loan Bank Board revolving fund and receipts of the Board for the current fiscal year and prior fiscal years, and the Board may utilize and may make payment for services and facilities of the Federal home loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, the Federal Home Loan Mortgage Corporation, and other agencies of the Government (including payment for office space): *Provided*, That all necessary expenses in connection with the conservatorship or liquidation of institutions insured by the Federal Savings and Loan Insurance Corporation, liquidation or handling of assets of or derived from such insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of such insured institutions, or activities relating to section 5A(f) or 6(i) of the Federal Home Loan Bank Act, section 5(d) of the Home Owners' Loan Act of 1933, or section 406(c), 407, or 408 of the National Housing Act and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That members and alternates of the Federal Savings and Loan Advisory Council shall be entitled to reimbursement from the Board as approved by the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid in lieu of subsistence per diem not to exceed the dollar amount set forth in 5 U.S.C. 5703(d)(1): *Provided further*, That expenses of any functions of supervision (except of Federal home loan banks) vested in or exercisable by the Board shall be considered as nonadministrative expenses: *Provided further*, That not to exceed \$1,000 shall be available for official reception and representation expenses: *Provided further*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U.S.C. 1421-1449): *Provided further*, That the dollar limitation of section 18(c) of the Federal Home Loan Bank Act is further increased by the cumulative assessments and interest-bearing or other advances for purposes thereof, which shall include related commercial facilities, hereby authorized to be required by the Board as nonadministrative expenditures of agencies under administration or supervision of the Board or of a body composed of its members, all of which are hereby included in the references therein to agencies under the Board's supervision, and the Board is hereby authorized to adjust as it deems equitable the interest on advances now or hereafter outstanding thereunder or hereunder: *Provided further*, That the nonadministrative expenses (except those included in the first proviso hereof) for the supervision and examination of Federal and State chartered institutions (other than special examinations determined by the Board to be necessary) shall not exceed \$20,736,000.

12 USC 1425a,
1426.
12 USC 1464.
12 USC 1729-
1730a.

12 USC 1421.

12 USC 1428a
note.

12 USC 1438.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND LOAN
INSURANCE CORPORATION

12 USC 1729-
1730a.

Not to exceed \$772,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or activities relating to section 406(c), 407, or 408 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses and payments for expenses of the Federal Home Loan Bank Board determined by said Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payments for services and facilities of the Federal home loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U.S.C. 1724-1730b).

TITLE IV

GENERAL PROVISIONS

Travel ex-
penses.

SEC. 401. Where appropriations in titles I and II of this Act as expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; or to payments to inter-agency motor pools where separately set forth in the budget schedules.

Uniforms.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances thereof, as authorized by law (5 U.S.C. 5901-5902); hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

Legal and bank-
ing services.

SEC. 403. Funds made available for the Department of Housing and Urban Development under title III of this Act shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association or Government National Mortgage Association, Federal Reserve banks or any member thereof, Federal home loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).

Research proj-
ects.

SEC. 404. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals for projects not specifically solicited by the Government: *Provided*, That the extent

of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 405. No part of any appropriation, funds, or other authority contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

Space and services.

40 USC 490.

SEC. 406. No part of any appropriations contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Fiscal year limitation.

This Act may be cited as the "Department of Housing and Urban Development; Space, Science, Veterans, and Certain Other Independent Agencies Appropriation Act, 1975".

Short title.

Approved September 6, 1974.

Public Law 93-415

AN ACT

To provide a comprehensive, coordinated approach to the problems of juvenile delinquency, and for other purposes.

September 7, 1974
[S. 821]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Juvenile Justice and Delinquency Prevention Act of 1974".

Juvenile Justice and Delinquency Prevention Act of 1974.
42 USC 5601 note.

TITLE I—FINDINGS AND DECLARATION OF PURPOSE

FINDINGS

SEC. 101. (a) The Congress hereby finds that—

42 USC 5601.

(1) juveniles account for almost half the arrests for serious crimes in the United States today;

(2) understaffed, overcrowded juvenile courts, probation services, and correctional facilities are not able to provide individualized justice or effective help;

(3) present juvenile courts, foster and protective care programs, and shelter facilities are inadequate to meet the needs of the countless, abandoned, and dependent children, who, because of this failure to provide effective services, may become delinquents;

(4) existing programs have not adequately responded to the particular problems of the increasing numbers of young people who are addicted to or who abuse drugs, particularly nonopiate or polydrug abusers;

(5) juvenile delinquency can be prevented through programs designed to keep students in elementary and secondary schools through the prevention of unwarranted and arbitrary suspensions and expulsions;

(6) States and local communities which experience directly the devastating failures of the juvenile justice system do not presently have sufficient technical expertise or adequate resources to deal comprehensively with the problems of juvenile delinquency; and

(7) existing Federal programs have not provided the direction, coordination, resources, and leadership required to meet the crisis of delinquency.

(b) Congress finds further that the high incidence of delinquency in the United States today results in enormous annual cost and immeasurable loss of human life, personal security, and wasted human resources and that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate and comprehensive action by the Federal Government to reduce and prevent delinquency.

PURPOSE

42 USC 5602.

SEC. 102. (a) It is the purpose of this Act—

(1) to provide for the thorough and prompt evaluation of all federally assisted juvenile delinquency programs;

(2) to provide technical assistance to public and private agencies, institutions, and individuals in developing and implementing juvenile delinquency programs;

(3) to establish training programs for persons, including professionals, paraprofessionals, and volunteers, who work with delinquents or potential delinquents or whose work or activities relate to juvenile delinquency programs;

(4) to establish a centralized research effort on the problems of juvenile delinquency, including an information clearinghouse to disseminate the findings of such research and all data related to juvenile delinquency;

(5) to develop and encourage the implementation of national standards for the administration of juvenile justice, including recommendations for administrative, budgetary, and legislative action at the Federal, State, and local level to facilitate the adoption of such standards;

(6) to assist States and local communities with resources to develop and implement programs to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspensions and expulsions; and

(7) to establish a Federal assistance program to deal with the problems of runaway youth.

(b) It is therefore the further declared policy of Congress to provide the necessary resources, leadership, and coordination (1) to

develop and implement effective methods of preventing and reducing juvenile delinquency; (2) to develop and conduct effective programs to prevent delinquency, to divert juveniles from the traditional juvenile justice system and to provide critically needed alternatives to institutionalization; (3) to improve the quality of juvenile justice in the United States; and (4) to increase the capacity of State and local governments and public and private agencies to conduct effective juvenile justice and delinquency prevention and rehabilitation programs and to provide research, evaluation, and training services in the field of juvenile delinquency prevention.

DEFINITIONS

SEC. 103. For purposes of this Act—

42 USC 5603.

(1) the term “community based” facility, program, or service means a small, open group home or other suitable place located near the juvenile’s home or family and programs of community supervision and service which maintain community and consumer participation in the planning operation, and evaluation of their programs which may include, but are not limited to, medical, educational, vocational, social, and psychological guidance, training, counseling, alcoholism treatment, drug treatment, and other rehabilitative services;

(2) the term “Federal juvenile delinquency program” means any juvenile delinquency program which is conducted, directly, or indirectly, or is assisted by any Federal department or agency, including any program funded under this Act;

(3) the term “juvenile delinquency program” means any program or activity related to juvenile delinquency prevention, control, diversion, treatment, rehabilitation, planning, education, training, and research, including drug and alcohol abuse programs; the improvement of the juvenile justice system; and any program or activity for neglected, abandoned, or dependent youth and other youth who are in danger of becoming delinquent;

(4) the term “Law Enforcement Assistance Administration” means the agency established by section 101(a) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended;

42 USC 3711.

(5) the term “Administrator” means the agency head designated by section 101(b) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended;

(6) the term “law enforcement and criminal justice” means any activity pertaining to crime prevention, control, or reduction or the enforcement of the criminal law, including, but not limited to police efforts to prevent, control, or reduce crime or to apprehend criminals, activities of courts having criminal jurisdiction and related agencies (including prosecutorial and defender services, activities of corrections, probation, or parole authorities, and programs relating to the prevention, control, or reduction of juvenile delinquency or narcotic addiction;

(7) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and any territory or possession of the United States;

(8) the term "unit of general local government" means any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, an Indian tribe which performs law enforcement functions as determined by the Secretary of the Interior, or, for the purpose of assistance eligibility, any agency of the District of Columbia government performing law enforcement functions in and for the District of Columbia and funds appropriated by the Congress for the activities of such agency may be used to provide the non-Federal share of the cost of programs or projects funded under this title;

(9) the term "combination" as applied to States or units of general local government means any grouping or joining together of such States or units for the purpose of preparing, developing, or implementing a law enforcement plan;

(10) the term "construction" means acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees but not the cost of acquisition of land for buildings);

(11) the term "public agency" means any State, unit of local government, combination of such States or units, or any department, agency, or instrumentality of any of the foregoing;

(12) the term "correctional institution or facility" means any place for the confinement or rehabilitation of juvenile offenders or individuals charged with or convicted of criminal offenses; and

(13) the term "treatment" includes but is not limited to medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative services designed to protect the public and benefit the addict or other user by eliminating his dependence on addicting or other drugs or by controlling his dependence, and his susceptibility to addiction or use.

TITLE II—JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Part A—Juvenile Justice and Delinquency Prevention Office

ESTABLISHMENT OF OFFICE

42 USC 5611.

SEC. 201. (a) There is hereby created within the Department of Justice, Law Enforcement Assistance Administration, the Office of Juvenile Justice and Delinquency Prevention (referred to in this Act as the "Office").

Administration.

(b) The programs authorized pursuant to this Act unless otherwise specified in this Act shall be administered by the Office established under this section.

(c) There shall be at the head of the Office an Assistant Administrator who shall be nominated by the President by and with the advice and consent of the Senate.

(d) The Assistant Administrator shall exercise all necessary powers, subject to the direction of the Administrator of the Law Enforcement Assistance Administration.

(e) There shall be in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator of the Law Enforcement Assistance Administration. The Deputy Assistant Administrator shall perform such functions as the Assistant Administrator from time to time assigns or delegates, and shall act as Assistant Administrator during the absence or disability of the Assistant Administrator or in the event of a vacancy in the Office of the Assistant Administrator.

(f) There shall be established in the Office a Deputy Assistant Administrator who shall be appointed by the Administrator whose function shall be to supervise and direct the National Institute for Juvenile Justice and Delinquency Prevention established under section 241 of this Act.

(g) Section 5108(c)(10) of title 5, United States Code first occurrence, is amended by deleting the word "twenty-two" and inserting in lieu thereof the word "twenty-five".

Post, p. 1125.

PERSONNEL, SPECIAL PERSONNEL, EXPERTS, AND CONSULTANTS

SEC. 202. (a) The Administrator is authorized to select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

42 USC 5612.

(b) The Administrator is authorized to select, appoint, and employ not to exceed three officers and to fix their compensation at rates not to exceed the rate now or hereafter prescribed for GS-18 of the General Schedule by section 5332 of title 5 of the United States Code.

5 USC 5332
note.

(c) Upon the request of the Administrator, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to the Assistant Administrator to assist him in carrying out his functions under this Act.

(d) The Administrator may obtain services as authorized by section 3109 of title 5 of the United States Code, at rates not to exceed the rate now or hereafter prescribed for GS-18 of the General Schedule by section 5332 of title I of the United States Code.

5 USC 5332
note.

VOLUNTARY SERVICE

SEC. 203. The Administrator is authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)).

42 USC 5613.

CONCENTRATION OF FEDERAL EFFORTS

SEC. 204. (a) The Administrator shall implement overall policy and develop objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training,

42 USC 5614.

treatment, rehabilitation, evaluation, research, and improvement of the juvenile justice system in the United States. In carrying out his functions, the Administrator shall consult with the Council and the National Advisory Committee for Juvenile Justice and Delinquency Prevention.

Duties.

(b) In carrying out the purposes of this Act, the Administrator shall—

(1) advise the President through the Attorney General as to all matters relating to federally assisted juvenile delinquency programs and Federal policies regarding juvenile delinquency;

(2) assist operating agencies which have direct responsibilities for the prevention and treatment of juvenile delinquency in the development and promulgation of regulations, guidelines, requirements, criteria, standards, procedures, and budget requests in accordance with the policies, priorities, and objectives he establishes;

Studies.

(3) conduct and support evaluations and studies of the performance and results achieved by Federal juvenile delinquency programs and activities and of the prospective performance and results that might be achieved by alternative programs and activities supplementary to or in lieu of those currently being administered;

(4) implement Federal juvenile delinquency programs and activities among Federal departments and agencies and between Federal juvenile delinquency programs and activities and other Federal programs and activities which he determines may have an important bearing on the success of the entire Federal juvenile delinquency effort;

Annual analysis and evaluation, submittal to President and Congress.

(5) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to September 30, an analysis and evaluation of Federal juvenile delinquency programs conducted and assisted by Federal departments and agencies, the expenditures made, the results achieved, the plans developed, and problems in the operations and coordination of such programs. The report shall include recommendations for modifications in organization, management, personnel, standards, budget requests, and implementation plans necessary to increase the effectiveness of these programs;

Annual comprehensive plan, submittal to President and Congress.

(6) develop annually with the assistance of the Advisory Committee and submit to the President and the Congress, after the first year the legislation is enacted, prior to March 1, a comprehensive plan for Federal juvenile delinquency programs, with particular emphasis on the prevention of juvenile delinquency and the development of programs and services which will encourage increased diversion of juveniles from the traditional juvenile justice system; and

(7) provide technical assistance to Federal, State, and local governments, courts, public and private agencies, institutions, and individuals, in the planning, establishment, funding, operation, or evaluation of juvenile delinquency programs.

Reports to Congress and Council.

(c) The President shall, no later than ninety days after receiving each annual report under subsection (b) (5), submit a report to the Congress and to the Council containing a detailed statement of any action taken or anticipated with respect to recommendations made by each such annual report.

(d)(1) The first annual report submitted to the President and the Congress by the Administrator under subsection (b)(5) shall contain, in addition to information required by subsection (b)(5), a detailed statement of criteria developed by the Administrator for identifying the characteristics of juvenile delinquency, juvenile delinquency prevention, diversion of youths from the juvenile justice system, and the training, treatment, and rehabilitation of juvenile delinquents.

Annual reports,
contents.

(2) The second such annual report shall contain, in addition to information required by subsection (b)(5), an identification of Federal programs which are related to juvenile delinquency prevention or treatment, together with a statement of the moneys expended for each such program during the most recent complete fiscal year. Such identification shall be made by the Administrator through the use of criteria developed under paragraph (1).

(e) The third such annual report submitted to the President and the Congress by the Administrator under subsection (b)(6) shall contain, in addition to the comprehensive plan required by subsection (b)(6), a detailed statement of procedures to be used with respect to the submission of juvenile delinquency development statements to the Administrator by Federal agencies under subsection ("1"). Such statement submitted by the Administrator shall include a description of information, data, and analyses which shall be contained in each such development statement.

(f) The Administrator may require, through appropriate authority, departments and agencies engaged in any activity involving any Federal juvenile delinquency program to provide him with such information and reports, and to conduct such studies and surveys, as he may deem to be necessary to carry out the purposes of this part.

(g) The Administrator may delegate any of his functions under this part, except the making of regulations, to any officer or employee of the Administration.

(h) The Administrator is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

Federal Govern-
ment services and
facilities, utiliza-
tion.

(i) The Administrator is authorized to transfer funds appropriated under this title to any agency of the Federal Government to develop or demonstrate new methods in juvenile delinquency prevention and rehabilitation and to supplement existing delinquency prevention and rehabilitation programs which the Assistant Administrator finds to be exceptionally effective or for which he finds there exists exceptional need.

Transfer of
funds.

(j) The Administrator is authorized to make grants to, or enter into contracts with, any public or private agency, institution, or individual to carry out the purposes of this part.

Grants and
contracts.

(k) All functions of the Administrator under this part shall be coordinated as appropriate with the functions of the Secretary of the Department of Health, Education, and Welfare under the Juvenile Delinquency Prevention Act (42 U.S.C. 3801 et seq.).

Coordination
with HEW.

(l)(1) The Administrator shall require through appropriate authority each Federal agency which administers a Federal juvenile delinquency program which meets any criterion developed by the Administrator under section 204(d)(1) to submit annually to the Council a juvenile delinquency development statement. Such statement shall be in addition to any information, report, study, or survey which the Administrator may require under section 204(f).

Development
statement, sub-
mittal to Council.

Supra.

(2) Each juvenile delinquency development statement submitted to the Administrator under subsection ("l") shall be submitted in accordance with procedures established by the Administrator under section 204(e) and shall contain such information, data, and analyses as the Administrator may require under section 204(e). Such analyses shall include an analysis of the extent to which the juvenile delinquency program of the Federal agency submitting such development statement conforms with and furthers Federal juvenile delinquency prevention and treatment goals and policies.

Juvenile delinquency development statement, review.

(3) The Administrator shall review and comment upon each juvenile delinquency development statement transmitted to him under subsection ("l"). Such development statement, together with the comments of the Administrator, shall be included by the Federal agency involved in every recommendation or request made by such agency for Federal legislation which significantly affects juvenile delinquency prevention and treatment.

JOINT FUNDING

42 USC 5615.

SEC. 205. Notwithstanding any other provision of law, where funds are made available by more than one Federal agency to be used by any agency, organization, institution, or individual to carry out a Federal juvenile delinquency program or activity, any one of the Federal agencies providing funds may be requested by the Administrator to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and the Administrator may order any such agency to waive any technical grant or contract requirement (as defined in such regulations) which is inconsistent with the similar requirement of the administering agency or which the administering agency does not impose.

Non-Federal share requirement. Establishment.

COORDINATING COUNCIL ON JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Establishment.
42 USC 5616.

SEC. 206. (a) (1) There is hereby established, as an independent organization in the executive branch of the Federal Government a Coordinating Council on Juvenile Justice and Delinquency Prevention (hereinafter referred to as the "Council") composed of the Attorney General, the Secretary of Health, Education, and Welfare, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, the Assistant Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Deputy Assistant Administrator of the Institute for Juvenile Justice and Delinquency Prevention, and representatives of such other agencies as the President shall designate.

Membership.

(2) Any individual designated under this section shall be selected from individuals who exercise significant decisionmaking authority in the Federal agency involved.

Chairman.

(b) The Attorney General shall serve as Chairman of the Council. The Assistant Administrator of the Office of Juvenile Justice and Delinquency Prevention shall serve as Vice Chairman of the Council. The Vice Chairman shall act as Chairman in the absence of the Chairman.

Functions.

(c) The function of the Council shall be to coordinate all Federal juvenile delinquency programs. The Council shall make recommendations to the Attorney General and the President at least annually with respect to the coordination of overall policy and development of objectives and priorities for all Federal juvenile delinquency programs and activities.

(d) The Council shall meet a minimum of six times per year and a description of the activities of the Council shall be included in the annual report required by section 204(b)(5) of this title.

Meetings.

(e)(1) The Chairman shall, with the approval of the Council, appoint an Executive Secretary of the Council.

(2) The Executive Secretary shall be responsible for the day-to-day administration of the Council.

(3) The Executive Secretary may, with the approval of the Council, appoint such personnel as he considers necessary to carry out the purposes of this title.

(f) Members of the Council who are employed by the Federal Government full time shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Council.

(g) To carry out the purposes of this section there is authorized to be appropriated such sums as may be necessary.

Appropriation.

ADVISORY COMMITTEE

SEC. 207. (a) There is hereby established a National Advisory Committee for Juvenile Justice and Delinquency Prevention (hereinafter referred to as the "Advisory Committee") which shall consist of twenty-one members.

National Advisory Committee for Juvenile Justice and Delinquency Prevention.

(b) The members of the Coordinating Council or their respective designees shall be ex officio members of the Committee.

Establishment.
42 USC 5617.

(c) The regular members of the Advisory Committee shall be appointed by the President from persons who by virtue of their training or experience have special knowledge concerning the prevention and treatment of juvenile delinquency or the administration of juvenile justice, such as juvenile or family court judges; probation, correctional, or law enforcement personnel; and representatives of private voluntary organizations and community-based programs. The President shall designate the Chairman. A majority of the members of the Advisory Committee, including the Chairman, shall not be full-time employees of Federal, State, or local governments. At least seven members shall not have attained twenty-six years of age on the date of their appointment.

Membership.

(d) Members appointed by the President to the Committee shall serve for terms of four years and shall be eligible for reappointment except that for the first composition of the Advisory Committee, one-third of these members shall be appointed to one-year terms, one-third to two-year terms, and one-third to three-year terms; thereafter each term shall be four years. Such members shall be appointed within ninety days after the date of the enactment of this title. Any members appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term.

Terms of office.

DUTIES OF THE ADVISORY COMMITTEE

SEC. 208. (a) The Advisory Committee shall meet at the call of the Chairman, but not less than four times a year.

(b) The Advisory Committee shall make recommendations to the Administrator at least annually with respect to planning, policy, priorities, operations, and management of all Federal juvenile delinquency programs.

(c) The Chairman may designate a subcommittee of the members of the Advisory Committee to advise the Administrator on particular functions or aspects of the work of the Administration.

Meetings.
42 USC 5618.
Recommendations to Administrator.

(d) The Chairman shall designate a subcommittee of five members of the Committee to serve, together with the Director of the National Institute of Corrections, as members of an Advisory Committee for the National Institute for Juvenile Justice and Delinquency Prevention to perform the functions set forth in section 245 of this title.

(e) The Chairman shall designate a subcommittee of five members of the Committee to serve as an Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice to perform the functions set forth in section 247 of this title.

(f) The Chairman, with the approval of the Committee, shall appoint such personnel as are necessary to carry out the duties of the Advisory Committee.

COMPENSATION AND EXPENSES

42 USC 5619.

SEC. 209. (a) Members of the Advisory Committee who are employed by the Federal Government full time shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee.

5 USC 5332
note.

(b) Members of the Advisory Committee not employed full time by the Federal Government shall receive compensation at a rate not to exceed the rate now or hereafter prescribed for GS-18 of the General Schedule by section 5332 of title 5 of the United States Code, including traveltime for each day they are engaged in the performance of their duties as members of the Advisory Committee. Members shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Advisory Committee.

PART B—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

Subpart I—Formula Grants

42 USC 5631.

SEC. 221. The Administrator is authorized to make grants to States and local governments to assist them in planning, establishing, operating, coordinating, and evaluating projects directly or through contracts with public and private agencies for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation programs in the area of juvenile delinquency and programs to improve the juvenile justice system.

ALLOCATION

42 USC 5632.

SEC. 222. (a) In accordance with regulations promulgated under this part, funds shall be allocated annually among the States on the basis of relative population of people under age eighteen. No such allotment to any State shall be less than \$200,000, except that for the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands no allotment shall be less than \$50,000.

Reallocation of
funds.

(b) Except for funds appropriated for fiscal year 1975, if any amount so allotted remains unobligated at the end of the fiscal year, such funds shall be reallocated in a manner equitable and consistent with the purpose of this part. Funds appropriated for fiscal year 1975 may be obligated in accordance with subsection (a) until June 30, 1976, after which time they may be reallocated. Any amount so reallocated shall be in addition to the amounts already allotted and available to the State, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands for the same period.

(c) In accordance with regulations promulgated under this part, a portion of any allotment to any State under this part shall be available to develop a State plan and to pay that portion of the expenditures which are necessary for efficient administration. Not more than 15 per centum of the total annual allotment of such State shall be available for such purposes. The State shall make available needed funds for planning and administration to local governments within the State on an equitable basis.

(d) Financial assistance extended under the provisions of this section shall not exceed 90 per centum of the approved costs of any assisted programs or activities. The non-Federal share shall be made in cash or kind consistent with the maintenance of programs required by section 261.

Financial assistance, limitation.

STATE PLANS

SEC. 223.(a) In order to receive formula grants under this part, a State shall submit a plan for carrying out its purposes consistent with the provisions of section 303(a), (1), (3), (5), (6), (8), (10), (11), (12), and (15) of title I of the Omnibus Crime Control and Safe Streets Act of 1968. In accordance with regulations established under this title, such plan must—

42 USC 5633.

(1) designate the State planning agency established by the State under section 203 of such title I as the sole agency for supervising the preparation and administration of the plan;

42 USC 3733.
Requirements.

(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter referred to in this part as the "State planning agency") has or will have authority, by legislation if necessary, to implement such plan in conformity with this part;

42 USC 3723.

(3) provide for an advisory group appointed by the chief executive of the State to advise the State planning agency and its supervisory board (A) which shall consist of not less than twenty-one and not more than thirty-three persons who have training, experience, or special knowledge concerning the prevention and treatment of a juvenile delinquency or the administration of juvenile justice, (B) which shall include representation of units of local government, law enforcement and juvenile justice agencies such as law enforcement, correction or probation personnel, and juvenile or family court judges, and public agencies concerned with delinquency prevention or treatment such as welfare, social services, mental health, education, or youth services departments, (C) which shall include representatives of private organizations concerned with delinquency prevention or treatment; concerned with neglected or dependent children; concerned with the quality of juvenile justice, education, or social services for children; which utilize volunteers to work with delinquents or potential delinquents; community-based delinquency prevention or treatment programs; and organizations which represent employees affected by this Act, (D) a majority of whose members (including the chairman) shall not be full-time employees of the Federal, State, or local government, and (E) at least one-third of whose members shall be under the age of twenty-six at the time of appointment;

Advisory group.

(4) provide for the active consultation with and participation of local governments in the development of a State plan which adequately takes into account the needs and requests of local governments;

Consultation with local governments.

(5) provide that at least 66⅔ per centum of the funds received by the State under section 222 shall be expended through programs of local government insofar as they are consistent with the State plan, except that this provision may be waived at the discretion of the Administrator for any State if the services for delinquent or potentially delinquent youth are organized primarily on a statewide basis;

(6) provide that the chief executive officer of the local government shall assign responsibility for the preparation and administration of the local government's part of a State plan, or for the supervision of the preparation and administration of the local government's part of the State plan, to that agency within the local government's structure (hereinafter in this part referred to as the "local agency") which can most effectively carry out the purposes of this part and shall provide for supervision of the programs funded under this part by that local agency;

(7) provide for an equitable distribution of the assistance received under section 222 within the State;

Study.

(8) set forth a detailed study of the State needs for an effective, comprehensive, coordinated approach to juvenile delinquency prevention and treatment and the improvement of the juvenile justice system. This plan shall include itemized estimated costs for the development and implementation of such programs;

(9) provide for the active consultation with and participation of private agencies in the development and execution of the State plan; and provide for coordination and maximum utilization of existing juvenile delinquency programs and other related programs, such as education, health, and welfare within the State;

(10) provide that not less than 75 per centum of the funds available to such State under section 222, whether expended directly by the State or by the local government or through contracts with public or private agencies, shall be used for advanced techniques in developing, maintaining, and expanding programs and services designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, and to provide community-based alternatives to juvenile detention and correctional facilities. That advanced techniques include—

Advanced techniques.

(A) community-based programs and services for the prevention and treatment of juvenile delinquency through the development of foster-care and shelter-care homes, group homes, halfway houses, homemaker and home health services, and any other designated community-based diagnostic, treatment, or rehabilitative service;

(B) community-based programs and services to work with parents and other family members to maintain and strengthen the family unit so that the juvenile may be retained in his home;

(C) youth service bureaus and other community-based programs to divert youth from the juvenile court or to support, counsel, or provide work and recreational opportunities for delinquents and youth in danger of becoming delinquent;

(D) comprehensive programs of drug and alcohol abuse education and prevention and programs for the treatment and rehabilitation of drug addicted youth, and "drug dependent" youth (as defined in section 2(q) of the Public Health Service Act (42 U.S.C. 201 (q))) ;

(E) educational programs or supportive services designed to keep delinquents and to encourage other youth to remain in elementary and secondary schools or in alternative learning situations;

(F) expanded use of probation and recruitment and training of probation officers, other professional and paraprofessional personnel and volunteers to work effectively with youth;

(G) youth initiated programs and outreach programs designed to assist youth who otherwise would not be reached by assistance programs;

(H) provides for a statewide program through the use of probation subsidies, other subsidies, other financial incentives or disincentives to units of local government, or other effective means, that may include but are not limited to programs designed to—

(i) reduce the number of commitments of juveniles to any form of juvenile facility as a percentage of the State juvenile population;

(ii) increase the use of nonsecure community-based facilities as a percentage of total commitments to juvenile facilities; and

(iii) discourage the use of secure incarceration and detention;

(11) provides for the development of an adequate research, training, and evaluation capacity within the State;

(12) provide within two years after submission of the plan that juveniles who are charged with or who have committed offenses that would not be criminal if committed by an adult, shall not be placed in juvenile detention or correctional facilities, but must be placed in shelter facilities;

(13) provide that juveniles alleged to be or found to be delinquent shall not be detained or confined in any institution in which they have regular contact with adult persons incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges;

(14) provide for an adequate system of monitoring jails, detention facilities, and correctional facilities to insure that the requirements of section 223 (12) and (13) are met, and for annual reporting of the results of such monitoring to the Administrator;

(15) provide assurance that assistance will be available on an equitable basis to deal with all disadvantaged youth including, but not limited to, females, minority youth, and mentally retarded and emotionally or physically handicapped youth;

(16) provide for procedures to be established for protecting the rights of recipients of services and for assuring appropriate privacy with regard to records relating to such services provided to any individual under the State plan;

(17) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this Act. Such protective arrangements shall, to the maximum extent feasible, include, without being limited to, such provisions as may be necessary for—

(A) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective-bargaining agreements or otherwise;

(B) the continuation of collective-bargaining rights;

(C) the protection of individual employees against a worsening of their positions with respect to their employment;

(D) assurances of employment to employees of any State or political subdivision thereof who will be affected by any program funded in whole or in part under provisions of this Act;

(E) training or retraining programs.

The State plan shall provide for the terms and conditions of the protection arrangements established pursuant to this section;

(18) provide for such fiscal control and fund accounting procedures necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title;

(19) provide reasonable assurance that Federal funds made available under this part for any period will be so used as to supplement and increase (but not supplant), to the extent feasible and practical, the level of the State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs described in this part, and will in no event replace such State, local, and other non-Federal funds;

(20) provide that the State planning agency will from time to time, but not less often than annually, review its plan and submit to the Administrator an analysis and evaluation of the effectiveness of the programs and activities carried out under the plan, and any modifications in the plan, including the survey of State and local needs, which it considers necessary; and

(21) contain such other terms and conditions as the Administrator may reasonably prescribe to assure the effectiveness of the programs assisted under this title.

Such plan may at the discretion of the Administrator be incorporated into the plan specified in 303(a) of the Omnibus Crime Control and Safe Streets Act.

42 USC 3733.

Ante, p. 1119.

(b) The State planning agency designated pursuant to section 223(a), after consultation with the advisory group referred to in section 223(a), shall approve the State plan and any modification thereof prior to submission to the Administrator.

State plan, approval.

(c) The Administrator shall approve any State plan and any modification thereof that meets the requirements of this section.

Notice and hearing.

42 USC 3757-3759.

(d) In the event that any State fails to submit a plan, or submits a plan or any modification thereof, which the Administrator, after reasonable notice and opportunity for hearing, in accordance with sections 509, 510, and 511 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, determines does not meet the requirements of this section, the Administrator shall make that State's allotment under the provisions of section 222(a) available to public and private agencies for special emphasis prevention and treatment programs as defined in section 224.

(e) In the event the plan does not meet the requirements of this section due to oversight or neglect, rather than explicit and conscious decision, the Administrator shall endeavor to make that State's allotment under the provisions of section 222(a) available to public and private agencies in that State for special emphasis prevention and treatment programs as defined in section 224.

Subpart II—Special Emphasis Prevention and Treatment Programs

Grants and contracts.
42 USC 5634.

SEC. 224. (a) The Administrator is authorized to make grants to and enter into contracts with public and private agencies, organizations, institutions, or individuals to—

(1) develop and implement new approaches, techniques, and methods with respect to juvenile delinquency programs;

(2) develop and maintain community-based alternatives to traditional forms of institutionalization;

(3) develop and implement effective means of diverting juveniles from the traditional juvenile justice and correctional system;

(4) improve the capability of public and private agencies and organizations to provide services for delinquents and youths in danger of becoming delinquent;

(5) facilitate the adoption of the recommendations of the Advisory Committee on Standards for Juvenile Justice and the Institute as set forth pursuant to section 247; and

(6) develop and implement model programs and methods to keep students in elementary and secondary schools and to prevent unwarranted and arbitrary suspensions and expulsions.

(b) Not less than 25 per centum or more than 50 per centum of the funds appropriated for each fiscal year pursuant to this part shall be available only for special emphasis prevention and treatment grants and contracts made pursuant to this section.

(c) At least 20 per centum of the funds available for grants and contracts made pursuant to this section shall be available for grants and contracts to private nonprofit agencies, organizations, or institutions who have had experience in dealing with youth.

CONSIDERATIONS FOR APPROVAL OF APPLICATIONS

SEC. 225. (a) Any agency, institution, or individual desiring to receive a grant, or enter into any contract under section 224, shall submit an application at such time, in such manner, and containing or accompanied by such information as the Administrator may prescribe.

42 USC 5635.

(b) In accordance with guidelines established by the Administrator, each such application shall—

(1) provide that the program for which assistance is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out one or more of the purposes set forth in section 224;

(3) provide for the proper and efficient administration of such program;

(4) provide for regular evaluation of the program;

(5) indicate that the applicant has requested the review of the application from the State planning agency and local agency designated in section 223, when appropriate, and indicate the response of such agency to the request for review and comment on the application;

(6) provide that regular reports on the program shall be sent to the Administrator and to the State planning agency and local agency, when appropriate;

Reports.

(7) provide for such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds received under this title; and

Fiscal control
and fund account-
ing.

(8) indicate the response of the State agency or the local agency to the request for review and comment on the application.

(c) In determining whether or not to approve applications for grants under section 224, the Administrator shall consider—

(1) the relative cost and effectiveness of the proposed program in effectuating the purposes of this part;

(2) the extent to which the proposed program will incorporate new or innovative techniques;

(3) the extent to which the proposed program meets the objectives and priorities of the State plan, when a State plan has been approved by the Administrator under section 223(c) and when the location and scope of the program makes such consideration appropriate;

(4) the increase in capacity of the public and private agency, institution, or individual to provide services to delinquents or youths in danger of becoming delinquents;

(5) the extent to which the proposed project serves communities which have high rates of youth unemployment, school dropout, and delinquency; and

(6) the extent to which the proposed program facilitates the implementation of the recommendations of the Advisory Committee on Standards for Juvenile Justice as set forth pursuant to section 247.

GENERAL PROVISIONS

Withholding

42 USC 5636.

SEC. 226. Whenever the Administrator, after giving reasonable notice and opportunity for hearing to a recipient of financial assistance under this title, finds—

(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this title; or

(2) that in the operation of the program or activity there is failure to comply substantially with any such provision; the Administrator shall initiate such proceedings as are appropriate.

USE OF FUNDS

42 USC 5637.

SEC. 227. (a) Funds paid pursuant to this title to any State, public or private agency, institution, or individual (whether directly or through a State or local agency) may be used for—

(1) planning, developing, or operating the program designed to carry out the purposes of this part; and

(2) not more than 50 per centum of the cost of the construction of innovative community-based facilities for less than twenty persons which, in the judgment of the Administrator, are necessary for carrying out the purposes of this part.

(b) Except as provided by subsection (a), no funds paid to any public or private agency, institution, or individual under this part (whether directly or through a State agency or local agency) may be used for construction.

Limitations.

PAYMENTS

42 USC 5638.

SEC. 228. (a) In accordance with criteria established by the Administrator, it is the policy of Congress that programs funded under this title shall continue to receive financial assistance providing that the yearly evaluation of such programs is satisfactory.

(b) At the discretion of the Administrator, when there is no other way to fund an essential juvenile delinquency program not funded under this part, the State may utilize 25 per centum of the formula

grant funds available to it under this part to meet the non-Federal matching share requirement for any other Federal juvenile delinquency program grant.

(c) Whenever the Administrator determines that it will contribute to the purposes of this part, he may require the recipient of any grant or contract to contribute money, facilities, or services.

(d) Payments under this part, pursuant to a grant or contract, may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursements, in such installments and on such conditions as the Administrator may determine.

PART C—NATIONAL INSTITUTE FOR JUVENILE JUSTICE AND DELINQUENCY PREVENTION

SEC. 241. (a) There is hereby established within the Juvenile Justice and Delinquency Prevention Office a National Institute for Juvenile Justice and Delinquency Prevention.

Establishment.
42 USC 5651.

(b) The National Institute for Juvenile Justice and Delinquency Prevention shall be under the supervision and direction of the Assistant Administrator, and shall be headed by a Deputy Assistant Administrator of the Office appointed under section 201(f).

(c) The activities of the National Institute for Juvenile Justice and Delinquency Prevention shall be coordinated with the activities of the National Institute of Law Enforcement and Criminal Justice in accordance with the requirements of section 201(b).

(d) The Administrator shall have responsibility for the administration of the organization, employees, enrollees, financial affairs, and other operations of the Institute.

(e) The Administrator may delegate his power under the Act to such employees of the Institute as he deems appropriate.

(f) It shall be the purpose of the Institute to provide a coordinating center for the collection, preparation, and dissemination of useful data regarding the treatment and control of juvenile offenders, and it shall also be the purpose of the Institute to provide training for representatives of Federal, State, and local law enforcement officers, teachers, and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation personnel, correctional personnel and other persons, including lay personnel, connected with the treatment and control of juvenile offenders.

Data collection.

Training.

(g) In addition to the other powers, express and implied, the Institute may—

Additional powers.

(1) request any Federal agency to supply such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions;

(2) arrange with and reimburse the heads of Federal agencies for the use of personnel or facilities or equipment of such agencies;

(3) confer with and avail itself of the cooperation, services, records, and facilities of State, municipal, or other public or private local agencies;

(4) enter into contracts with public or private agencies, organizations, or individuals, for the partial performance of any functions of the Institute; and

(5) compensate consultants and members of technical advisory councils who are not in the regular full-time employ of the United States, at a rate now or hereafter prescribed for GS-18 of the General Schedule by section 5332 of title 5 of the United States

5 USC 5332
note.

Code and while away from home, or regular place of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code for persons in the Government service employed intermittently.

(b) Any Federal agency which receives a request from the Institute under subsection (g)(1) may cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information and advice to the Institute.

INFORMATION FUNCTION

42 USC 5652.

SEC. 242. The National Institute for Juvenile Justice and Delinquency Prevention is authorized to—

(1) serve as an information bank by collecting systematically and synthesizing the data and knowledge obtained from studies and research by public and private agencies, institutions, or individuals concerning all aspects of juvenile delinquency, including the prevention and treatment of juvenile delinquency;

Information
clearinghouse.

(2) serve as a clearinghouse and information center for the preparation, publication, and dissemination of all information regarding juvenile delinquency, including State and local juvenile delinquency prevention and treatment programs and plans, availability of resources, training and educational programs, statistics, and other pertinent data and information.

RESEARCH, DEMONSTRATION, AND EVALUATION FUNCTIONS

42 USC 5653.

SEC. 243. The National Institute for Juvenile Justice and Delinquency Prevention is authorized to—

(1) conduct, encourage, and coordinate research and evaluation into any aspect of juvenile delinquency, particularly with regard to new programs and methods which show promise of making a contribution toward the prevention and treatment of juvenile delinquency;

(2) encourage the development of demonstration projects in new, innovative techniques and methods to prevent and treat juvenile delinquency;

(3) provide for the evaluation of all juvenile delinquency programs assisted under this title in order to determine the results and the effectiveness of such programs;

(4) provide for the evaluation of any other Federal, State, or local juvenile delinquency program, upon the request of the Administrator;

(5) prepare, in cooperation with educational institutions, Federal, State, and local agencies, and appropriate individuals and private agencies, such studies as it considers to be necessary with respect to the prevention and treatment of juvenile delinquency and related matters, including recommendations designed to promote effective prevention and treatment;

(6) disseminate the results of such evaluations and research and demonstration activities particularly to persons actively working in the field of juvenile delinquency; and

(7) disseminate pertinent data and studies (including a periodic journal) to individuals, agencies, and organizations concerned with the prevention and treatment of juvenile delinquency.

TRAINING FUNCTIONS

SEC. 244. The National Institute for Juvenile Justice and Delinquency Prevention is authorized to—

42 USC 5654.

(1) develop, conduct, and provide for training programs for the training of professional, paraprofessional, and volunteer personnel, and other persons who are or who are preparing to work with juveniles and juvenile offenders;

(2) develop, conduct, and provide for seminars, workshop, and training programs in the latest proven effective techniques and methods of preventing and treating juvenile delinquency for law enforcement officers, juvenile judges, and other court personnel, probation officers, correctional personnel, and other Federal, State, and local government personnel who are engaged in work relating to juvenile delinquency;

(3) devise and conduct a training program, in accordance with the provisions of sections 249, 250, and 251, of short-term instruction in the latest proven-effective methods of prevention, control, and treatment of juvenile delinquency for correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency; and

(4) develop technical training teams to aid in the development of training programs in the States and to assist State and local agencies which work directly with juveniles and juvenile offenders.

INSTITUTE ADVISORY COMMITTEE

SEC. 245. The Advisory Committee for the National Institute for Juvenile Justice and Delinquency Prevention established in section 208(d) shall advise, consult with, and make recommendations to the Deputy Assistant Administrator for the National Institute for Juvenile Justice and Delinquency Prevention concerning the overall policy and operations of the Institute.

42 USC 5655.

ANNUAL REPORT

SEC. 246. The Deputy Assistant Administrator for the National Institute for Juvenile Justice and Delinquency Prevention shall develop annually and submit to the Administrator after the first year the legislation is enacted, prior to June 30, a report on research, demonstration, training, and evaluation programs funded under this title, including a review of the results of such programs, an assessment of the application of such results to existing and to new juvenile delinquency programs, and detailed recommendations for future research, demonstration, training, and evaluation programs. The Administrator shall include a summary of these results and recommendations in his report to the President and Congress required by section 204(b)(5).

42 USC 5656.

Report to President and Congress.

DEVELOPMENT OF STANDARDS FOR JUVENILE JUSTICE

SEC. 247. (a) The National Institute for Juvenile Justice and Delinquency Prevention, under the supervision of the Advisory Committee on Standards for Juvenile Justice established in section 208(e), shall review existing reports, data, and standards, relating to the juvenile justice system in the United States.

42 USC 5657.

Report to President and Congress.

(b) Not later than one year after the passage of this section, the Advisory Committee shall submit to the President and the Congress a report which, based on recommended standards for the administration of juvenile justice at the Federal, State, and local level—

(1) recommends Federal action, including but not limited to administrative and legislative action, required to facilitate the adoption of these standards throughout the United States; and

(2) recommends State and local action to facilitate the adoption of these standards for juvenile justice at the State and local level.

Information, availability.

(c) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Advisory Committee such information as the Committee deems necessary to carry out its functions under this section.

Records, disclosure or transfer, restriction.
42 USC 5658.

SEC. 248. Records containing the identity of individual juveniles gathered for purposes pursuant to this title may under no circumstances be disclosed or transferred to any individual or other agency, public, or private.

ESTABLISHMENT OF TRAINING PROGRAM

42 USC 5659.

SEC. 249. (a) The Administrator shall establish within the Institute a training program designed to train enrollees with respect to methods and techniques for the prevention and treatment of juvenile delinquency. In carrying out this program the Administrator is authorized to make use of available State and local services, equipment, personnel, facilities, and the like.

(b) Enrollees in the training program established under this section shall be drawn from correctional and law enforcement personnel, teachers and other educational personnel, juvenile welfare workers, juvenile judges and judicial personnel, probation officers, and other persons (including lay personnel) connected with the prevention and treatment of juvenile delinquency.

CURRICULUM FOR TRAINING PROGRAM

42 USC 5660.

SEC. 250. The Administrator shall design and supervise a curriculum for the training program established by section 249 which shall utilize an interdisciplinary approach with respect to the prevention of juvenile delinquency, the treatment of juvenile delinquents, and the diversion of youths from the juvenile justice system. Such curriculum shall be appropriate to the needs of the enrollees of the training program.

ENROLLMENT FOR TRAINING PROGRAM

Application.
42 USC 5661.

SEC. 251. (a) Any person seeking to enroll in the training program established under section 249 shall transmit an application to the Administrator, in such form and according to such procedures as the Administrator may prescribe.

(b) The Administrator shall make the final determination with respect to the admittance of any person to the training program. The Administrator, in making such determination, shall seek to assure that persons admitted to the training program are broadly representative of the categories described in section 249(b).

Travel expenses.

(c) While studying at the Institute and while traveling in connection with his study (including authorized field trips), each person enrolled in the Institute shall be allowed travel expenses and a per

diem allowance in the same manner as prescribed for persons employed intermittently in the Government service under section 5703(b) of title 5, United States Code.

PART D—AUTHORIZATION OF APPROPRIATIONS

SEC. 261. (a) To carry out the purposes of this title there is authorized to be appropriated \$75,000,000 for the fiscal year ending June 30, 1975, \$125,000,000 for the fiscal year ending June 30, 1976, and \$150,000,000 for the fiscal year ending June 30, 1977.

42 USC 5671.

(b) In addition to the funds appropriated under this section, the Administration shall maintain from other Law Enforcement Assistance Administration appropriations other than the appropriations for administration, at least the same level of financial assistance for juvenile delinquency programs assisted by the Law Enforcement Assistance Administration during fiscal year 1972.

Additional
funds.

NONDISCRIMINATION PROVISIONS

SEC. 262. (a) No financial assistance for any program under this Act shall be provided unless the grant, contract, or agreement with respect to such program specifically provides that no recipient of funds will discriminate as provided in subsection (b) with respect to any such program.

42 USC 5672.

(b) No person in the United States shall on the ground of race, creed, color, sex, or national origin be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this Act. The provisions of the preceding sentence shall be enforced in accordance with section 603 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

42 USC 2000d-2.

EFFECTIVE CLAUSE

SEC. 263. (a) Except as provided by subsection (b), the foregoing provisions of this Act shall take effect on the date of enactment of this Act.

42 USC 5601
note.

(b) Section 204(b)(5) and 204(b)(6) shall become effective at the close of the thirty-first day of the twelfth calendar month of 1974. Section 204(1) shall become effective at the close of the thirty-first day of the eighth calendar month of 1976.

TITLE III—RUNAWAY YOUTH

Runaway Youth
Act.

SHORT TITLE

SEC. 301. This title may be cited as the "Runaway Youth Act".

42 USC 5701
note.

FINDINGS

SEC. 302. The Congress hereby finds that—

42 USC 5701.

(1) the number of juveniles who leave and remain away from home without parental permission has increased to alarming proportions, creating a substantial law enforcement problem for the

communities inundated, and significantly endangering the young people who are without resources and live on the street;

(2) the exact nature of the problem is not well defined because national statistics on the size and profile of the runaway youth population are not tabulated;

(3) many such young people, because of their age and situation, are urgently in need of temporary shelter and counseling services;

(4) the problem of locating, detaining, and returning runaway children should not be the responsibility of already overburdened police departments and juvenile justice authorities; and

(5) in view of the interstate nature of the problem, it is the responsibility of the Federal Government to develop accurate reporting of the problem nationally and to develop an effective system of temporary care outside the law enforcement structure.

RULES

42 USC 5702.

SEC. 303. The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") may prescribe such rules as he considers necessary or appropriate to carry out the purposes of this title.

PART A—GRANTS PROGRAM

PURPOSES OF GRANT PROGRAM

Localities and
nonprofit agen-
cies, assistance.
42 USC 5711.

SEC. 311. The Secretary is authorized to make grants and to provide technical assistance to localities and nonprofit private agencies in accordance with the provisions of this part. Grants under this part shall be made for the purpose of developing local facilities to deal primarily with the immediate needs of runaway youth in a manner which is outside the law enforcement structure and juvenile justice system. The size of such grant shall be determined by the number of runaway youth in the community and the existing availability of services. Among applicants priority shall be given to private organizations or institutions which have had past experience in dealing with runaway youth.

ELIGIBILITY

42 USC 5712.

SEC. 312. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund an existing or proposed runaway house, a locally controlled facility providing temporary shelter, and counseling services to juveniles who have left home without permission of their parents or guardians.

Runaway house,
requirements.

(b) In order to qualify for assistance under this part, an applicant shall submit a plan to the Secretary meeting the following requirements and including the following information. Each house—

(1) shall be located in an area which is demonstrably frequented by or easily reachable by runaway youth;

(2) shall have a maximum capacity of no more than twenty children, with a ratio of staff to children of sufficient portion to assure adequate supervision and treatment;

(3) shall develop adequate plans for contacting the child's parents or relatives (if such action is required by State law) and assuring the safe return of the child according to the best interests of the child, for contacting local government officials pursuant to informal arrangements established with such officials by the runaway house, and for providing for other appropriate alternative living arrangements;

(4) shall develop an adequate plan for assuring proper relations with law enforcement personnel, and the return of runaway youths from correctional institutions;

(5) shall develop an adequate plan for aftercare counseling involving runaway youth and their parents within the State in which the runaway house is located and for assuring, as possible, that aftercare services will be provided to those children who are returned beyond the State in which the runaway house is located;

Aftercare
counseling.

(6) shall keep adequate statistical records profiling the children and parents which it serves, except that records maintained on individual runaway youths shall not be disclosed without parental consent to anyone other than another agency compiling statistical records or a government agency involved in the disposition of criminal charges against an individual runaway youth, and reports or other documents based on such statistical records shall not disclose the identity of individual runaway youths;

Records, infor-
mation disclosure,
restriction.

(7) shall submit annual reports to the Secretary detailing how the house has been able to meet the goals of its plans and reporting the statistical summaries required by paragraph (6);

Annual reports
to Secretary.

(8) shall demonstrate its ability to operate under accounting procedures and fiscal control devices as required by the Secretary;

(9) shall submit a budget estimate with respect to the plan submitted by such house under this subsection; and

Budget esti-
mate.

(10) shall supply such other information as the Secretary reasonably deems necessary.

APPROVAL BY SECRETARY

SEC. 313. An application by a State, locality, or nonprofit private agency for a grant under this part may be approved by the Secretary only if it is consistent with the applicable provisions of this part and meets the requirements set forth in section 312. Priority shall be given to grants smaller than \$75,000. In considering grant applications under this part, priority shall be given to any applicant whose program budget is smaller than \$100,000.

42 USC 5713.

GRANTS TO PRIVATE AGENCIES, STAFFING

SEC. 314. Nothing in this part shall be construed to deny grants to nonprofit private agencies which are fully controlled by private boards or persons but which in other respects meet the requirements of this part and agree to be legally responsible for the operation of the runaway house. Nothing in this part shall give the Federal Government control over the staffing and personnel decisions of facilities receiving Federal funds.

42 USC 5714.

REPORTS

SEC. 315. The Secretary shall annually report to the Congress on the status and accomplishments of the runaway houses which are funded under this part, with particular attention to—

Report to Con-
gress.
42 USC 5715.

(1) their effectiveness in alleviating the problems of runaway youth;

(2) their ability to reunite children with their families and to encourage the resolution of intrafamily problems through counseling and other services;

(3) their effectiveness in strengthening family relationships and encouraging stable living conditions for children; and

(4) their effectiveness in helping youth decide upon a future course of action.

FEDERAL SHARE

42 USC 5716.

Non-Federal
share.

Payments.

SEC. 316. (a) The Federal share for the acquisition and renovation of existing structures, the provision of counseling services, staff training, and the general costs of operations of such facility's budget for any fiscal year shall be 90 per centum. The non-Federal share may be in cash or in kind, fairly evaluated by the Secretary, including plant, equipment, or services.

(b) Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

PART B—STATISTICAL SURVEY

SURVEY; REPORT

42 USC 5731.

Report to Con-
gress.

SEC. 321. The Secretary shall gather information and carry out a comprehensive statistical survey defining the major characteristic of the runaway youth population and determining the areas of the Nation most affected. Such survey shall include the age, sex, and socio-economic background of runaway youth, the places from which and to which children run, and the relationship between running away and other illegal behavior. The Secretary shall report the results of such information gathering and survey to the Congress not later than June 30, 1975.

RECORDS

Disclosure or
transfer, restric-
tion.

42 USC 5732.

SEC. 322. Records containing the identity of individual runaway youths gathered for statistical purposes pursuant to section 321 may under no circumstances be disclosed or transferred to any individual or to any public or private agency.

PART C—AUTHORIZATION OF APPROPRIATIONS

42 USC 5751.

SEC. 331. (a) To carry out the purposes of part A of this title there is authorized to be appropriated for each of the fiscal years ending June 30, 1975, 1976, and 1977, the sum of \$10,000,000.

(b) To carry out the purposes of part B of this title there is authorized to be appropriated the sum of \$500,000.

TITLE IV—EXTENSION AND AMENDMENT OF THE JUVENILE DELINQUENCY PREVENTION ACT

YOUTH DEVELOPMENT DEMONSTRATIONS

42 USC 3811.

42 USC 3812-
3814.

SEC. 401. Title I of the Juvenile Delinquency Prevention Act is amended (1) in the caption thereof, by inserting "AND DEMONSTRATION PROGRAMS" after "SERVICES"; (2) following the caption thereof, by inserting "PART A—COMMUNITY-BASED COORDINATED YOUTH SERVICES"; (3) in sections 101, 102(a), 102(b)(1), 102(b)(2), 103(a) (including paragraph (1) thereof), 104(a) (including paragraphs (1), (4), (5), (7), and (10) thereof), and 104(b) by striking out "title" and inserting "part" in lieu thereof; and (4) by inserting at the end of the title following new part:

“PART B—DEMONSTRATIONS IN YOUTH DEVELOPMENT

“SEC. 105. (a) For the purpose of assisting the demonstration of innovative approaches to youth development and the prevention and treatment of delinquent behavior (including payment of all or part of the costs of minor remodeling or alteration), the Secretary may make grants to any State (or political subdivision thereof), any agency thereof, and any nonprofit private agency, institution, or organization that submits to the Secretary, at such time and in such form and manner as the Secretary’s regulations shall prescribe, an application containing a description of the purposes for which the grant is sought, and assurances satisfactory to the Secretary that the applicant will use the grant for the purposes for which it is provided, and will comply with such requirements relating to the submission of reports, methods of fiscal accounting, the inspection and audit of records and other materials, and such other rules, regulations, standards, and procedures, as the Secretary may impose to assure the fulfillment of the purposes of this Act.

Grants.
42 USC 3821.

“(b) No demonstration may be assisted by a grant under this section for more than one year.”

Limitation.

CONSULTATION

SEC. 402. (a) Section 408 of such Act is amended by adding at the end of subsection (a) thereof the following new subsection:

42 USC 3888.

“(b) The Secretary shall consult with the Attorney General for the purpose of coordinating the development and implementation of programs and activities funded under this Act with those related programs and activities funded under the Omnibus Crime Control and Safe Streets Act of 1968”;

and by deleting subsection (b) thereof.

42 USC 3701
note.

(b) Section 409 is repealed.

Repeal.
42 USC 3889.

REPEAL OF MINIMUM STATE ALLOTMENTS

SEC. 403. Section 403(b) of such Act is repealed, and section 403(a) of such Act is redesignated section 403.

42 USC 3883.

EXTENSION OF PROGRAM

SEC. 404. Section 402 of such Act, as amended by this Act, is further amended in the first sentence by inserting after “fiscal year” the following: “and such sums as may be necessary for fiscal year 1975”.

42 USC 3882.

TITLE V—MISCELLANEOUS AND CONFORMING AMENDMENTS

PART A—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

SEC. 501. Section 5031 of title 18, United States Code, is amended to read as follows:

“§ 5031. Definitions

“For the purposes of this chapter, a ‘juvenile’ is a person who has not attained his eighteenth birthday, or for the purpose of proceedings and disposition under this chapter for an alleged act of juvenile delinquency, a person who has not attained his twenty-first birthday, and ‘juvenile delinquency’ is the violation of a law of the United States committed by a person prior to his eighteenth birthday which would have been a crime if committed by an adult.”

DELINQUENCY PROCEEDINGS IN DISTRICT COURTS

SEC. 502. Section 5032 of title 18, United States Code, is amended to read as follows:

“§ 5032. Delinquency proceedings in district courts; transfer for criminal prosecution

“A juvenile alleged to have committed an act of juvenile delinquency shall not be proceeded against in any court of the United States unless the Attorney General, after investigation, certifies to an appropriate district court of the United States that the juvenile court or other appropriate court of a State (1) does not have jurisdiction or refuses to assume jurisdiction over said juvenile with respect to such alleged act of juvenile delinquency, or (2) does not have available programs and services adequate for the needs of juveniles.

“If the Attorney General does not so certify, such juvenile shall be surrendered to the appropriate legal authorities of such State.

“If an alleged juvenile delinquent is not surrendered to the authorities of a State or the District of Columbia pursuant to this section, any proceedings against him shall be in an appropriate district court of the United States. For such purposes, the court may be convened at any time and place within the district, in chambers or otherwise. The Attorney General shall proceed by information, and no criminal prosecution shall be instituted for the alleged act of juvenile delinquency except as provided below.

“A juvenile who is alleged to have committed an act of juvenile delinquency and who is not surrendered to State authorities shall be proceeded against under this chapter unless he has requested in writing upon advice of counsel to be proceeded against as an adult, except that, with respect to a juvenile sixteen years and older alleged to have committed an act after his sixteenth birthday which if committed by an adult would be a felony punishable by a maximum penalty of ten years imprisonment or more, life imprisonment, or death, criminal prosecution on the basis of the alleged act may be begun by motion to transfer of the Attorney General in the appropriate district court of the United States, if such court finds, after hearing, such transfer would be in the interest of justice.

“Evidence of the following factors shall be considered, and findings with regard to each factor shall be made in the record, in assessing whether a transfer would be in the interest of justice: the age and social background of the juvenile; the nature of the alleged offense; the extent and nature of the juvenile's prior delinquency record; the juvenile's present intellectual development and psychological maturity; the nature of past treatment efforts and the juvenile's response to such efforts; the availability of programs designed to treat the juvenile's behavioral problems.

“Reasonable notice of the transfer hearing shall be given to the juvenile, his parents, guardian, or custodian and to his counsel. The juvenile shall be assisted by counsel during the transfer hearing, and at every other critical stage of the proceedings.

“Once a juvenile has entered a plea of guilty or the proceeding has reached the stage that evidence has begun to be taken with respect to a crime or an alleged act of juvenile delinquency subsequent criminal prosecution or juvenile proceedings based upon such alleged act of delinquency shall be barred.

"Statements made by a juvenile prior to or during a transfer hearing under this section shall not be admissible at subsequent criminal prosecutions."

CUSTODY

SEC. 503. Section 5033 of title 18, United States Code is amended to read as follows:

"§ 5033. Custody prior to appearance before magistrate

"Whenever a juvenile is taken into custody for an alleged act of juvenile delinquency, the arresting officer shall immediately advise such juvenile of his legal rights, in language comprehensive to a juvenile, and shall immediately notify the Attorney General and the juvenile's parents, guardian, or custodian of such custody. The arresting officer shall also notify the parents, guardian, or custodian of the rights of the juvenile and of the nature of the alleged offense.

"The juvenile shall be taken before a magistrate forthwith. In no event shall the juvenile be detained for longer than a reasonable period of time before being brought before a magistrate."

DUTIES OF MAGISTRATE

SEC. 504. Section 5034 of title 18, United States Code, is amended to read as follows:

"§ 5034. Duties of magistrate

"The magistrate shall insure that the juvenile is represented by counsel before proceeding with critical stages of the proceedings. Counsel shall be assigned to represent a juvenile when the juvenile and his parents, guardian, or custodian are financially unable to obtain adequate representation. In cases where the juvenile and his parents, guardian, or custodian are financially able to obtain adequate representation but have not retained counsel, the magistrate may assign counsel and order the payment of reasonable attorney's fees or may direct the juvenile, his parents, guardian, or custodian to retain private counsel within a specified period of time.

Representation
by counsel.

"The magistrate may appoint a guardian ad litem if a parent or guardian of the juvenile is not present, or if the magistrate has reason to believe that the parents or guardian will not cooperate with the juvenile in preparing for trial, or that the interests of the parents or guardian and those of the juvenile are adverse.

Appointment by
guardian.

"If the juvenile has not been discharged before his initial appearance before the magistrate, the magistrate shall release the juvenile to his parents, guardian, custodian, or other responsible party (including, but not limited to, the director of a shelter-care facility upon their promise to bring such juvenile before the appropriate court when requested by such court unless the magistrate determines, after hearing, at which the juvenile is represented by counsel, that the detention of such juvenile is required to secure his timely appearance before the appropriate court or to insure his safety or that of others."

DETENTION

SEC. 505. Section 5035 of this title is amended to read as follows:

"§ 5035. Detention prior to disposition

18 USC 5035.

"A juvenile alleged to be delinquent may be detained only in a juvenile facility or such other suitable place as the Attorney General

may designate. Whenever possible, detention shall be in a foster home or community based facility located in or near his home community. The Attorney General shall not cause any juvenile alleged to be delinquent to be detained or confined in any institution in which the juvenile has regular contact with adult persons convicted of a crime or awaiting trial on criminal charges. Insofar as possible, alleged delinquents shall be kept separate from adjudicated delinquents. Every juvenile in custody shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, education, and medical care, including necessary psychiatric, psychological, or other care and treatment."

SPEEDY TRIAL

SEC. 506. Section 5036 of this title is amended to read as follows:

18 USC 5036.

"§ 5036. Speedy trial

"If an alleged delinquent who is in detention pending trial is not brought to trial within thirty days from the date upon which such detention was begun, the information shall be dismissed on motion of the alleged delinquent or at the direction of the court, unless the Attorney General shows that additional delay was caused by the juvenile or his counsel, or consented to by the juvenile and his counsel, or would be in the interest of justice in the particular case. Delays attributable solely to court calendar congestion may not be considered in the interest of justice. Except in extraordinary circumstances, an information dismissed under this section may not be reinstituted."

DISPOSITION

SEC. 507. Section 5037 is amended to read as follows:

18 USC 5037.

"§ 5037. Dispositional hearing

"(a) If a juvenile is adjudicated delinquent, a separate dispositional hearing shall be held no later than twenty court days after trial unless the court has ordered further study in accordance with subsection (c). Copies of the presentence report shall be provided to the attorneys for both the juvenile and the Government a reasonable time in advance of the hearing.

Probation or
commitment, term.

"(b) The court may suspend the adjudication of delinquency or the disposition of the delinquent on such conditions as it deems proper, place him on probation, or commit him to the custody of the Attorney General. Probation, commitment, or commitment in accordance with subsection (c) shall not extend beyond the juvenile's twenty-first birthday or the maximum term which could have been imposed on an adult convicted of the same offense, whichever is sooner, unless the juvenile has attained his nineteenth birthday at the time of disposition, in which case probation, commitment, or commitment in accordance with subsection (c) shall not exceed the lesser of two years or the maximum term which could have been imposed on an adult convicted of the same offense.

Notice and
hearing.

"(c) If the court desires more detailed information concerning an alleged or adjudicated delinquent, it may commit him, after notice and hearing at which the juvenile is represented by counsel, to the custody of the Attorney General for observation and study by an appropriate agency. Such observation and study shall be conducted on an outpatient basis, unless the court determines that inpatient observation and study are necessary to obtain the desired information. In the case of an alleged juvenile delinquent, inpatient study may be ordered only

with the consent of the juvenile and his attorney. The agency shall make a complete study of the alleged or adjudicated delinquent to ascertain his personal traits, his capabilities, his background, any previous delinquency or criminal experience, any mental or physical defect, and any other relevant factors. The Attorney General shall submit to the court and the attorneys for the juvenile and the Government the results of the study within thirty days after the commitment of the juvenile, unless the court grants additional time."

Study.

JUVENILE RECORDS

SEC. 508. Section 5038 is added, to read as follows:

"§ 5038. Use of juvenile records

18 USC '5038.

"(a) Throughout the juvenile delinquency proceeding the court shall safeguard the records from disclosure. Upon the completion of any juvenile delinquency proceeding whether or not there is an adjudication the district court shall order the entire file and record of such proceeding sealed. After such sealing, the court shall not release these records except to the extent necessary to meet the following circumstances:

"(1) inquiries received from another court of law;

"(2) inquiries from an agency preparing a presentence report for another court;

"(3) inquiries from law enforcement agencies where the request for information is related to the investigation of a crime or a position within that agency;

"(4) inquiries, in writing, from the director of a treatment agency or the director of a facility to which the juvenile has been committed by the court; and

"(5) inquiries from an agency considering the person for a position immediately and directly affecting the national security.

Unless otherwise authorized by this section, information about the sealed record may not be released when the request for information is related to an application for employment, license, bonding, or any civil right or privilege. Responses to such inquiries shall not be different from responses made about persons who have never been involved in a delinquency proceeding.

"(b) District courts exercising jurisdiction over any juvenile shall inform the juvenile, and his parent or guardian, in writing in clear and nontechnical language, of rights relating to the sealing of his juvenile record.

"(c) During the course of any juvenile delinquency proceeding, all information and records relating to the proceeding, which are obtained or prepared in the discharge of an official duty by an employee of the court or an employee of any other governmental agency, shall not be disclosed directly or indirectly to anyone other than the judge, counsel for the juvenile and the government, or others entitled under this section to receive sealed records.

"(d) Unless a juvenile who is taken into custody is prosecuted as an adult—

"(1) neither the fingerprints nor a photograph shall be taken without the written consent of the judge; and

"(2) neither the name nor picture of any juvenile shall be made public by any medium of public information in connection with a juvenile delinquency proceeding."

COMMITMENT

SEC. 509. Section 5039 is added, to read as follows:

18 USC 5039.

“§ 5039. Commitment

“No juvenile committed to the custody of the Attorney General may be placed or retained in an adult jail or correctional institution in which he has regular contact with adults incarcerated because they have been convicted of a crime or are awaiting trial on criminal charges.

“Every juvenile who has been committed shall be provided with adequate food, heat, light, sanitary facilities, bedding, clothing, recreation, counseling, education, training, and medical care including necessary psychiatric, psychological, or other care and treatment.

“Whenever possible, the Attorney General shall commit a juvenile to a foster home or community-based facility located in or near his home community.”

SUPPORT

SEC. 510. Section 5040 is added, to read as follows:

18 USC 5040.

“§ 5040. Support

Contract author-
ity.

“The Attorney General may contract with any public or private agency or individual and such community-based facilities as halfway houses and foster homes for the observation and study and the custody and care of juveniles in his custody. For these purposes, the Attorney General may promulgate such regulations as are necessary and may use the appropriation for ‘support of United States prisoners’ or such other appropriations as he may designate.”

Regulations.

PAROLE

SEC. 511. Section 5041 is added to read as follows:

18 USC 5041.

“§ 5041. Parole

“The Board of Parole shall release from custody, on such conditions as it deems necessary, each juvenile delinquent who has been committed, as soon as the Board is satisfied that he is likely to remain at liberty without violating the law and when such release would be in the interest of justice.”

REVOCATION

SEC. 512. Section 5042 is added to read as follows:

18 USC 5042.

“§ 5042. Revocation of parole or probation

Notice and
hearing.

“Any juvenile parolee or probationer shall be accorded notice and a hearing with counsel before his parole or probation can be revoked.”

SEC. 513. The table of sections of chapter 403 of this title is amended to read as follows:

“Sec.

“5031. Definitions.

“5032. Delinquency proceedings in district courts; transfer for criminal prosecution.

“5033. Custody prior to appearance before magistrate.

“5034. Duties of magistrate.

“5035. Detention prior to disposition.

“5036. Speedy trial.

“5037. Dispositional hearing.

“5038. Use of juvenile records.

“5039. Commitment.

“5040. Support.

“5041. Parole.

“5042. Revocation of parole or probation.”.

PART B—NATIONAL INSTITUTE OF CORRECTIONS

SEC. 521. Title 18, United States Code, is amended by adding a new chapter 319 to read as follows:

“CHAPTER 319.—NATIONAL INSTITUTE OF
CORRECTIONS

“SEC. 4351. (a) There is hereby established within the Bureau of Prisons a National Institute of Corrections.

Establishment.
18 USC 4351.

“(b) The overall policy and operations of the National Institute of Corrections shall be under the supervision of an Advisory Board. The Board shall consist of sixteen members. The following six individuals shall serve as members of the Commission ex officio: the Director of the Federal Bureau of Prisons or his designee, the Administrator of the Law Enforcement Assistance Administration or his designee, Chairman of the United States Parole Board or his designee, the Director of the Federal Judicial Center or his designee, the Deputy Assistant Administrator for the National Institute for Juvenile Justice and Delinquency Prevention or his designee, and the Assistant Secretary for Human Development of the Department of Health, Education, and Welfare or his designee.

Membership.

“(c) The remaining ten members of the Board shall be selected as follows:

“(1) Five shall be appointed initially by the Attorney General of the United States for staggered terms; one member shall serve for one year, one member for two years, and three members for three years. Upon the expiration of each member's term, the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be qualified as a practitioner (Federal, State, or local) in the field of corrections, probation, or parole.

“(2) Five shall be appointed initially by the Attorney General of the United States for staggered terms, one member shall serve for one year, three members for two years, and one member for three years.” Upon the expiration of each member's term the Attorney General shall appoint successors who will each serve for a term of three years. Each member selected shall be from the private sector, such as business, labor, and education, having demonstrated an active interest in corrections, probation, or parole.

“(d) The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States. Members of the Commission who are full-time officers or employees of the United States shall serve without additional compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Board. Other members of the Board shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Commission pursuant to this title, be entitled to receive compensation at the rate not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code, including travel-time, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

Compensation
for expenses.

5 USC 5332
note.

“(e) The Board shall elect a chairman from among its members who shall serve for a term of one year. The members of the Board shall also elect one or more members as a vice-chairman.

Chairman and
vice-chairman.

Appointment of
committees.

“(f) The Board is authorized to appoint, without regard to the civil service laws, technical, or other advisory committees to advise the Institute with respect to the administration of this title as it deems appropriate. Members of these committees not otherwise employed by the United States, while engaged in advising the Institute or attending meetings of the committees, shall be entitled to receive compensation at the rate fixed by the Board but not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5, United States Code, and while away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence equal to that authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

5 USC 5332
note.

“(g) The Board is authorized to delegate its powers under this title to such persons as it deems appropriate.

Director.

“(h) The Institute shall be under the supervision of an officer to be known as the Director, who shall be appointed by the Attorney General after consultation with the Board. The Director shall have authority to supervise the organization, employees, enrollees, financial affairs, and all other operations of the Institute and may employ such staff, faculty, and administrative personnel, subject to the civil service and classification laws, as are necessary to the functioning of the Institute. The Director shall have the power to acquire and hold real and personal property for the Institute and may receive gifts, donations, and trusts on behalf of the Institute. The Director shall also have the power to appoint such technical or other advisory councils comprised of consultants to guide and advise the Board. The Director is authorized to delegate his powers under this title to such persons as he deems appropriate.

Additional au-
thority.
18 USC 4352.

“SEC. 4352. (a) In addition to the other powers, express and implied, the National Institute of Corrections shall have authority—

“(1) to receive from or make grants to and enter into contracts with Federal, State, and general units of local government, public and private agencies, educational institutions, organizations, and individuals to carry out the purposes of this chapter;

“(2) to serve as a clearinghouse and information center for the collection, preparation, and dissemination of information on corrections, including, but not limited to, programs for prevention of crime and recidivism, training of corrections personnel, and rehabilitation and treatment of criminal and juvenile offenders;

“(3) to assist and serve in a consulting capacity to Federal, State, and local courts, departments, and agencies in the development, maintenance, and coordination of programs, facilities, and services, training, treatment, and rehabilitation with respect to criminal and juvenile offenders;

“(4) to encourage and assist Federal, State, and local government programs and services, and programs and services of other public and private agencies, institutions, and organizations in their efforts to develop and implement improved corrections programs;

“(5) to devise and conduct, in various geographical locations, seminars, workshops, and training programs for law enforcement officers, judges, and judicial personnel, probation and parole personnel, correctional personnel, welfare workers, and other persons, including lay ex-offenders, and paraprofessional personnel, connected with the treatment and rehabilitation of criminal and juvenile offenders;

“(6) to develop technical training teams to aid in the development of seminars, workshops, and training programs within the several States and with the State and local agencies which work with prisoners, parolees, probationers, and other offenders;

“(7) to conduct, encourage, and coordinate research relating to corrections, including the causes, prevention, diagnosis, and treatment of criminal offenders;

“(8) to formulate and disseminate correctional policy, goals, standards, and recommendations for Federal, State, and local correctional agencies, organizations, institutions, and personnel;

“(9) to conduct evaluation programs which study the effectiveness of new approaches, techniques, systems, programs, and devices employed to improve the corrections system;

“(10) to receive from any Federal department or agency such statistics, data, program reports, and other material as the Institute deems necessary to carry out its functions. Each such department or agency is authorized to cooperate with the Institute and shall, to the maximum extent practicable, consult with and furnish information to the Institute;

“(11) to arrange with and reimburse the heads of Federal departments and agencies for the use of personnel, facilities, or equipment of such departments and agencies;

“(12) to confer with and avail itself of the assistance, services, records, and facilities of State and local governments or other public or private agencies, organizations, or individuals;

“(13) to enter into contracts with public or private agencies, organizations, or individuals, for the performance of any of the functions of the Institute; and

“(14) to procure the services of experts and consultants in accordance with section 3109 of title 5 of the United States Code, at rates of compensation not to exceed the daily equivalent of the rate authorized for GS-18 by section 5332 of title 5 of the United States Code.

“(b) The Institute shall on or before the 31st day of December of each year submit an annual report for the preceding fiscal year to the President and to the Congress. The report shall include a comprehensive and detailed report of the Institute's operations, activities, financial condition, and accomplishments under this title and may include such recommendations related to corrections as the Institute deems appropriate.

“(c) Each recipient of assistance under this shall keep such records as the Institute shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

“(d) The Institute, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for purposes of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.

“(e) The provision of this section shall apply to all recipients of assistance under this title, whether by direct grant or contract from the Institute or by subgrant or subcontract from primary grantees or contractors of the Institute.

“SEC. 4353. There is hereby authorized to be appropriated such funds as may be required to carry out the purposes of this chapter.”

Contracts.

Experts and consultants.

5 USC 5332 note.

Annual report to President and Congress.

Recordkeeping.

Audit.

Appropriation. 18 USC 4353.

PART C—CONFORMING AMENDMENTS

42 USC 3701.

SEC. 541. (a) The section titled "DECLARATION AND PURPOSE" in title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is amended by inserting immediately after the second paragraph thereof the following new paragraph:

"Congress finds further that the high incidence of delinquency in the United States today results in enormous annual cost and immeasurable loss in human life, personal security, and wasted human resources, and that juvenile delinquency constitutes a growing threat to the national welfare requiring immediate and comprehensive action by the Federal Government to reduce and prevent delinquency."

(b) Such section is further amended by adding at the end thereof the following new paragraph:

"It is therefore the further declared policy of Congress to provide the necessary resources, leadership, and coordination to (1) develop and implement effective methods of preventing and reducing juvenile delinquency; (2) to develop and conduct effective programs to prevent delinquency, to divert juveniles from the traditional juvenile justice system and to provide critically needed alternatives to institutionalization; (3) to improve the quality of juvenile justice in the United States; and (4) to increase the capacity of State and local governments and public and private agencies to conduct effective juvenile justice and delinquency prevention and rehabilitation programs and to provide research, evaluation, and training services in the field of juvenile justice and delinquency prevention."

42 USC 3723.

SEC. 542. The third sentence of section 203(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 as amended (82 Stat. 197; 84 Stat. 1881; 87 Stat. 197), is amended to read as follows: "The State planning agency and any regional planning units within the State shall, within their respective jurisdictions, be representative of the law enforcement and criminal justice agencies including agencies directly related to the prevention and control of juvenile delinquency, units of general local government, and public agencies maintaining programs to reduce and control crime, and shall include representatives of citizens, professional, and community organizations including organizations directly related to delinquency prevention."

42 USC 3733.

SEC. 543. Section 303(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding after the first sentence the following: "In order to receive formula grants under the Juvenile Justice and Delinquency Prevention Act of 1974 a State shall submit a plan for carrying out the purposes of that Act in accordance with this section and section 223 of that Act."

Ante, p. 1119.

42 USC 3768.

SEC. 544. Section 520 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by (1) inserting "(a)" after "SEC. 520." and (2) by inserting at the end thereof the following:

Ante, p. 1129.

"(b) In addition to the funds appropriated under section 261(a) of the Juvenile Justice and Delinquency Prevention Act of 1974, the Administration shall expend from other Law Enforcement Assistance Administration appropriations, other than the appropriations for administration, at least the same level of financial assistance for juvenile delinquency programs as was expended by the Administration during fiscal year 1972."

SEC. 545. Part F of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new sections:

"SEC. 526. The Administrator is authorized to accept and employ, in carrying out the provisions of this Act, voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)).

42 USC 3772.

"SEC. 527. All programs concerned with juvenile delinquency and administered by the Administration shall be administered or subject to the policy direction of the office established by section 201(a) of the Juvenile Justice and Delinquency Prevention Act of 1974.

42 USC 3773.

"SEC. 528. (a) The Administrator is authorized to select, employ, and fix the compensation of such officers and employees, including attorneys, as are necessary to perform the functions vested in him and to prescribe their functions.

Ante, p. 1112.

42 USC 3774.

"(b) Notwithstanding the provisions of section 5108 of title 5, United States Code, and without prejudice with respect to the number of positions otherwise placed in the Administration under such section 5108, the Administrator may place three positions in GS-16, GS-17, and GS-18 under section 5332 of such title 5."

5 USC 5332
note.

Approved September 7, 1974.

Public Law 93-416

AN ACT

To amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes.

September 7, 1974
[H. R. 13871]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8101(1) of title 5, United States Code (hereinafter referred to as the "Act"), is amended by inserting "and" after the semicolon on subsection E(iv) and adding a new paragraph (F) as follows:

Federal employ-
ees.
Work injuries,
compensation.

"(F) an individual selected pursuant to chapter 121 of title 28, United States Code, and serving as a petit or grand juror and who is otherwise an employee for the purposes of this subchapter as defined by paragraphs (A), (B), (C), (D), and (E) of this subsection."

28 USC 1861.

(b) Section 8101(2) of the Act is amended by inserting "podiatrists, dentists, clinical psychologists, optometrists, chiropractors," after "surgeons", and adding after the words "State law" a period, and the following: "The term 'physician' includes chiropractors only to the extent that their reimbursable services are limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist, and subject to regulation by the Secretary".

5 USC 8101.

(c) Section 8101(3) of the Act is amended by inserting "podiatrists, dentists, clinical psychologists, optometrists, chiropractors," after "supplies by", and by inserting before the semicolon "Reimbursable chiropractic services are limited to treatment consisting of manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist, and subject to regulation by the Secretary".

5 USC 8101.

(d) Section 8101(5) of the Act is amended by inserting before the semicolon “, and damage to or destruction of medical braces, artificial limbs, and other prosthetic devices which shall be replaced or repaired, and such time lost while such device or appliance is being replaced or repaired; except that eyeglasses and hearing aids would not be replaced, repaired, or otherwise compensated for, unless the damages or destruction is incident to a personal injury requiring medical services”.

Definitions.

(e) Section 8101(11) of the Act is amended to read as follows:

“(11) ‘widower’ means the husband living with or dependent for support on the decedent at the time of her death, or living apart for reasonable cause or because of her desertion;”.

(f) Section 8101 of the Act is amended by adding at the end thereof the following new paragraphs:

“(20) ‘organ’ means a part of the body that performs a special function, and for purposes of this subchapter excludes the brain, heart, and back; and

“(21) ‘United States medical officers and hospitals’ includes medical officers and hospitals of the Army, Navy, Air Force, Veterans’ Administration, and United States Public Health Service, and any other medical officer or hospital designated as a United States medical officer or hospital by the Secretary of Labor.”

(g) Section 8101(1)(D) is amended by deleting the word “and” after the semicolon.

5 USC 8103.

SEC. 2. (a) Section 8103(a)(3) of the Act is amended to read as follows:

“(3) by or on the order of United States medical officers and hospitals, or, at the employee’s option, by or on order of physicians and hospitals designated or approved by the Secretary.

The employee may initially select a physician to provide medical services, appliances, and supplies, in accordance with such regulations and instructions as the Secretary considers necessary, and may be furnished necessary and reasonable transportation and expenses incident to the securing of such services, appliances, and supplies. These expenses, when authorized or approved by the Secretary, shall be paid from the Employees’ Compensation Fund.”

5 USC 8104.

SEC. 3. Section 8104 of the Act is amended by inserting “(a)” before “The” at the beginning thereof, and adding at the end thereof the following new subsection:

5 USC 8106.

“(b) Notwithstanding section 8106, individuals directed to undergo vocational rehabilitation by the Secretary shall, while undergoing such rehabilitation, receive compensation at the rate provided in sections 8105 and 8110 of this title, less the amount of any earnings received from remunerative employment, other than employment undertaken pursuant to such rehabilitation.”

5 USC 8105,
8110.Compensation
schedule.

5 USC 8107.

SEC. 4. Section 8107(a) of the Act is amended to read as follows:

“(a) If there is permanent disability involving the loss, or loss of use, of a member or function of the body or involving disfigurement, the employee is entitled to basic compensation for the disability, as

provided by the schedule in subsection (c) of this section, at the rate of 66 $\frac{2}{3}$ percent of his monthly pay. The basic compensation is—

“(1) payable regardless of whether the cause of the disability originates in a part of the body other than that member;

“(2) payable regardless of whether the disability also involves another impairment of the body; and

“(3) in addition to compensation for temporary total or temporary partial disability.”

SEC. 5. Section 8107(c) of the Act is amended by adding at the end thereof the following new subparagraph:

“(22) For permanent loss or loss of use of any other important external or internal organ of the body as determined by the Secretary, proper and equitable compensation not to exceed 312 weeks' compensation for each organ so determined shall be paid in addition to any other compensation payable under this schedule.”

SEC. 6. Section 8110(a) (2) of the Act is amended to read as follows:

“(2) a husband, if—

“(A) he is a member of the same household as the employee; or

“(B) he is receiving regular contributions from the employee for his support; or

“(C) the employee has been ordered by a court to contribute to his support;”.

SEC. 7. (a) Section 8111(a) of the Act is amended by striking out “\$300” and inserting in lieu thereof “\$500”.

(b) Section 8111(b) of the Act is amended by striking out “\$100” and inserting “\$200”.

SEC. 8. (a) Section 8113 of the Act is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

(b) Section 8143(a) (2) of the Act is amended by striking out “, (b)”.

SEC. 9. (a) Section 8116(a) of the Act is amended by striking out the word “and” in clause (1), striking out the period after clause (2) and inserting in lieu thereof a semicolon, and by inserting the following two clauses immediately after clause (2):

“(3) other benefits administered by the Veterans' Administration unless such benefits are payable for the same injury or the same death; and

“(4) retired pay, retirement pay, retainer pay, or equivalent pay for service in the Armed Forces or other uniformed services, subject to the reduction of such pay in accordance with section 5532(b) of title 5, United States Code.”

(b) The amendment made by this section shall be effective with respect to disability or death occurring before or after the date of enactment of this Act and without regard to any election under section 8116(b) of the Act; but no payment shall be made by reason of such amendment for any period prior to the date of enactment of this Act.

SEC. 10. Section 8117 of the Act is amended by striking out “21 days” and inserting in lieu thereof “14 days”.

SEC. 11. Section 8118 of the Act is amended to read as follows:

Dependents' compensation.
5 USC 8110.

5 USC 8111.

5 USC 8113.

5 USC 8143.

5 USC 8116.

Effective date.
5 USC 8116
note.

5 USC 8116.

Temporary disability.
5 USC 8117.
5 USC 8118.

“§ 8118. Continuation of pay; election to use annual or sick leave*Ante*, p. 1143.

“(a) The United States shall authorize the continuation of pay of an employee, as defined in section 8101(1) of this title (other than those referred to in clause (B) or (E)), who has filed a claim for a period of wage loss due to a traumatic injury with his immediate superior on a form approved by the Secretary of Labor within the time specified in section 8122(a)(2) of this title.

Post, p. 1147.

“(b) Continuation of pay under this subchapter shall be furnished—

“(1) without a break in time unless controverted under regulations of the Secretary;

“(2) for a period not to exceed 45 days; and

“(3) under accounting procedures and such other regulations as the Secretary may require.

Ante, p. 1145.

“(c) An employee may use annual or sick leave to his credit at the time the disability begins, but his compensation for disability does not begin, and the time periods specified by section 8117 of this title do not begin to run, until termination of pay as set forth in subsections (a) and (b) or the use of annual or sick leave ends.

“(d) If a claim under subsection (a) is denied by the Secretary, payments under this section shall, at the option of the employee, be charged to sick or annual leave or shall be deemed overpayments of pay within the meaning of section 5584 of title 5, United States Code.

5 USC 8101.

5 USC 8119.

“(e) Payments under this section shall not be considered as compensation as defined by section 8101(12) of this title.”

SEC. 12. (a) Section 8119 of the Act is amended to read as follows:

“§ 8119. Notice of injury or death

“An employee injured in the performance of his duty, or someone on his behalf, shall give notice thereof. Notice of a death believed to be related to the employment shall be given by an eligible beneficiary specified in section 8133 of this title, or someone on his behalf. A notice of injury or death shall—

“(a) be given within 30 days after the injury or death;

“(b) be given to the immediate superior of the employee by personal delivery or by depositing it in the mail properly stamped and addressed;

“(c) be in writing;

“(d) state the name and address of the employee;

“(e) state the year, month, day, and hour when and the particular locality where the injury or death occurred;

“(f) state the cause and nature of the injury, or, in the case of death, the employment factors believed to be the cause; and

“(g) be signed by and contain the address of the individual giving the notice.”

(b) The table of contents of chapter 81 of the Act is amended by striking out

“8119. Notice of injury; failure to give.”

and inserting in lieu thereof

“8119. Notice of injury or death.”.

SEC. 13. Section 8121(3) of the Act is amended by striking out “furnished” and inserting “approved” in lieu thereof.

5 USC 8121.

SEC. 14. Section 8122 of the Act is amended as follows:

Disability or
death claims,
filing deadline.
5 USC 8122.

(1) Strike subsection (a) of section 8122 and insert in lieu thereof the following:

“(a) An original claim for compensation for disability or death must be filed within 3 years after the injury or death. Compensation for disability or death, including medical care in disability cases, may not be allowed if claim is not filed within that time unless—

“(1) the immediate superior had actual knowledge of the injury or death within 30 days. The knowledge must be such to put the immediate superior reasonably on notice of an on-the-job injury or death; or

“(2) written notice of injury or death as specified in section 8119 of this title was given within 30 days.”

Ante, p. 1146.

(2) Strike subsection (c) of section 8122 and insert in lieu thereof the following:

“(c) The timely filing of a disability claim because of injury will satisfy the time requirements for a death claim based on the same injury.”

(3) Subsection (d) of section 8122 is amended by changing the reference to subsection “(a)–(c)” to subsections “(a) and (b)”, by striking out the period at the end thereof and inserting “; or”, and by adding at the end thereof the following new clause:

“(3) run against any individual whose failure to comply is excused by the Secretary on the ground that such notice could not be given because of exceptional circumstances.”

SEC. 15. Section 8132 of the Act is amended to read as follows:

5 USC 8132.

“§ 8132. Adjustment after recovery from a third person

“If an injury or death for which compensation is payable under this subchapter is caused under circumstances creating a legal liability in a person other than the United States to pay damages, and a beneficiary entitled to compensation from the United States for that injury or death receives money or other property in satisfaction of that liability as the result of suit or settlement by him or in his behalf, the beneficiary, after deducting therefrom the costs of suit and a reasonable attorney’s fee, shall refund to the United States the amount of compensation paid by the United States and credit any surplus on future payments of compensation payable to him for the same injury. No court, insurer, attorney, or other person shall pay or distribute to the beneficiary or his designee the proceeds of such suit or settlement without first satisfying or assuring satisfaction of the interest of the United States. The amount refunded to the United States shall be credited to the Employees’ Compensation Fund. If compensation has not been paid to the beneficiary, he shall credit the money or property on compensation payable to him by the United States for the same injury. However, the beneficiary is entitled to retain, as a minimum, at least one-fifth of the net amount of the money or other property remaining after the expenses of a suit or settlement have been deducted; and in addition to this minimum and at the time of distribution, an amount equivalent to a reasonable attorney’s fee proportionate to the refund to the United States.”

SEC. 16. (a) Subsections (a) and (b) of section 8133 of the Act are amended to read as follows:

Death compen-
sation.
5 USC 8133.

“(a) If death results from an injury sustained in the performance of duty, the United States shall pay a monthly compensation equal to a percentage of the monthly pay of the deceased employee in accordance with the following schedule:

“(1) To the widow or widower, if there is no child, 50 percent.

“(2) To the widow or widower, if there is a child, 45 percent and in addition 15 percent for each child not to exceed a total of 75 percent for the widow or widower and children.

“(3) To the children, if there is no widow or widower, 40 percent for one child and 15 percent additional for each additional child not to exceed a total of 75 percent, divided among the children share and share alike.

“(4) To the parents, if there is no widow, widower, or child, as follows:

“(A) 25 percent if one parent was wholly dependent on the employee at the time of death and the other was not dependent to any extent;

“(B) 20 percent to each if both were wholly dependent; or

“(C) a proportionate amount in the discretion of the Secretary of Labor if one or both were partly dependent.

If there is a widow, widower, or child, so much of the percentages are payable as, when added to the total percentages payable to the widow, widower, and children, will not exceed a total of 75 percent.

“(5) To the brothers, sisters, grandparents, and grandchildren, if there is no widow, widower, child, or dependent parent as follows:

“(A) 20 percent if one was wholly dependent on the employee at the time of death;

“(B) 30 percent if more than one was wholly dependent, divided among the dependents share and share alike; or

“(C) 10 percent if no one is wholly dependent but one or more is partly dependent, divided among the dependents share and share alike.

If there is a widow, widower, or child, or dependent parent, so much of the percentages are payable as, when added to the total percentages payable to the widow, widower, children, and dependent parents, will not exceed a total of 75 percent.

“(b) The compensation payable under subsection (a) of this section is paid from the time of death until—

“(1) a widow, or widower dies or remarries before reaching age 60;

“(2) a child, a brother, a sister, or a grandchild dies, marries, or becomes 18 years of age, or if over age 18 and incapable of self-support becomes capable of self-support; or

“(3) a parent or grandparent dies, marries, or ceases to be dependent.

Notwithstanding paragraph (2) of this subsection, compensation payable to or for a child, a brother or sister, or grandchild that would otherwise end because the child, brother or sister, or grandchild has reached 18 years of age shall continue if he is a student as defined by section 8101 of this title at the time he reaches 18 years of age for so long as he continues to be such a student or until he marries. A widow or widower who has entitlements to benefits under this title

derived from more than one husband or wife shall elect one entitlement to be utilized."

(b) Section 8135(b) of the Act is amended by inserting after "On remarriage" the following: "before reaching age 60".

5 USC 8135.

SEC. 17. Section 8133(e) (1) of the Act is amended to read as follows:

5 USC 8133.

"(1) the monthly pay computed under section 8114 of this title, except for increases authorized by section 8146a of this title; or".

5 USC 8114.

*Infra.**Supra.*

SEC. 18. Section 8133 of the Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any funeral and burial expenses paid under section 8134, there shall be paid a sum of \$200 to the personal representative of a deceased employee within the meaning of section 8101(1) of this title for reimbursement of the costs of termination of the decedent's status as an employee of the United States."

5 USC 8134.

Ante, p. 1143.

SEC. 19. Section 8135(a) (1) of the Act is amended by striking out "\$5" and inserting in lieu thereof "\$50".

Lump-sum pay-
ments.

5 USC 8135.

SEC. 20. The last two sentences of subsection (a) of section 8135 of the Act are amended to read as follows: "The probability of the death of the beneficiary before the expiration of the period during which he is entitled to compensation shall be determined according to the most current United States Life Tables, as developed by the United States Department of Health, Education, and Welfare, which shall be updated from time to time, but the lump-sum payment to a widow or widower of the deceased employee may not exceed 60 months' compensation. The probability of the happening of any other contingency affecting the amount or duration of compensation shall be disregarded."

SEC. 21. Section 8146a of the Act is amended by striking "third" from subsection (a) and by striking subsection (b) and inserting in lieu thereof the following:

Cost-of-living
adjustments.

5 USC 8146a.

"(b) The regular periodic compensation payments after adjustment under this section shall be fixed at the nearest dollar. However, the regular periodic compensation after adjustment shall reflect an increase of at least \$1."

SEC. 22. Subchapter I of chapter 81 of the Act is amended by adding the following new section:

5 USC 8151.

"§ 8151. Civil service retention rights

"(a) In the event the individual resumes employment with the Federal Government, the entire time during which the employee was receiving compensation under this chapter shall be credited to the employee for the purposes of within-grade step increases, retention purposes, and other rights and benefits based upon length of service.

"(b) Under regulations issued by the Civil Service Commission—

"(1) the department or agency which was the last employer shall immediately and unconditionally accord the employee, if the injury or disability has been overcome within one year after the date of commencement of compensation or from the time compensable disability recurs if the recurrence begins after the injured employee resumes regular full-time employment with the United States, the right to resume his former or an equivalent position, as well as all other attendant rights which the employee would have had, or acquired, in his former position had he not been injured or disabled, including the rights to tenure, promotion, and safeguards in reductions-in-force procedures, and

“(2) the department or agency which was the last employer shall, if the injury or disability is overcome within a period of more than one year after the date of commencement of compensation, make all reasonable efforts to place, and accord priority to placing, the employee in his former or equivalent position within such department or agency, or within any other department or agency.”

Repeal.

(c) Section 3315a of title 5, United States Code, is repealed upon the effective date of this section.

SEC. 23. (a) The table of contents of chapter 81 of the Act is amended by the addition of the following:

“8151. Civil service retention rights.”.

5 USC 8142.

(b) Section 8142(c)(2) of the Act is amended by adding after “Title 22” the phrase “, or a volunteer with one or more minor children as defined in section 2504 of title 22,”.

Ante, p. 1149.

SEC. 24. Section 8146a of the Act is amended by adding at the end thereof the following new subsection:

“(c) This section shall be applicable to persons excluded by section 15 of the Federal Employees’ Compensation Act Amendments of 1966 (Public Law 89-488) under the following statutes: Act of February 15, 1934 (48 Stat. 351); Act of June 26, 1936 (49 Stat. 2035); Act of April 8, 1935 (49 Stat. 115); Act of July 25, 1942 (56 Stat. 710); Public Law 84-955 (August 3, 1956); Public Law 77-784 (December 2, 1942); Public Law 84-879 (August 1, 1956); Public Law 80-896 (July 3, 1948); Act of September 8, 1959 (73 Stat. 469). Benefit payments to these persons shall initially be increased by the total percentage of the increases in the price index from the base month of July 1966, to the next most recent base month following the effective date of this subsection.”

50 USC app.
2001 note.

5 USC 8147.

SEC. 25. Section 8147 of the Act is amended by adding after the first comma in subsection (c) the following: “the United States Postal Service, or”.

SEC. 26. Section 8147(a) of the Act is amended by striking out “Bureau of the Budget” and inserting in lieu thereof “Office of Management and Budget”.

Study.
5 USC 8101
note.

SEC. 27. The Secretary of Labor shall conduct a study of the provisions of the Act and the programs thereunder, which shall include, but is not necessarily limited to—

(1) such hearings, research, and other activities as the Secretary of Labor deems necessary in order to enable him to formulate appropriate recommendations,

(2) specific examination of the need of granting the Secretary of Labor the authority to increase the allowance for services of attendants under section 8111(a) of the Act above the maximum amount fixed under such section where exceptional circumstances exist,

(3) an examination and evaluation of the effectiveness of the Act, and

(4) recommendations regarding survivor benefits.

The Secretary of Labor shall report the results of such study, together with his findings and recommendations, to the Congress not later than 12 months after the date of the enactment of this Act.

Report to
Congress.

Ante, p. 1145.

SEC. 28. (a) Except as otherwise provided by this section this Act shall take effect on the date of enactment and be applicable to any injury or death occurring on or after such effective date. The amendments made by sections 1 (b) and (c), 2, 3, 7 (a) and (b), 8 (a) and (b), 9, 16 (a) and (b), 17, 19, 20, 21, 22, 24, and 25 shall be applicable to cases where the injury or death occurred prior to the date of enactment but the provisions of these sections shall be applicable only to a period beginning on or after the date of enactment.

Effective dates.
5 USC 8101
note.

(b) Section 11 of this Act shall become effective 60 days from enactment and be applicable to any injury occurring on or after such effective date.

5 USC 8118
note.

Approved September 7, 1974.

Public Law 93-417

AN ACT

To authorize the Secretary of State to prescribe the fee for execution of an application for a passport and to continue to transfer to the United States Postal Service the execution fee for each application accepted by that Service.

September 17, 1974
[H. R. 15172]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of June 4, 1920 (22 U.S.C. 214), is amended to read as follows:

Secretary of
State.
Passport fees.

"SECTION 1. There shall be collected and paid into the Treasury of the United States quarterly a fee of \$10 for each passport issued and a fee in an amount prescribed by the Secretary of State by regulation for executing each application for a passport. Nothing contained in this section shall be construed to limit the right of the Secretary of State by regulation (1) to authorize State officials to collect and retain the execution fee, or (2) to transfer to the United States Postal Service the execution fee for each application accepted by that Service. No passport fee shall be collected from an officer or employee of the United States proceeding abroad in the discharge of official duties, or from members of his immediate family; from an American seaman who requires a passport in connection with his duties aboard an American flag-vessel; or from a widow, child, parent, brother, or sister of a deceased member of the Armed Forces proceeding abroad to visit the grave of such member. No execution fee shall be collected for an application made before a Federal official by a person excused from payment of the passport fee under this section."

Approved September 17, 1974.

Public Law 93-418

JOINT RESOLUTION

Authorizing the President to proclaim the period of September 15, 1974, through October 15, 1974, as "Johnny Horizon '76 Clean Up America Month".

September 18, 1974
[H. J. Res. 1070]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the period of September 15, 1974, through October 15, 1974, as "Johnny Horizon '76 Clean Up America Month", and calling upon the people of the United States to observe such period with appropriate activities.

Johnny Horizon
'76 Clean Up
America Month.
Designation
authorization.

Approved September 18, 1974.

Public Law 93-419

September 19, 1974
[H. R. 15406]

AN ACT

To amend title 37, United States Code, to refine the procedures for adjustments in military compensation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 1 of title 37, United States Code, is amended by amending section 101 as follows:

Uniformed serv-
ices.
Compensation
adjustments.

“Regular com-
pensation” and
“regular mili-
tary compensation
(RMC).”

“(25) ‘regular compensation’ or ‘regular military compensation (RMC)’ means the total of the following elements that a member of a uniformed service accrues or receives, directly or indirectly, in cash or in kind every payday: basic pay, basic allowance for quarters, basic allowance for subsistence; and Federal tax advantage accruing to the aforementioned allowances because they are not subject to Federal income tax.”

Basic pay
rates.

SEC. 2. Chapter 3 of title 37, United States Code, is amended by amending section 203(a) to read as follows:

“(a) The rates of monthly basic pay for members of the uniformed services within each pay grade are those prescribed in accordance with section 1009 of this title.”

Infra.

SEC. 3. Chapter 7 of title 37, United States Code, is amended as follows:

Basic subsist-
ence allowance.
37 USC 402.

(1) By amending section 402(a) to read as follows:

“(a) Except as otherwise provided by law, each member of a uniformed service who is entitled to basic pay is entitled to a basic allowance for subsistence as set forth in this section.”

(2) By amending the fourth sentence of section 402(b) to read as follows: “The allowance for an enlisted member who is authorized to receive the basic allowance for subsistence under this subsection is at the rate prescribed in accordance with section 1009 of this title.”

(3) By amending the first sentence of section 402(c) to read as follows: “An officer of a uniformed service who is entitled to basic pay is, at all times, entitled to the basic allowance for subsistence at the monthly rate prescribed in accordance with section 1009 of this title.”

Repeal.

(4) By repealing section 402(d).

(5) By redesignating section 402(e) as section 402(d), and section 402(f) as section 402(e).

Basic quarters
allowance.
37 USC 403.

(6) By amending section 403(a) to read as follows:

“(a) Except as otherwise provided by law, a member of a uniformed service who is entitled to basic pay is entitled to a basic allowance for quarters at the monthly rates prescribed in accordance with section 1009 of this title, according to the pay grade in which he is assigned or distributed for basic pay purposes.”

SEC. 4. Chapter 19 of title 37, United States Code, is amended by adding the following new section after section 1008 and inserting a corresponding item in the chapter analysis:

37 USC 1009.

“§ 1009. Adjustments of compensation

“(a) Whenever the General Schedule of compensation for Federal classified employees as contained in section 5332 of title 5, United States Code, is adjusted upward, the President shall immediately make an upward adjustment in the—

5 USC 5332
note.

“(1) monthly basic pay authorized members of the uniformed services by section 203(a) of this title;

Supra.

“(2) basic allowance for subsistence authorized enlisted members and officers by section 402 of this title; and

Supra.

“(3) basic allowance for quarters authorized members of the uniformed services by section 403(a) of this title.

Supra.

“(b) An adjustment under this section shall have the force and effect of law and shall—

“(1) carry the same effective date as that applying to the compensation adjustments provided General Schedule employees;

5 USC 5332
note.

“(2) be based on the rates of the various elements of compensation as defined in, or made under, section 8 of the Act of December 16, 1967 (Public Law 90-207; 81 Stat. 654), section 402 or 403 of this title, or this section; and

Infra.

Ante, p. 1152.

“(3) provide all eligible members with an increase in each element of compensation, set forth in subsection (a) of this section, which is of the same percentage as the overall average percentage increase in the General Schedule rates of basic pay for civilian employees.”

SEC. 5. Until the effective date of the first upward adjustment in the rates of monthly basic pay for members of the uniformed services made by the President under section 1009 of title 37, United States Code, as added by section 4 of this Act, after the effective date of this Act, the rates of monthly basic pay for members of the uniformed services authorized by section 203(a) of that title are those prescribed by Executive Order 11740 of October 3, 1973, which became effective on October 1, 1973.

37 USC 1009
note.

Ante, p. 1152.

Ante, p. 1152.

37 USC 203
note.

SEC. 6. Until the effective date of the first upward adjustment in the rates of basic allowance for subsistence for enlisted members and officers made by the President under section 1009 of title 37, United States Code, as added by section 4 of this Act, after the effective date of this Act, the rates prescribed under section 402 of title 37, United States Code, as it existed on the date before the effective date of this Act, shall continue in effect.

37 USC 1009
note.

SEC. 7. Until the effective date of the first adjustment in the rates of basic allowance for quarters for members of the uniformed services made by the President under section 1009 of title 37, United States Code, as added by section 4 of this Act, after the effective date of this Act, the rates of basic allowance for quarters prescribed in section 403 (a) of title 37, United States Code, as it existed on the day before the effective date of this Act, shall continue in effect.

37 USC 1009
note.

SEC. 8. Section 8 of the Act of December 16, 1967 (Public Law 90-207; 81 Stat. 654), is repealed.

Repeal.
37 USC 203
note.

SEC. 9. This Act is effective upon enactment.

Effective date.
37 USC 1009
note.

Approved September 19, 1974.

Public Law 93-420

AN ACT

To amend the Act of October 13, 1972.

September 19, 1974
[S. 3052]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 13, 1972 (86 Stat. 807) is amended as follows:

(a) Section (2) of section 6 of such Act is amended by striking out “fifteen months” and inserting in lieu thereof “twenty-four months”.

Commission on
Revision of the
Federal Court Ap-
pellate System,
28 USC 41 note.

(b) Section 7 of such Act is amended by striking out “not more than \$270,000” and inserting in lieu thereof “not more than \$606,000”.

Approved September 19, 1974.

Public Law 93-421

September 19, 1974
[H. R. 13267]

AN ACT

To authorize Federal agricultural assistance to Guam for certain purposes.

Guam.
Fire control,
watershed protec-
tion and reforest-
ation, Federal as-
sistance.
48 USC 1421o.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to provide financial and technical assistance to Guam for improving fire control, watershed protection and reforestation, consistent with existing laws, administered by the Secretary of Agriculture, which are applicable to the continental United States. The program authorized by this section shall be developed in cooperation with the territorial government of Guam and shall be covered by a memorandum of understanding agreed to by the territorial government and the Department. The Secretary may also utilize the agencies, facilities, and employees of the Department, and may cooperate with other public agencies and with private organizations and individuals in Guam and elsewhere.

Appropriation.
48 USC 1421p.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act. Sums appropriated in pursuance of this Act may be allocated to such agencies of the Department as are concerned with the administration of the program in Guam.

Approved September 19, 1974.

Public Law 93-422

September 21, 1974
[H. R. 9456]

AN ACT

To extend the Drug Abuse Education Act of 1970 for three years.

Alcohol and
Drug Abuse Ed-
ucation Act
Amendments of
1974.
21 USC 1001
note.
21 USC 1001
note.
21 USC 1001.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alcohol and Drug Abuse Education Act Amendments of 1974".

SEC. 2. (a) Section 1 of the Drug Abuse Education Act of 1970 (21 U.S.C. 1001) is amended to read as follows: "This Act may be cited as the 'Alcohol and Drug Abuse Education Act'."

(b) Section 2 of such Act is amended to read as follows:

"SEC. 2. (a) The Congress hereby finds and declares that drug and alcohol abuse diminishes the strength and vitality of the people of our Nation; that an increasing number of substances, both legal and illegal, are being abused by increasing numbers of individuals; that abuse of any substance is complex human behavior which is influenced by many forces, including school, family, church, community, media, and peer groups; and that prevention and early intervention in such behavior require cooperation and coordination among all of these elements in strategies designed to respond to carefully defined problems.

"(b) It is the purpose of this Act to encourage the development of new and improved curricula on the problems of drug abuse; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof; to disseminate curricular materials and significant information for use in educational programs throughout the Nation; to provide training programs for teachers, counselors, law enforcement officials, and other public service and community leaders; and to offer community education programs for parents and others, on drug abuse problems.

“(c) It is further the purpose of this Act to provide leadership to schools and other institutions in the community by supporting projects to identify, evaluate, demonstrate, and disseminate effective strategies for prevention and early intervention and to provide training and technical assistance to schools and other segments of the community in adapting such strategies to identified local needs.”

(c) Section 3 of such Act is amended to read as follows:

21 USC 1002.

“ALCOHOL AND DRUG ABUSE EDUCATION PROJECTS

“SEC. 3. (a) The Commissioner of Education shall carry out a program of making grants to, and contracts with institutions of higher education, State and local educational agencies, and public and private education or community agencies, institutions, and organizations to support and evaluate demonstration projects, to encourage the establishment of such projects throughout the Nation, to train educational and community personnel, and to provide technical assistance in program development. In carrying out such program, the Commissioner of Education shall give priority to school based programs and projects.

“(b) Funds appropriated for grants and contracts under this Act shall be available for activities, including bilingual activities, such as—

“(1) projects for the development, testing, evaluation, and dissemination of exemplary materials for use in elementary, secondary, adult, and community education programs, and for training in the selection and use of such materials;

“(2) comprehensive demonstration programs which focus on the causes of drug and alcohol abuse rather than on the symptoms; which include both schools and the communities within which the schools are located; which emphasizes the affective as well as the cognitive approach; which reflect the specialized needs of communities; and which include, in planning and development, school personnel, the target population, community representation, and parents;

“(3) creative primary prevention and early intervention programs in schools, utilizing an interdisciplinary ‘school team’ approach, developing in educational personnel and students skills in planning and conducting comprehensive prevention programs which include such activities as training drug and alcohol education specialists and group leaders, peer group and individual counseling, and student involvement in intellectual, cultural, and social alternatives to drug and alcohol abuse;

“(4) preservice and inservice training programs on drug and alcohol abuse prevention for teachers, counselors, and other educational personnel, law enforcement officials, and other public service and community leaders and personnel;

“(5) community education programs on drug and alcohol abuse, especially for parents and others in the community;

“(6) programs or projects to recruit, train, organize, and employ professionals and other persons, including former drug and alcohol abusers and former drug- and alcohol-dependent persons, to organize and participate in programs of public education in drug and alcohol abuse; and

Grants and contracts.

Training programs.

Local educational agencies, financial assistance.

“(7) projects for the dissemination of valid and effective school and community drug and alcohol abuse educational programs.

“(c) In addition to the purposes described in subsection (b) of this section, funds in an amount not to exceed 10 per centum of the sums appropriated to carry out this Act may be made available for the payment of reasonable and necessary expenses of State educational agencies for assisting local educational agencies in the planning, development, and implementation of drug and alcohol abuse education programs, including such projects as—

“(1) inservice training of education personnel,

“(2) technical assistance to local school districts,

“(3) creative leadership in programing for indigenous minorities, and

“(4) training of peer counselors.

Application for assistance, requirements.

“(d) (1) Financial assistance under this section may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary, and only if such application—

“(A) provides that activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

“(B) provides for carrying out one or more projects or programs eligible for assistance under subsections (b) and (c) of this section and provides for such methods of administration as are necessary for the proper and efficient operation of such projects or programs;

“(C) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in subsections (b) and (c) of this section, and in no case supplant such funds; and

Reports and records.

“(D) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require, and for keeping such records and affording such access thereto as the Commissioner may find necessary to assure to correctness and verification of such reports.

Applications, submittal and approval.

“(2) An application from a local education agency for financial assistance under this section may be approved by the Commissioner only after the applicant has submitted the application to the State educational agency. The State educational agency shall, not more than thirty days after the date of receipt of the application, submit to the Secretary in writing its comments on the application. A copy of such comments shall be submitted at the same time to the applicant.

Amended applications.

“(3) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to the requirements set forth in subsections (d) (1) and (d) (2).

“(e) (1) The Commissioner may use funds in an amount not exceeding 1 per centum of the funds appropriated to carry out this section for a fiscal year for independent analysis and evaluation of the effectiveness of the drug and alcohol abuse education programs assisted under this section.

Report to congressional committees.

“(2) The Commissioner shall, not later than March 31 of each calendar year, submit an evaluation report to the House and Senate Committees on Appropriations, the House Committee on Education and Labor, and the Senate Committee on Labor and Public Welfare. Such report shall—

Contents.

“(A) contain the agency’s statement of specific and detailed objectives for the program or programs assisted under the provisions of this Act, and relate these objectives to those in the Act,

“(B) include statements of the agency’s conclusions as to effectiveness of the program or programs in meeting the stated objectives, measured through the end of the preceding fiscal year,

“(C) make recommendations with respect to any changes or additional legislative action deemed necessary or desirable in carrying out the program or programs,

“(D) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations, and

“(E) contain the agency’s annual evaluation plan for the program or programs through the ensuing fiscal year for which the budget was transmitted to Congress by the President, in accordance with section 201(a) of the Budget and Accounting Act of 1921 (31 U.S.C. 11).

“(f) There are authorized to be appropriated to carry out the purposes of this section \$26,000,000 for the fiscal year ending June 30, 1975, \$30,000,000 for the fiscal year ending June 30, 1976, and \$34,000,000 for the fiscal year ending June 30, 1977. Not less than 60 per centum of the amount appropriated for a fiscal year under this section shall be used for drug and alcohol abuse education programs and projects in elementary and secondary schools.”

Appropriation.

(d) Section 4 of such Act is amended to read as follows:

“SEC. 4. (a) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising, and which are otherwise authorized by this Act, shall keep such records as the Commissioner shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

Recordkeeping.
21 USC 1003.

“(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (a).”

Records, accessibility.

(e) Section 5 of such Act is amended by striking out “drug abuse” each time it appears and inserting in lieu thereof “drug and alcohol abuse”.

21 USC 1004.

(f) Section 8 of such Act is amended—

21 USC 1007.

(1) by redesignating subsection (b) as subsection (c); and

(2) by adding after subsection (a) the following new subsection:

“(b) The term ‘Commissioner’ means the Commissioner of Education.”

“Commissioner.”

Approved September 21, 1974.

Public Law 93-423

AN ACT

September 27, 1974
[H. R. 14883]

To amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes.

Public works
program.
Extension.
42 USC 3135.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 105 of the Public Works and Economic Development Act of 1965, as amended, is amended by striking the period at the end thereof and inserting a comma and the following: "not to exceed \$200,000,000 for the fiscal year ending June 30, 1975, and not to exceed \$250,000,000 for the fiscal year ending June 30, 1976." The final sentence of section 105 of such Act, as amended, is amended by inserting immediately after the words "and June 30, 1974," the following: "and not less than 10 per centum nor more than 35 per centum of all appropriations made for the fiscal years ending June 30, 1975 and June 30, 1976,".

Health project
grants.
42 USC 3132.

SEC. 2. Section 102 of the Public Works and Economic Development Act of 1965, as amended, is amended to read as follows:

"SEC. 102. For each of the fiscal years ending June 30, 1975, and June 30, 1976, not to exceed \$30,000,000 of the funds authorized to be appropriated under section 105 of this Act for each such fiscal year shall be available for grants for operation of any health project funded under this title after the date of enactment of this section. Such grants may be made up to 100 per centum of the estimated cost of the first fiscal year of operation, and up to 100 per centum of the deficit in funds available for operation of the facility during the second fiscal year of operation. No grant shall be made for the second fiscal year of operation of any facility unless the agency operating such facility has adopted a plan satisfactory to the Secretary of Health, Education, and Welfare, providing for the funding of operations on a permanent basis. Any grant under this section shall be made upon the condition that the operation of the facility will be conducted under efficient management practices designed to obviate operating deficits, as determined by the Secretary of Health, Education, and Welfare."

Area eligibility.

SEC. 3. (a) Title IV of such Act is amended—

42 USC 3161.

(1) by adding the following new paragraph at the end of section 401(a):

"(8) those areas which the Secretary of Labor determines, on the basis of average annual available unemployment statistics, were areas of substantial unemployment during the preceding calendar year."; and

(2) by striking out the period at the end of section 401(a)(7) and inserting in lieu thereof a semicolon.

42 USC 3161
note.

(b) Any area of substantial unemployment so designated under authority of section 102 of title I of the Public Works and Economic Development Act of 1965 which has not had such designation terminated before the date of enactment of this section shall be deemed for the purposes of such Act to be such an area designated under section 401(a)(8) of such Act.

Supra.

Loans, exten-
sion.
42 USC 3141.

SEC. 4. (a) Section 201(c) of such Act, as amended, is amended by striking out the period at the end and inserting in lieu thereof ", and shall not exceed \$75,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976."

(b) Section 202 of such Act, as amended, is amended—

Loans for re-
development
areas.
42 USC 3142.

(1) by striking all of subsection (a) and inserting in lieu thereof the following new subsection:

"SEC. 202. (a) (1) The Secretary is authorized to aid in financing, within a redevelopment area, the purchase or development of land and

facilities (including machinery and equipment) for industrial or commercial usage, including the construction of new buildings, the rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings by (A) purchasing evidences of indebtedness, (B) making loans (which for purposes of this section shall include participation in loans), (C) guaranteeing loans made to private borrowers by private lending institutions, for any of the purposes referred to in this paragraph upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

“(2) The Secretary is authorized to aid in financing any industrial or commercial activity within a redevelopment area by (A) making working capital loans, (B) guaranteeing working capital loans made to private borrowers by private lending institutions upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan, (C) guaranteeing rental payments of leases for buildings and equipment, except that no such guarantee shall exceed 90 per centum of the remaining rental payments required by the lease.”;

Working capital
loans, guarantees.

(2) by striking out in subsection (b) (7) the comma after the words “no loan” and inserting immediately thereafter the words “or guarantee.”.

(3) by striking out in subsection (b) (9) “Loan assistance” and inserting in lieu thereof “Loan assistance (other than for a working capital loan)”.

SEC. 5. (a) Section 302 of such Act, as amended, is amended by redesignating such section as section 303.

42 USC 3152.

(b) Such Act, as amended, is amended by inserting immediately after section 301 the following new section 302:

“SEC. 302. (a) The Secretary is authorized, upon application of any State, or city, or other political subdivision of a State, or sub-State planning and development organization (including a redevelopment area or an economic development district), to make direct grants to such State, city, other political subdivision, or organization to pay up to 80 per centum of the cost for economic development planning. The planning for cities, other political subdivisions, and sub-State planning and development organizations (including redevelopment areas and economic development districts) assisted under this section shall include systematic efforts to reduce unemployment and increase incomes. Such planning shall be a continuous process involving public officials and private citizens in analyzing local economies, defining development goals, determining project opportunities, and formulating and implementing a development program. Any overall State economic development planning assisted under this section shall be conducted cooperatively by the State, cities and other political subdivisions, and economic development organizations (including redevelopment areas and economic development districts) located in whole or in part within such State, and such State planning shall incorporate the goals and objectives of local and economic development district planning. Any overall State economic development planning shall be a part of a comprehensive planning process that shall consider the provision of public works to stimulate and channel development, economic opportunities and choices for individuals; to support sound land use, to enhance and protect the environment including the con-

42 USC 3151.

Economic de-
velopment plan-
ning, grants.
42 USC 3151a.

Cooperative
planning.

servation and preservation of open spaces and environmental quality, to provide public services, and to balance physical and human resources through the management and control of physical development. The assistance available under this section may be provided in addition to assistance available under section 301(b) of this Act but shall not supplant such assistance and shall be available to develop an annual inventory of specific recommendations for assistance under section 304 of this Act. Each State receiving assistance under this subsection shall submit to the Secretary an annual report on the planning process assisted under this subsection.

42 USC 3151.

Infra.
Annual report.

Development
districts, assist-
ance.

“(b) In addition, the Secretary is authorized to assist economic development districts in—

“(1) providing technical assistance (other than by grant) to local governments within the district; and

42 USC 4231.

“(2) carrying out any review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968, if such district has been designated as the agency to conduct such review.”

“(c) The planning assistance authorized under this title shall be used in accordance with the review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968 and shall be used in conjunction with any other available Federal planning assistance to assure adequate and effective planning and economical use of funds.”

Ante, p. 1159.

(c) Section 303 of such Act, as redesignated by this Act, is amended by inserting “(a)” immediately after “Sec. 303.”, by striking “this title” and inserting in lieu thereof “sections 301 and 302 of this Act”, by striking out the period at the end and inserting in lieu thereof the following: “and \$75,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976.”

Limitation.

“(b) Not to exceed \$15,000,000 in each of the fiscal years ending June 30, 1975, and June 30, 1976, of the sums authorized to be appropriated under subsection (a) of this section, shall be available to make grants to States.”

(d) Such Act, as amended, is amended by adding after section 303 the following new section:

“SUPPLEMENTAL AND BASIC GRANTS

42 USC 3153.

“SEC. 304. (a) There are hereby authorized to be appropriated \$35,000,000 for the fiscal year ending June 30, 1975, and \$75,000,000 for the fiscal year ending June 30, 1976, for apportionment by the Secretary among the States for the purpose of supplementing or making grants and loans authorized under titles I, II, and IV of this Act. Such funds shall be apportioned among the States in the ratio which all grants made under title I of this Act since August 26, 1965, in each State bear to the total of all such grants made in all the States since August 26, 1965.

42 USC 3131,
3141, 3161.

State contribu-
tion.

“(b) Funds apportioned to a State pursuant to subsection (a) shall be available for supplementing or making such grants or loans if the State makes a contribution of at least 25 per centum of the amount of such grant or loan in each case. Funds apportioned to a State under subsection (a) shall remain available to such State until obligated or expended by it.

“(c) Funds apportioned to a State pursuant to this section may be used by the Governor in supplementing grants or loans with respect to any project or assistance authorized under title I, II, or IV of this

Act, and approved by the Secretary after July 1, 1974. Such grants may be used to reduce or waive the non-Federal share otherwise required by this Act, subject to the requirements of subsection (b) of this section. 42 USC 3131, 3141, 3161.

“(d) In the case of any grant or loan for which all or any portion of the basic Federal contribution to the project under this Act is proposed to be made with funds available under this section, no such Federal contribution shall be made until the Secretary of Commerce certifies that such project meets all of the requirements of this Act and could be approved for Federal contributions under this Act if funds were available under this Act (other than section 509) for such project. Funds may be provided for projects in a State under this section only if the Secretary determines that the level of Federal and State financial assistance under this Act (other than section 509) and under Acts other than this Act, for the same type of projects in the State, will not be diminished in order to substitute funds authorized by this section. Federal contribution. 42 USC 3188a.

“(e) After June 30, 1975, funds apportioned to a State pursuant to this section shall be used by the Governor in a manner which is consistent with the State planning process assisted under section 302 of this Act, if such planning process has been established in such State.” Ante, p. 1159.

SEC. 6. Section 401(a)(3) of such Act, as amended, is amended by adding at the end the following: “*Provided, however,* That uninhabited Federal or State Indian reservations or trust or restricted Indian-owned land areas may be designated where such designation would permit assistance to Indian tribes, with a direct beneficial effect on the economic well-being of Indians;”. 42 USC 3161.

SEC. 7. (a) Section 403(a)(1)(B) of such Act, as amended, is amended by striking out the words “two or more redevelopment areas” and inserting in lieu thereof “at least one redevelopment area”. District eligibility. 42 USC 3171.

(b) Section 403 of such Act, as amended, is amended by inserting at the end of such section the following two new subsections:

“(i) Each economic development district designated by the Secretary under this section shall as soon as practicable after the date of enactment of this section or after its designation provide that a copy of the district overall economic development program be furnished to the appropriate regional commission established under title V of this Act, if any part of such proposed district is within such a region, or to the Appalachian Regional Commission established under the Appalachian Regional Development Act of 1965, if any part of such proposed district is within the Appalachian region. 42 USC 3181. 40 USC app. 1.

“(j) The Secretary is authorized to provide the financial assistance which is available to a redevelopment area under this Act to those parts of an economic development district which are not within a redevelopment area, when such assistance will be of substantial direct benefit to a redevelopment area within such district. Such financial assistance shall be provided in the same manner and to the same extent as is provided in this Act for a redevelopment area, except that nothing in this subsection shall be construed to permit such parts to receive the increase in the amount of grant assistance authorized in paragraph (4) of subsection (a) of this section.”

(c) Section 403(g) of such Act, as amended, is amended by striking out “for the fiscal year ending June 30, 1974,” and inserting in lieu thereof “per fiscal year for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976.”

SEC. 8. Title IV of the Public Works and Economic Development Act of 1965, as amended, is amended by adding at the end thereof the following new part: 42 USC 3161.

“PART C—INDIAN ECONOMIC DEVELOPMENT

42 USC 3172.

“SEC. 404. In order to assure a minimum Federal commitment to alleviate economic distress of Indians, in addition to their eligibility for assistance with funds authorized under other parts of this Act, there are authorized to be appropriated not to exceed \$25,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976, for the purpose of providing assistance under this Act to Indian tribes. Such sums shall be in addition to all other funds made available to Indian tribes under this Act.”

42 USC 3183.

SEC. 9. (a) Section 503 of such Act, as amended, is amended by inserting “district,” in paragraph (7) of subsection (a), immediately after “other Federal, State,”

Technical and
planning assist-
ance.

42 USC 3185.

(b) The first sentence of section 505(a)(2) of such Act, as amended, is amended by striking out “and training programs” and inserting “training programs, and the payment of administrative expenses to sub-State planning and development organizations (including economic development districts),” in lieu thereof.

Grants-in-aid.
42 USC 3188a.

(c) Section 509(d) of such Act, as amended, is amended by striking out “and for the fiscal year ending June 30, 1974, to be available until expended, \$95,000,000.” and inserting in lieu thereof “for the fiscal year ending June 30, 1974, to be available until expended, \$95,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, to be available until expended, \$150,000,000.”

42 USC 3190.

(d) Section 511 of such Act, as amended, is amended to read as follows:

“COORDINATION

“SEC. 511. (a) The Secretary shall coordinate his activities in making grants and loans and providing technical assistance under this Act with those of each of the regional commissions (acting through the Federal and State cochairmen) established under this Act in making grants and providing technical assistance under this title, and each of such regional commissions shall coordinate its activities in making grants and providing technical assistance under this title with those activities of the Secretary under this Act.

42 USC 3183.

“(b) Each regional commission established under this Act shall give due consideration in carrying out its activities under paragraphs (2) and (7) of section 503(a) of this Act to the activities of other Federal, State, local, and sub-State (including economic development districts) planning agencies in the region.”

42 USC 3162
note.

SEC. 10. Section 2 of the Act entitled “An Act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for titles I through IV through fiscal year 1971”, approved July 6, 1970 (Public Law 91-304), is amended by striking out “1974” and inserting in lieu thereof “1976”.

SEC. 11. Title V of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181 et seq.) is amended by adding at the end thereof the following new section:

“REGIONAL EXCESS PROPERTY PROGRAM

Acquisition
and disposal.
42 USC 3193.
42 USC 3182.

“SEC. 514. (a) Notwithstanding any other provision of law, and subject to subsection (b), the Federal cochairman of each regional commission established under section 502 of this Act may acquire excess property, without reimbursement, through the Administrator of General Services and shall dispose of such property, without reim-

bursement and for the purpose of economic development, by loaning to, or by vesting title in, any of the following recipients located wholly or partially within the economic development region of such Federal cochairman:

Loan recipients.

- "(1) any State or political subdivision thereof;
- "(2) any tax-supported organization;
- "(3) any Indian tribe, band, group, pueblo, or Alaskan village or Regional Corporation (as defined by the Alaska Native Land Claims Settlement Act of 1971) recognized by the Federal Government or any State, and any business owned by any tribe, band, group, pueblo, village, or Regional Corporation;
- "(4) any tax-supported or nonprofit private hospital; and
- "(5) any tax-supported or nonprofit private institution of higher education requiring a high school diploma, or equivalent, as a basis for admission.

43 USC 1601
note.

Such recipient may have, but need not have, received any other aid under this Act. For the purposes of this section, until a regional commission is established for the State of Alaska under section 502 of this Act, in the case of the State of Alaska the Secretary of Commerce shall exercise the authority granted to a Federal cochairman under this section.

42 USC 3182.

"(b) For purposes of subsection (a)—

"(1) each Federal cochairman, in the acquiring of excess property, shall have the same priority as other Federal agencies; and

"(2) the Secretary shall prescribe rules, regulations, and procedures for administering subsection (a) which may be different for each economic development region, except that the Secretary shall consult with the Federal cochairman of a region before prescribing such rules, regulations, and procedures for such region.

Rules and reg-
ulations.

"(c) (1) The recipient of any property disposed of by any Federal cochairman under subsection (a) shall pay, to the Federal agency having custody of the property, all costs of care and handling incurred in the acquiring and disposing of such property; and such recipient shall pay all costs which may be incurred regarding such property after such Federal cochairman disposes of it, except that such recipient shall not pay any costs incurred after such property is returned under subsection (e).

Handling costs.

"(2) No Federal cochairman may be involved at any time in the receiving or processing of any costs paid by the recipient under paragraph (1).

"(d) Each Federal cochairman, not later than six calendar months after the close of each fiscal year, shall account to the Secretary, as the Secretary shall prescribe, for all property acquired and disposed of, including any property acquired but not disposed of, under subsection (a) during such fiscal year. The Secretary shall have access to all information and related material in the possession of such Federal cochairman regarding such property.

Inventory.

"(e) Any property determined by the Federal cochairman to be no longer needed for the purpose of economic development shall be reported by the recipient to the Administrator of General Services for disposition under the Federal Property and Administrative Services Act of 1949.

Report to GSA.

"(f) The value of any property acquired and disposed of, including any property acquired but not disposed of, under subsection (a) shall not be taken into account in the computation of any appropriation, or

40 USC 471
note.

42 USC 3182.

any authorization for appropriation, regarding any regional commission established under section 502 or any office of the Federal cochairman of such commission.

“Care and handling.”

“(g) For purposes of this section—

“(1) the term ‘care and handling’ has the meaning given it by section 3(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472(h)) ; and

“Excess property.”

“(2) the term ‘excess property’ has the meaning given it by section 3(e) of such Act (40 U.S.C. 472(e)) , except that such term does not include real property.”.

SEC. 12. The Public Works and Economic Development Act of 1965, as amended, is amended by adding the following new title at the end of the Act :

“TITLE IX—SPECIAL ECONOMIC DEVELOPMENT AND ADJUSTMENT ASSISTANCE

“PURPOSE

42 USC 3241.

“SEC. 901. It is the purpose of this title to provide special economic development and adjustment assistance programs to help State and local areas meet special needs arising from actual or threatened severe unemployment arising from economic dislocation, including unemployment arising from actions of the Federal Government and from compliance with environmental requirements which remove economic activities from a locality, and economic adjustment problems resulting from severe changes in economic conditions, and to encourage cooperative intergovernmental action to prevent or solve economic adjustment problems. Nothing in this title is intended to replace the efforts of the economic adjustment program of the Department of Defense.

“DEFINITION

42 USC 3242.

“SEC. 902. As used in this title, the term ‘eligible recipient’ means a redevelopment area or economic development district established under title IV of this Act, an Indian tribe, a State, a city or other political subdivision of a State, or a consortium of such political subdivisions.

42 USC 3161.

“GRANTS BY SECRETARY

42 USC 3243.

“SEC. 903. (a)(1) The Secretary is authorized to make grants directly to any eligible recipient in an area which the Secretary has determined has experienced, or may reasonably be foreseen to be about to experience, a special need to meet an expected rise in unemployment, or other economic adjustment problems (including those caused by any action or decision of the Federal Government) to carry out or develop a plan which meets the requirements of subsection (b) of this section and which is approved by the Secretary, to use such grants for any of the following: public facilities, public services, business development, planning, unemployment compensation (in accordance with subsection (d) of this section), rent supplements, mortgage payment assistance, research, technical assistance, training, relocation of individuals, and other appropriate assistance.

“(2)(A) Such grants may be used in direct expenditures by the eligible recipient or through redistribution by it to public and private entities in grants, loans, loan guarantees, or other appropriate assistance, but no grant shall be made by an eligible recipient to a private profitmaking entity.

Restriction.

“(B) Grants for unemployment compensation shall be made to the State. Grants for any other purpose shall be made to any appropriate eligible recipient capable of carrying out such purpose.

Unemployment
compensation
grants.

“(b) No plan shall be approved by the Secretary under this section unless such plan shall—

Plans, approval.

“(1) identify each economic development and adjustment need of the area for which assistance is sought under this title;

“(2) describe each activity planned to meet each such need;

“(3) explain the details of the method of carrying out each such planned activity;

“(4) contain assurances satisfactory to the Secretary that the proceeds from the repayment of loans made by the eligible recipient with funds granted under this title will be used for economic adjustment; and

“(5) be in such form and contain such additional information as the Secretary shall prescribe.

“(c) The Secretary to the extent practicable shall coordinate his activities in requiring plans and making grants and loans under this title with regional commissions, States, economic development districts and other appropriate planning and development organizations.

Coordination
with regional
organizations.

“(d) In each case in which the Secretary determines a need for assistance under subsection (a) of this section due to an increase in unemployment and makes a grant under this section, the Secretary may transfer funds available for such grant to the Secretary of Labor and the Secretary of Labor is authorized to provide to any individual unemployed as a result of the dislocation for which such grant is made, such assistance as he deems appropriate while the individual is unemployed. Such assistance as the Secretary of Labor may provide shall be available to an individual not otherwise disqualified under State law for unemployment compensation benefits, as long as the individual's unemployment caused by the dislocation continues or until the individual is reemployed in a suitable position, but no longer than one year after the unemployment commences. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the dislocation occurred, and the amount of assistance under this subsection shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of unemployment. The Secretary of Labor is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

Transfer of
funds.

“REPORTS AND EVALUATION

“SEC. 904. (a) Each eligible recipient which receives assistance under this title shall annually during the period such assistance continues make a full and complete report to the Secretary, in such manner as the Secretary shall prescribe, and such report shall contain an evaluation of the effectiveness of the economic assistance provided under this title in meeting the need it was designed to alleviate and the purposes of this title.

42 USC 3244.
Report to Sec-
retary.

“(b) The Secretary shall provide an annual consolidated report to the Congress, with his recommendations, if any, on the assistance authorized under this title, in a form which he deems appropriate. The first such report to Congress under this subsection shall be made not later than January 30, 1976.

Report to Con-
gress.

"AUTHORIZATION OF APPROPRIATIONS

42 USC 3245.

"Sec. 905. There is authorized to be appropriated to carry out this title not to exceed \$75,000,000 for the fiscal year ending June 30, 1975, and \$100,000,000 for the fiscal year ending June 30, 1976."

Approved September 27, 1974.

Public Law 93-424

September 27, 1974
[H. J. Res. 910]

JOINT RESOLUTION

Asking the President of the United States to declare the fourth Saturday of September, 1974, "National Hunting and Fishing Day".

National Hunt-
ing and Fishing
Day.
Designation
authorization.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States declare the fourth Saturday of September, 1974, as "National Hunting and Fishing Day" to provide that deserved national recognition, to recognize the esthetic, health, and recreational virtues of hunting and fishing, to dramatize the continued need for gun and boat safety, and to rededicate ourselves to the conservation and respectful use of our wildlife and natural resources.

Approved September 27, 1974.

Public Law 93-425

September 30, 1974
[S. J. Res. 244]

JOINT RESOLUTION

To extend termination date of Export-Import Bank.

Ante, p. 445.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking "September 30, 1974" and inserting in lieu thereof "October 15, 1974".

Approved September 30, 1974.

Public Law 93-426

September 30, 1974
[S. 3270]

AN ACT

To amend the Defense Production Act of 1950 and to establish a National Commission on Supplies and Shortages Act of 1974.

Defense Pro-
duction Act
Amendments of
1974.

50 USC app.
2094 note.
Repeal.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Amendments of 1974".

SEC. 2. (a) Subsection (b) of section 304 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2094), is repealed.

(b) Such section 304 is amended by adding at the end thereof the following new subsections:

“(b) The Secretary of the Treasury is authorized and directed to cancel the outstanding balance of all unpaid notes issued to the Secretary of the Treasury pursuant to this section, together with interest accrued and unpaid on such notes.

“(c) Any cash balance remaining on June 30, 1974, in the borrowing authority previously authorized by this section, and any funds thereafter received on transactions heretofore or hereafter entered into pursuant to sections 302 and 303 shall be covered into the Treasury as miscellaneous receipts.”

50 USC app.
2092, 2093.

SEC. 3. Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) by inserting “(a)” after “SEC. 711.”;

(2) by inserting “(including sections 302 and 303 and for payment of interest under subsection (b) of this section)” after “Act” the first place the term appears; and

(3) by adding at the end thereof the following new subsection:

“(b) Interest shall accrue on (1) the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 302 and 303 when the head of the agency determines that such net losses have occurred; and (2) the current market value of the inventory of materials procured under section 303 as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity.”

Interest rate.

SEC. 4. The first sentence of section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking out “June 30, 1974” and inserting in lieu thereof “June 30, 1975”.

SEC. 5. The Defense Production Act of 1950 is amended by adding at the end thereof the following new section:

50 USC app.
2061.

“NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

“SEC. 720. (a) SHORT TITLE.—This section may be cited as the ‘National Commission on Supplies and Shortages Act of 1974’.

“(b) FINDINGS.—(1) The United States is increasingly dependent on the importation from foreign nations of certain natural resources vital to commerce and the national defense.

“(2) Nations that export such resources can alone or in association with other nations arbitrarily raise the prices of such resources to

National Commission on Supplies and Shortages Act of 1974.
50 USC app.
2169.

levels which are unreasonable and disruptive of domestic and foreign economies.

“(3) Shortages of resources and commodities are becoming increasingly frequent in the United States, and such shortages cause undue inconvenience and expense to consumers and a burden on interstate commerce and the Nation’s economy.

“(4) Existing institutions do not adequately identify and anticipate such shortages and do not adequately monitor, study, and analyze other market adversities involving specific industries and specific sectors of the economy.

“(5) Data with respect to such shortages and adversities is collected in various agencies of the Government for various purposes, but is not systematically coordinated and disseminated to the appropriate agencies and to the Congress.

“(c) PURPOSES.—It is the purpose of this Act to establish a national commission to facilitate more effective and informed responses to resource and commodity shortages and to report to the President and the Congress on needed institutional adjustments for examining and predicting shortages and on the existence or possibility of shortages with respect to essential resources and commodities.

National Commission on Supplies and Shortages.
Establishment; membership.

“(d) ESTABLISHMENT OF COMMISSION.—There is established as an independent instrumentality of the Federal Government a National Commission on Supplies and Shortages (hereinafter referred to as the ‘Commission’). The Commission shall be comprised of thirteen members selected for such period of time as such Commission shall continue in existence (except that any individual appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term) as follows:

Appointments.

“(1) The President, in consultation with the majority and minority leaders of the Senate and the majority and minority leaders of the House of Representatives, shall appoint five members of the Commission from among persons in private life;

“(2) The President shall designate four senior officials of the executive branch to serve without additional compensation;

“(3) The President of the Senate, after consultation with the majority and minority leaders of the Senate, shall appoint two Senators to be members of the Commission and the Speaker of the House of Representatives, after consultation with the majority and minority leaders of the House of Representatives, shall appoint two Representatives to be members of the Commission to serve without additional compensation.

“(e) CHAIRMAN AND VICE CHAIRMAN.—The President, in consultation with the majority and minority leaders of the Senate and the House of Representatives shall designate a Chairman and Vice Chairman of the Commission.

“(f) COMPENSATION.—Each member of the Commission appointed pursuant to subsection (d)(1) of this section shall be entitled to be compensated at a rate equal to the per diem equivalent of the rate for an individual occupying a position under level III of the Executive Schedule under section 5314 of title 5, United States Code, when engaged in the actual performance of duties as such a member, and all members of the Commission shall be entitled to reimbursement for

83 Stat. 863.

Expenses, reimbursement.

travel, subsistence, and other necessary expenses incurred in the performance of their duties.

“(g) FUNCTIONS OF THE COMMISSION.—It shall be the function of the Commission to make reports to the President and to the Congress with respect to—

Report to President and Congress.

“(1) the existence or possibility of any long- or short-term shortages; employment, price or business practices; or market adversities affecting the supply of any natural resources, raw agriculture commodities, materials, manufactured products (including any possible impairment of productive capacity which may result from shortages in materials, resources, commodities, manufactured products, plant or equipment, or capital investment, and the causes of such shortages, practices, or adversities);

Contents.

“(2) the adverse impact or possible adverse impact of such shortages, practices, or adversities upon consumers, in terms of price and lack of availability of desired goods;

“(3) the need for, and the assessment of, alternative actions necessary to increase the availability of the items referred to in paragraph (1) of this subsection, to correct the adversity or practice affecting the availability of any such items, or otherwise to mitigate the adverse impact or possible adverse impact of shortages, practices, or adversities upon consumers referred to in paragraph (2) of this subsection;

“(4) existing policies and practices of Government which may tend to affect the supply of natural resources and other commodities;

“(5) necessary legislative and administrative actions to develop a comprehensive strategic and economic stockpiling and inventories policies which facilitates the availability of essential resources;

“(6) the means by which information with respect to paragraphs (1), (2), (3), (4) of this subsection can be most effectively and economically gathered and coordinated.

“(h) REPORTS OF THE COMMISSION.—The Commission shall report not later than March 1, 1975, to the President and the Congress on specific recommendations with respect to institutional adjustments, including the advisability of establishing an independent agency to provide for a comprehensive data collection and storage system, to aid in examination and analysis of the supplies and shortages in the economy of the United States and in relation to the rest of the world. The Commission may, until June 30, 1975, prepare, publish and transmit to the President and the Congress such other reports and recommendations as it deems appropriate.

“(i) ADVISORY COMMITTEE.—(1) The Commission is authorized to establish such advisory committees as may be necessary or appropriate to carry out any specific analytical or investigative undertakings on behalf of the Commission. Any such committee shall be subject to the relevant provisions of the Federal Advisory Committee Act.

Establishment.

5 USC app. 1.

“(2) The Commission shall establish an advisory committee to develop recommendations as to the establishment of a policy making process and structure within the executive and legislative branches of the Federal Government as a means to integrate the study of supplies and shortages of resources and commodities into the total problem of balanced national growth and development, and a system for coordinating these efforts with appropriate multi-State, regional and State governmental jurisdictions. For the purpose of carrying out the provision of this paragraph there is authorized to be appropriated not to exceed \$75,000 for the fiscal year ending June 30, 1975.

Appropriation.

“(j) STAFF AND POWERS OF THE COMMISSION.—(1) Subject to such rules and regulations as it may adopt, the Commission, through its Chairman, shall—

“(A) appoint and fix the compensation of an Executive Director at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code, and such additional staff personnel as is deemed necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and the General Schedule under section 5332 of such title; and

“(B) be authorized to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

“(2) The Commission or any subcommittee thereof is authorized to hold hearings and to sit and act at such times and places, as it may deem advisable.

“(k) ASSISTANCE OF GOVERNMENT AGENCIES.—Each department, agency, and instrumentality of the Federal Government, including the Congress, consistent with the Constitution of the United States, and independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information as the Commission deems necessary to carry out its functions under this Act.

“(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission not to exceed \$500,000 for the fiscal year ending June 30, 1975, to carry out the provisions of this Act.”

Approved September 30, 1974.

Public Law 93-427

AN ACT

To amend the Act of October 27, 1972 (Public Law 92-578).

October 1, 1974
[S. 3301]

Pennsylvania
Avenue Development
Corporation
Act of 1972,
amendment,
40 USC 871
note.
40 USC 873.

5 USC 5332
note.
40 USC 876.

40 USC 885.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 27, 1972 (86 Stat. 1266), is hereby amended as follows:

1. By designating subsection 4(b) to be subsection 4(c), and by adding a new subsection 4(b) to read as follows:

“(b) The Board of Directors is authorized to procure the temporary (not in excess of one year) or intermittent services of city planners, architects, engineers, appraisers, and other experts or consultants or organizations thereof in accordance with section 3109 of title 5, United States Code, but at rates for individuals not in excess of the rate in effect for grade GS-18 of the General Schedule.”

2. In subsection 7(b),

(i) delete “this Act,” and insert “the Act to amend the Act of October 27, 1972 (86 Stat. 1266),”;

(ii) delete “within twelve months of the date of enactment of this Act,” and insert “by June 30, 1975.”

3. In section 17, delete “\$1,000,000” and insert “\$1,750,000 for the operating and administrative expenses of the Corporation and”.

Approved October 1, 1974.

Public Law 93-428

AN ACT

October 1, 1974
[H. R. 12000]

To enable egg producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for eggs, egg products, spent fowl, and products of spent fowl.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That this Act shall be known as the "Egg Research and Consumer Information Act."

Egg Research
and Consumer In-
formation Act,
7 USC 2701
note.

LEGISLATIVE FINDINGS AND DECLARATION OF POLICY

SEC. 2. Eggs constitute one of the basic, natural foods in the diet. They are produced by many individual egg producers throughout the United States. Egg products, spent fowl, and products of spent fowl are derivatives of egg production. These products move in interstate and foreign commerce and those which do not move in such channels of commerce directly burden or affect interstate commerce of these products. The maintenance and expansion of existing markets and the development of new or improved markets and uses are vital to the welfare of egg producers and those concerned with marketing, using, and processing eggs as well as the general economy of the Nation. The production and marketing of these products by numerous individual egg producers have prevented the development and carrying out of adequate and coordinated programs of research and promotion necessary for the maintenance of markets and the development of new products of, and markets for, eggs, egg products, spent fowl, and products of spent fowl. Without an effective and coordinated method for assuring cooperative and collective action in providing for and financing such programs, individual egg producers are unable to provide, obtain, or carry out the research, consumer and producer information, and promotion necessary to maintain and improve markets for any or all of these products.

7 USC 2701.

It has long been recognized that it is in the public interest to provide an adequate, steady supply of fresh eggs readily available to the consumers of the Nation. Maintenance of markets and the development of new markets, both domestic and foreign, are essential to the egg industry if the consumers of eggs, egg products, spent fowl, or products of spent fowl are to be assured of an adequate, steady supply of such products.

It is therefore declared to be the policy of the Congress and the purpose of this Act that it is essential and in the public interest, through the exercise of the powers provided herein, to authorize and enable the establishment of an orderly procedure for the development and the financing through an adequate assessment, an effective and continuous coordinated program of research, consumer and producer education, and promotion designed to strengthen the egg industry's position in the marketplace, and maintain and expand domestic and foreign markets and uses for eggs, egg products, spent fowl, and products of spent fowl of the United States. Nothing in this Act shall be construed to mean, or provide for, control of production or otherwise limit the right of individual egg producers to produce commercial eggs.

DEFINITIONS

7 USC 2702.

SEC. 3. As used in this Act—

(a) The term “Secretary” means the Secretary of Agriculture or any other officer or employee of the Department of Agriculture to whom there has heretofore been delegated, or to whom there may hereafter be delegated, the authority to act in his stead.

(b) The term “person” means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity.

(c) The term “commercial eggs” “or eggs” means eggs from domesticated chickens which are sold for human consumption either in shell egg form or for further processing into egg products.

(d) The term “hen” or “laying hen” means a domesticated female chicken twenty weeks of age or over, raised primarily for the production of commercial eggs.

(e) The term “egg producer” means the person owning laying hens engaged in the production of commercial eggs.

(f) The term “case” means a standard shipping package containing thirty dozen eggs.

(g) The term “hatching eggs” means eggs intended for use by hatcheries for the production of baby chicks.

(h) The term “United States” means the forty-eight contiguous States of the United States of America and the District of Columbia.

(i) The term “promotion” means any action, including paid advertising, to advance the image or desirability of eggs, egg products, spent fowl, or products of spent fowl.

(j) The term “research” means any type of research to advance the image, desirability, marketability, production, or quality of eggs, egg products, spent fowl, or products of spent fowl.

(k) The term “consumer education” means any action to advance the image or desirability of eggs, egg products, spent fowl, or products of spent fowl.

(l) The term “marketing” means the sale or other disposition of commercial eggs, egg products, spent fowl, or products of spent fowl, in any channel of commerce.

(m) The term “commerce” means interstate, foreign, or intrastate commerce.

(n) The term “egg products” means products produced, in whole or in part, from eggs.

(o) The term “spent fowl” means hens which have been in production of commercial eggs and have been removed from such production for slaughter.

(p) The term “products of spent fowl” means commercial products produced from spent fowl.

(q) The term “hatchery operator” means any person engaged in the production of egg-type baby chicks.

(r) The term “started pullet” means a hen less than twenty weeks of age.

(s) The term “started pullet dealer” means any person engaged in the sale of started pullets.

(t) The term “handler” means any person, specified in the order or the rules and regulations issued thereunder, who receives or otherwise acquires eggs from an egg producer, and processes, prepares for marketing, or markets, such eggs, including eggs of his own production.

EGG RESEARCH AND PROMOTION ORDERS

7 USC 2703.

SEC. 4. To effectuate the declared policy of this Act, the Secretary shall, subject to the provisions of this Act, issue and from time to time amend, orders applicable to persons engaged in the hatching and/or

sale of egg-type baby chicks and started pullets, persons engaged in the production of commercial eggs and persons who receive or otherwise acquire eggs from such persons and who process, prepare for market, or market such eggs, including eggs of their own production, and persons engaged in the purchase, sale or processing of spent fowl. Such orders shall be applicable to all production or marketing areas, or both, in the United States.

NOTICE AND HEARING

SEC. 5. Whenever the Secretary has reason to believe that the issuance of an order will tend to effectuate the declared policy of this Act, he shall give due notice and opportunity for hearing upon a proposed order. Such hearing may be requested and proposal for an order submitted by an organization certified pursuant to section 16 of this Act, or by any interested person affected by the provisions of this Act, including the Secretary.

7 USC 2704.

FINDING AND ISSUANCE OF AN ORDER

SEC. 6. After notice and opportunity for hearing as provided in section 5, the Secretary shall issue an order if he finds, and sets forth in such order, upon the evidence introduced at such hearing, that the issuance of such order and all the terms and conditions thereof will tend to effectuate the declared policy of this Act.

7 USC 2705.

PERMISSIVE TERMS IN ORDERS

SEC. 7. Orders issued pursuant to this Act shall contain one or more of the following terms and conditions, and except as provided in section 8, no others.

7 USC 2706.

(a) Providing for the establishment, issuance, effectuation, and administration of appropriate plans or projects for advertising, sales promotion, and consumer education with respect to the use of eggs, egg products, spent fowl, and products of spent fowl, and for the disbursement of necessary funds for such purposes: *Provided, however,* That any such plan or project shall be directed toward increasing the general demand for eggs, egg products, spent fowl, or products of spent fowl. No reference to a private brand or trade name shall be made if the Secretary determines that such reference will result in undue discrimination against eggs, egg products, spent fowl, or products of spent fowl of other persons: *And provided further,* That no such advertising, consumer education, or sales promotion programs shall make use of unfair or deceptive acts or practices in behalf of eggs, egg products, spent fowl, or products of spent fowl or unfair or deceptive acts or practices with respect to quality, value, or use of any competing product.

Advertising, sales projects, and consumer education, plans.

Private brand or trade name, prohibition of use.

Unfair or deceptive acts.

(b) Providing for, establishing, and carrying on research, marketing, and development projects, and studies with respect to sale, distribution, marketing, utilization, or production of eggs, egg products, spent fowl, and products of spent fowl, and the creation of new products thereof, to the end that the marketing and utilization of eggs, egg products, spent fowl, and products of spent fowl may be encouraged, expanded, improved or made more acceptable, and the data collected by such activities may be disseminated and for the disbursement of necessary funds for such purposes.

Research, marketing, and development projects.

(c) Providing that hatchery operators, persons engaged in the sale of egg-type baby chicks and started pullet dealers, persons engaged in the production of commercial eggs and persons who receive or otherwise acquire eggs from such persons and who process, prepare

Recordkeeping, availability of data.

Confidential
information.

Violation, pen-
alty.

Terms and con-
ditions.

for market, or market such eggs, including eggs of their own production, and persons engaged in the purchase, sale, or processing of spent fowl, maintain and make available for the inspection such books and records as may be required by any order issued pursuant to this Act and for the filing of reports by such persons at the time, in the manner, and having content prescribed by the order, to the end that information and data shall be made available to the Egg Board and to the Secretary which is appropriate or necessary to the effectuation, administration or enforcement of the Act, or of any order or regulation issued pursuant to this Act: *Provided, however,* That all information so obtained shall be kept confidential by all officers and employees of the Department of Agriculture, the Egg Board, and by all officers and employees of contracting agencies having access to such information, and only such information so furnished or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing brought at the direction, or upon the request, of the Secretary, or to which he or any officer of the United States is a party, and involving the order with reference to which the information so to be disclosed was furnished or acquired. Nothing in this section shall be deemed to prohibit (1) the issuance of general statements based upon the reports of the number of persons subject to an order or statistical data collected therefrom, which statements do not identify the information furnished by any person, (2) the publication, by direction of the Secretary, of general statements relating to refunds made by the Egg Board during any specific period, or (3) the publication by direction of the Secretary of the name of any person violating any order, together with a statement of the particular provisions of the order violated by such person. Any such officer or employee violating the provision of this subsection shall, upon conviction, be subjected to a fine of not more than \$1,000 or to imprisonment for not more than one year, or to both, and if an officer or employee of the Egg Board or Department of Agriculture shall be removed from office.

(d) Terms and conditions incidental to and not inconsistent with the terms and conditions specified in this Act and necessary to effectuate the other provisions of such order.

REQUIRED TERMS IN ORDERS

7 USC 2707.
Egg Board.
Establishment,
membership.

Terms.

SEC. 8. Orders issued pursuant to this Act shall contain the following conditions: (a) Providing for the establishment and appointment, by the Secretary, of an Egg Board which shall consist of not more than eighteen members, and alternates therefor, and defining its powers and duties which shall include only the powers (1) to administer such order in accordance with its terms and provisions, (2) to make rules and regulations to effectuate the terms and provisions of such order, (3) to receive, investigate and report to the Secretary complaints of violations of such order, and (4) to recommend to the Secretary amendments to such order. The term of an appointment to the Egg Board shall be for two years with no member serving more than three consecutive terms, except that initial appointment shall be proportionately for two-year and three-year terms.

(b) Providing that the Egg Board, and alternates therefor, shall be composed of egg producers or representatives of egg producers appointed by the Secretary from nominations submitted by eligible organizations, associations, or cooperatives, and certified pursuant to section 16, or, if the Secretary determines that a substantial number of egg producers are not members of or their interests are not represented by any such eligible organizations, associations or cooperatives, then from nominations made by such egg producers in the manner

authorized by the Secretary, so that the representation of egg producers on the Board shall reflect, to the extent practicable, the proportion of eggs produced in each geographic area of the United States as defined by the Secretary: *Provided, however*, That each such egg producing geographic area shall be entitled to at least one representative on the Egg Board.

(c) Providing that the Egg Board shall, subject to the provisions of subsection (g) of this section, develop and submit to the Secretary for his approval any advertising, sales promotion, consumer education, research, and development plans or projects, and that any such plan or project must be approved by the Secretary before becoming effective.

Plans or projects, submittal to Secretary.

(d) Providing that the Egg Board shall, subject to the provisions of subsection (g) of this section, submit to the Secretary for his approval budgets on a fiscal period basis of its anticipated expenses and disbursements in the administration of the order, including probable costs of advertising, promotion, consumer education, research, and development projects.

Budgets, submittal to Secretary.

(e) Providing that each egg producer shall pay to the handler of eggs designated by the order of the Egg Board pursuant to regulations issued under the order, an assessment based upon the number of cases of commercial eggs handled for the account of such producer, in the manner as prescribed by the order, for such expenses and expenditures—including provision for a reasonable reserve and those administrative costs incurred by the Department after an order has been promulgated under this Act—as the Secretary finds are reasonable and likely to be incurred by the Egg Board under the order during any period specified by him. Such handler shall collect such assessment from the producer and shall pay the same to the Egg Board in the manner as prescribed by the order. The rate of assessment prescribed by the order shall not exceed 5 cents per case of commercial eggs or the equivalent thereof. To facilitate the collection of such assessments, the order of the Egg Board may designate different handlers or classes of handlers to recognize differences in marketing practices or procedures utilized in the industry. The Secretary may maintain a suit against any person subject to the order for the collection of such assessment, and the several district courts of the United States are hereby vested with jurisdiction to entertain such suits regardless of the amount in controversy.

Assessment payments to egg handlers.

Rate limitation.

(f) Providing that the Egg Board shall maintain such books and records and prepare and submit such reports from time to time, to the Secretary as he may prescribe, and for appropriate accounting by the Egg Board with respect to the receipt and disbursement of all funds entrusted to it.

Recordkeeping; reports to Secretary.

(g) Providing that the Egg Board, with the approval of the Secretary, may enter into contracts or agreements for development and carrying out of the activities authorized under the order pursuant to section 7 (a) and (b) and for the payment of the cost thereof with funds collected pursuant to the order. Any such contract or agreement shall provide that such contractors shall develop and submit to the Egg Board a plan or project together with a budget or budgets which shall show estimated costs to be incurred for such plan or project, and that any such plan or project shall become effective upon the approval of the Secretary, and further, shall provide that the contracting party shall keep accurate records of all of its transactions and make periodic reports to the Egg Board of activities carried out and an accounting for funds received and expended, and such other reports as the Secretary may require.

Contracts or agreements.

Recordkeeping reports to Egg Board.

Collected funds,
use restriction.

(h) Providing that no funds collected by the Egg Board under the order shall in any manner be used for the purpose of influencing governmental policy or action, except as provided by subsection (a) (4) of this section.

Expenses, re-
imbursement.

(i) Providing the Board members, and alternates therefor, shall serve without compensation, but shall be reimbursed for their reasonable expenses incurred in performing their duties as members of the Board.

REQUIREMENT OF REFERENDUM AND EGG PRODUCER APPROVAL

7 USC 2708.

SEC. 9. The Secretary shall conduct a referendum among egg producers not exempt hereunder who, during a representative period determined by the Secretary, have been engaged in the production of commercial eggs, for the purpose of ascertaining whether the issuance of an order is approved or favored by such producers. No order issued pursuant to this Act shall be effective unless the Secretary determines that the issuance of such order is approved or favored by not less than two-thirds of the producers voting in such referendum, or by a majority of the producers voting in such referendum if such majority produced not less than two-thirds of the commercial eggs produced during a representative period defined by the Secretary.

SUSPENSION AND TERMINATION OF ORDERS

7 USC 2709.

SEC. 10. (a) The Secretary shall, whenever he finds that any order issued under this Act, or any provisions thereof, obstructs or does not tend to effectuate the declared policy of this Act, terminate or suspend the operation of such order or such provisions thereof.

(b) The Secretary may conduct a referendum at any time, and shall hold a referendum on request of 10 per centum or more of the number of egg producers voting in the referendum approving the order, to determine whether such producers favor the termination or suspension of the order, and he shall suspend or terminate such order six months after he determines that suspension or termination of the order is approved or favored by a majority of the egg producers voting in such referendum who, during a representative period determined by the Secretary, have been engaged in the production of commercial eggs, and who produced more than 50 per centum of the volume of eggs produced by the egg producers voting in the referendum.

(c) The termination or suspension of any order, or any provision thereof, shall not be considered an order within the meaning of this Act.

PROVISIONS APPLICABLE TO AMENDMENTS

7 USC 2710.

SEC. 11. The provisions of this Act applicable to orders shall be applicable to amendments to orders.

EXEMPTIONS

7 USC 2711.

SEC. 12. The following may be exempt from specific provisions of this Act under such conditions and procedures as may be prescribed in the order or rules and regulations issued thereunder:

Laying hens.

(a) Any egg producer whose aggregate number of laying hens at any time during a three-consecutive-month period immediately prior to the date assessments are due and payable has not exceeded three thousand laying hens.

Breeding hens.

(b) Any flock of breeding hens whose production of eggs is primarily utilized for the hatching of baby chicks.

PRODUCER REFUND

SEC. 13. Notwithstanding any other provisions of this Act, any egg producer against whose commercial eggs any assessment is made and collected from him under authority of this Act and who is not in favor of supporting the programs as provided for herein shall have the right to demand and receive from the Egg Board a refund of such assessment: *Provided*, That such demand shall be made personally by such producer in accordance with regulations and on a form and within a time period prescribed by the Board and approved by the Secretary but in no event more than ninety days after the end of the month in which the assessments are due and collectable, and upon submission of proof satisfactory to the Board that the producer paid the assessment for which refund is sought, and any such refund shall be made within sixty days after demand is received therefor.

7 USC 2712.

PETITION AND REVIEW

SEC. 14. (a) Any person subject to any order may file a written petition with the Secretary, stating that any such order or any provisions of such order or any obligations imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the Secretary. After such hearing, the Secretary shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

7 USC 2713.

Hearing.

(b) The district courts of the United States in any district in which such person is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within twenty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the Secretary by delivering to him a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the Secretary with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to subsection (a) of this section shall not impede, hinder, or delay the United States or the Secretary from obtaining relief pursuant to section 15 (a) of this Act.

Jurisdiction.

ENFORCEMENT

SEC. 15. (a) The several district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating any order or regulation made or issued pursuant to this Act. Any civil action authorized to be brought under this Act shall be referred to the Attorney General for appropriate action: *Provided*, That nothing in this Act shall be construed as requiring the Secretary to refer to the Attorney General minor violations of this Act whenever he believes that the administration and enforcement of the program would be adequately served by suitable written notice or warning to any person committing such violation.

7 USC 2714.

Civil action,
referral to At-
torney General.

(b) Any egg producer or other person who willfully violates any provision of any order issued by the Secretary under this Act, or who willfully fails or refuses to collect or remit any assessment or fee duly required of him thereunder, shall be liable to a penalty of not more than \$1,000 for each such offense which shall accrue to the United

Violation,
penalty.

States and may be recovered in a civil suit brought by the United States: *Provided*, That (a) and (b) of this section shall be in addition to, and not exclusive of, the remedies provided now or hereafter existing at law or in equity.

CERTIFICATION OF ORGANIZATIONS

7 USC 2715.

Report.

SEC. 16. The eligibility of any organization to represent commercial egg producers of any egg producing area of the United States to request the issuance of an order under section 5, and to participate in the making of nominations under section 8(b) shall be certified by the Secretary. Certification shall be based, in addition to other available information, upon a factual report submitted by the organization which shall contain information deemed relevant and specified by the Secretary for the making of such determination, including, but not limited to, the following:

(a) Geographic territory covered by the organization's active membership,

(b) Nature and size of the organization's active membership, proportion of total of such active membership accounted for by producers of commercial eggs, a chart showing the egg production by State in which the organization has members, and the volume of commercial eggs produced by the organization's active membership in each such State,

(c) The extent to which the commercial egg producer membership of such organization is represented in setting the organization's policies,

(d) Evidence of stability and permanency of the organization,

(e) Sources from which the organization's operating funds are derived,

(f) Functions of the organization, and

(g) The organization's ability and willingness to further the aims and objectives of this Act: *Provided, however*, That the primary consideration in determining the eligibility of an organization shall be whether its commercial egg producer membership consists of a substantial number of egg producers who produce a substantial volume of commercial eggs. The Secretary shall certify any organization which he finds to be eligible under this section and his determination as to eligibility shall be final. Where more than one organization is certified in any geographic area, such organizations may caucus to determine the area's nominations under section 8(b).

REGULATIONS

7 USC 2716.

SEC. 17. The Secretary is authorized to make regulations with force and effect of law, as may be necessary to carry out the provisions of this Act and the powers vested in him by this Act.

INVESTIGATIONS; POWER TO SUBPENA AND TAKE OATHS AND AFFIRMATIONS; AID OF COURTS

7 USC 2717.

SEC. 18. The Secretary may make such investigations as he deems necessary for the effective carrying out of his responsibilities under this Act or to determine whether an egg producer, processor, or other seller of commercial eggs or any other person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provisions of this Act, or of any order, or rule or regulation issued under this Act. For the purpose of such investigation,

the Secretary is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, and documents which are relevant to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States. In case of contumacy by, or refusal to obey a subpoena to, any person, including an egg producer, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, and documents; and such court may issue an order requiring such person to appear before the Secretary, there to produce records, if so ordered, or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

SEPARABILITY

SEC. 19. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

7 USC 2701
note.

AUTHORIZATION

SEC. 20. There is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated such funds as are necessary to carry out the provisions of this Act. The funds so appropriated shall not be available for payment of the expenses or expenditures of the Egg Board in administering any provisions of any order issued pursuant to the terms of this Act.

7 USC 2718.

Expense pay-
ments to Egg
Board, prohibi-
tion.

EFFECTIVE DATE

SEC. 21. This Act shall take effect upon enactment.

Approved October 1, 1974.

7 USC 2701
note.

Public Law 93-429

AN ACT

To designate certain lands in the Okefenokee National Wildlife Refuge, Georgia, as wilderness.

October 1, 1974
[H. R. 6395]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 3(c) of the Wilderness Act (78 Stat. 890, 892), certain lands in the Okefenokee National Wildlife Refuge, Georgia, which comprise about three hundred forty-three thousand eight hundred and fifty acres and which are depicted on a map entitled "Okefenokee Wilderness Proposal" dated October 1967, revised March 1971, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of United States Fish and Wildlife Service, Department of the Interior.

Okefenokee
Wilderness, Ga.
Designation.
16 USC 1132.

Watercraft, restrictions.

SEC. 2. Within the wilderness designated by this Act, subject to such restrictions as the Secretary of the Interior deems necessary for public safety and to protect flora and fauna of the wilderness, (1) the use of powered watercraft, propelled by motors of ten or less horsepower, will be permitted, (2) watercraft trails including approximately one hundred twenty miles as delineated on such map will be maintained. Access to watercraft trails in the wilderness area will be provided from the Suwannee River Sill, Steven Foster State Park, Kings Landing, and Suwannee Recreation Area (Camp Cornelia).

Fishing rights.

SEC. 3. Fishing shall be permitted in the waters of the Okefenokee Wilderness, in accordance with applicable State and Federal regulations, except that the Secretary of the Interior may designate zones and establish periods when no fishing shall be permitted for reasons of public safety, administration, fish and wildlife management, or public use and enjoyment.

Map and description, filing with congressional committees.

SEC. 4. As soon as practicable after the Act takes effect, a map and a legal description of the wilderness area shall be filed with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such description and map shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such description and map may be made.

Administration.

SEC. 5. The area designated by this Act as wilderness shall be known as the Okefenokee Wilderness and shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act.

16 USC 1131 note.

Approved October 1, 1974.

Public Law 93-430

October 1, 1974
[H. R. 13595]

AN ACT

To authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are hereby authorized to be appropriated for fiscal year 1975 for the use of the Coast Guard as follows:

U.S. Coast Guard.

Appropriation authorization; personnel strength.

Fishing vessels, exemption from certain laws.

VESSELS

For procurement, renovation, and increasing the capability of vessels, \$22,676,000.

A. Procurement:

- (1) One one-hundred-and-sixty-foot inland construction tender;
- (2) small boat replacement program; and
- (3) design of vessels.

B. Renovation and increasing capability:

- (1) renovate and improve buoy tenders;
- (2) re-engine and renovate coastal buoy tenders;
- (3) modernize and improve cutter, buoy tender, and icebreaker communications equipment;
- (4) abate pollution by oily waste from Coast Guard vessels; and
- (5) abate pollution by nonoily waste from Coast Guard vessels.

AIRCRAFT

For procurement of eight replacement fixed-wing medium-range search aircraft, \$17,793,000.

CONSTRUCTION

For the establishment or development of installations and facilities by acquisition, construction, conversion, extension, or installation of permanent or temporary public works, including the preparation of sites and furnishing of appurtenances, utilities, and equipment for the following, \$74,731,000:

(1) St. Petersburg, Florida: Establish a new consolidated aviation facility.

(2) Arcata, California: Construct air station, phase II.

(3) Sitka, Alaska: Construct new air station.

(4) Woods Hole, Massachusetts: Construct small boat maintenance facility at Coast Guard base.

(5) New London, Connecticut: Renovate and expand cadet galley and dining facilities at Coast Guard Academy.

(6) Curtis Bay, Maryland: Renew steam system at Coast Guard yard, phase II.

(7) Yorktown, Virginia: Construct classroom building at Reserve training center.

(8) Portsmouth, Virginia: Construct new Coast Guard base, phase III.

(9) Virginia Beach, Virginia: Replace Little Creek Station waterfront facilities.

(10) Rodanthe, North Carolina: Improve Oregon Inlet Station.

(11) Port Canaveral, Florida: Replace Port Canaveral Station (leased property).

(12) Miami, Florida: Renovate Miami Air Station.

(13) Port Aransas, Texas: Rebuild Port Aransas Station.

(14) Traverse City, Michigan: Rebuild air station.

(15) Keokuk, Iowa: Construct depot building.

(16) Seattle, Washington: Relocate Coast Guard units to piers 36/37, phase I (leased property).

(17) Alaska, various locations: Establish VHF-FM distress communications system.

(18) Kodiak, Alaska: Renovate and consolidate Coast Guard base, phase II.

(19) Valdez, Alaska: Establish vessel traffic system and port safety station.

(20) Various locations: Improve radio navigation system of Pacific coastal region.

(21) New York, New York: Complete vessel traffic system, phase I (part II).

(22) Various locations: Waterways aids to navigation projects.

(23) Various locations: Lighthouse automation and modernization program (LAMP).

(24) Various locations: Mediterranean loran C equipment replacement.

(25) Various locations: Public family quarters.

(26) Various locations: Advance planning, survey, design, and architectural services; project administration costs; acquire sites in connection with projects not otherwise authorized by law.

Active duty
personnel
strength,

14 USC 764.

SEC. 2. For fiscal year 1975, the Coast Guard is authorized an end strength for active duty personnel of thirty-seven thousand seven hundred and forty-eight; except that the ceiling shall not include members of the Ready Reserve called to active duty under the provisions of Public Law 92-479.

SEC. 3. For fiscal year 1975, military training student loads for the Coast Guard are authorized as follows:

- (1) recruit and special training, four thousand and eighty man-years;
- (2) flight training, eighty-five man-years;
- (3) professional training in military and civilian institutions, three hundred and seventy-five man-years; and
- (4) officer acquisition training, one thousand one hundred and sixty man-years.

Bridge owners,
payments.

SEC. 4. For use of the Coast Guard for payment to bridge owners for the cost of alterations of railroad bridges and public highway bridges to permit free navigation of navigable waters of the United States, \$6,800,000 is hereby authorized.

Dependent chil-
dren outside U.S.,
schooling and
transportation.

SEC. 5. Section 657 of title 14, United States Code, is amended—

- (a) by deleting from the catchline the semicolon and the words following “children”;
- (b) by designating the existing section as subsection (b); and
- (c) by inserting a new subsection (a) as follows:

“(a) Except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), the Secretary may provide, out of funds appropriated to or for the use of the Coast Guard, for the primary and secondary schooling of dependents of Coast Guard personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of those dependents.”

Vessels used in
coastwise trade,
loadlines.

SEC. 6. (1) Section 1(b) of the Act of August 27, 1935 (46 U.S.C. 88), as amended, is further amended by inserting the words “and all vessels of not more than five thousand gross tons used in the processing or assembling of fishery products in the fisheries of the States of Oregon, Washington, and Alaska, except those constructed after August 15, 1974, or those converted to any of such services after July 11, 1978,” after the words “from July 11, 1968,” but before the words “are exempt”.

Internal com-
bustion engines,
exemptions.

(2) The first proviso of section 1 of the Act of June 20, 1936 (46 U.S.C. 367), as amended, is further amended by deleting the last two sentences and inserting in lieu thereof: “As used herein, the phrase ‘any vessel’ engaged in fishing, oystering, clamming, crabbing, or any other branch of the fishery or kelp or sponge industries includes cannery tender or fishing tender vessels of not more than five hundred gross tons used in the salmon or crab fisheries of the States of Oregon, Washington, and Alaska which are engaged exclusively in (1) the carriage of cargo to or from vessels in the fishery or a facility used or to be used in the processing or assembling of fishery products, or (2) the transportation of cannery or fishing personnel to or from operating locations, and vessels of not more than five thousand gross tons used in the processing or assembling of fishery products in the fisheries of the States of

Oregon, Washington, and Alaska. The exemptions in the preceding sentence for cannery tender, and fishing tender vessels and vessels used in processing or assembling fishery products shall continue in force until July 11, 1978.”

(3) The proviso clauses of paragraph (2) of section 4417a of the Revised Statutes (46 U.S.C. 391a(2)), as amended, are further amended to read as follows:

Combustible
cargo in bulk.

“*Provided*, That (i) this section shall not apply to vessels having on board the substances set forth in (A), (B), or (C) above only for use as fuel or stores or to vessels carrying such cargo only in drums, barrels, or other packages;

“(ii) nothing contained herein shall be deemed to amend or modify the provisions of section 4 of Public Law 93-397 with respect to certain vessels of not more than five hundred gross tons;

82 Stat. 341.
46 USC 391a.

“(iii) this section shall not apply to vessels of not more than five thousand gross tons used in the processing and assembling of fishery products in the fisheries of the States of Oregon, Washington, and Alaska and such vessels shall be allowed to have on board inflammable or combustible cargo in bulk to the extent and upon conditions as may be required by the Secretary of the department in which the Coast Guard is operating; and

“(iv) this section shall not apply to vessels of not more than five hundred gross tons documented in the service of oil exploitation which are not tank vessels and which would be subject to this section only because of the transfer of fuel from the vessels’ own fuel supply tanks to offshore drilling or production facilities.”

(4) Section 4426 of the Revised Statutes of the United States (46 U.S.C. 404), as amended, is further amended by deleting the last two sentences and inserting in lieu thereof: “As herein, the phrase ‘engaged in fishing as a regular business’ includes cannery tender or fishing tender vessels of not more than five hundred gross tons used in the salmon or crab fisheries of the States of Oregon, Washington, and Alaska which are engaged exclusively in (1) the carriage of cargo to or from vessels in the fishery or a facility used or to be used in the processing or assembling of fishery products, or (2) the transportation of cannery or fishing personnel to or from operating locations, and vessels of not more than five thousand gross tons used in the processing or assembling of fishery products in the fisheries of the States of Oregon, Washington, and Alaska. The exemptions in the preceding sentence for cannery tender, fishing tender vessels and vessels used in processing or assembling of fishery products shall continue in force until July 11, 1978.”

Certain commercial fishing vessels, exemptions.

SEC. 7. The Secretary of the department in which the Coast Guard is operating (hereinafter referred to as the “Secretary”), in cooperation with the Secretaries of Commerce, State, Defense, and the Treasury, and the Attorney General, shall conduct a comprehensive study of all feasible methods of enforcing fishery management jurisdiction, including any possible extension of such jurisdiction. In carrying out such study, the Secretary shall evaluate all available techniques of enforcement including, but not limited to, the use of satellites, remote sensing, vessels, aircraft, radar, or devices implanted on the seafloor.

Study.
16 USC 1091
note.

Approved October 1, 1974.

Public Law 93-431

AN ACT

October 1, 1974
[S. 210]

To authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts.

Boston National
Historical Park
Act of 1974.
16 USC 410z
note.
Property ac-
quisition.
16 USC 410z.

Description.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the "Boston National Historical Park Act of 1974".

SEC. 2. (a) In order to preserve for the benefit and inspiration of the people of the United States as a national historical park certain historic structures and properties of outstanding national significance located in Boston, Massachusetts, and associated with the American Revolution and the founding and growth of the United States, the Secretary of the Interior (hereinafter referred to as the "Secretary") may, in accordance with the provisions of this Act, acquire by donation or by purchase with donated funds, all lands and improvements thereon or interests therein comprising the following described areas:

- (1) Faneuil Hall, located at Dock Square, Boston;
- (2) Paul Revere House, 19 North Square, Boston;
- (3) The area identified as the Old North Church area, 193 Salem Street, Boston;
- (4) The Old State House, Washington and State Streets, Boston;
- (5) Bunker Hill, Breeds Hill, Boston;
- (6) Old South Meeting House, Milk and Washington Streets, Boston; and
- (7) Charlestown Navy Yard.

(b) In the event that the properties described in this section are not donated to the United States or purchased with donated funds, they may be acquired by the Secretary with appropriated funds: *Provided*, That, except for privately held lands within the Charlestown Navy Yard as described in subsection (d) of this section, the Secretary shall not acquire any such properties by eminent domain so long as he determines that a binding, written cooperative agreement, assuring the preservation and historical integrity of such properties remains in force and effect. Lands owned by the Commonwealth of Massachusetts, or any of its political subdivisions, may be acquired only by donation.

(c) At such time as the Secretary determines that sufficient lands, improvements, and interests therein have been acquired or that cooperative agreements satisfying the preservation and historical objective of this Act have been executed, he may establish the Boston National Historical Park by publication of notice to that effect in the Federal Register, together with a detailed description or map setting forth the properties included therein.

(d) As used in this section, the Charlestown Navy Yard shall include the United States Ship Constitution and the lands generally depicted on the map entitled "Boundary Map: Charlestown Naval Shipyard—U.S.S. Constitution, Boston National Historical Park", numbered BONA 20,000 and dated March 1974 which shall be on file and available in the offices of the Director of the National Park Service, Department of the Interior, Washington, D.C. All right, title, and interest in the Federal properties and improvements included therein shall be transferred to the Secretary of the Interior: *Provided*, That he may, by written agreement with the Secretary of the Navy, permit the continued use of any such buildings and facilities as the Secretary of the Interior determines to be necessary for the preservation and maintenance of the Constitution, which agreement shall pro-

Boston National
Historical Park.
Establishment.

Publication in
Federal Register.

vide that the Department of the Navy shall transfer to the Department of the Interior funds sufficient to cover the costs attributable to the functions and services which are provided by the Department of the Interior. The Secretary shall consult with representatives of the city of Boston and the Commonwealth of Massachusetts concerning the development of suitable transportation plans consistent with the purposes for which the Navy Yard was included in the historical park.

SEC. 3. (a) In addition to the properties described in section 2 of this Act, the Secretary shall study the properties described in this section to determine the feasibility and suitability of including them within the Boston National Historical Park. In making such studies, he may enter into tentative agreements with any owners thereof for their inclusion in said park and he may enter into options, for a nominal consideration, for the purchase of such properties, but no additional properties may be added to the park except by an act of the Congress. Studies shall be made of the following properties:

- (1) Boston Common;
- (2) Dillaway-Thomas House;
- (3) Thomas Crease House (old Corner Book Store);
- (4) Dorchester Heights; and
- (5) the following burying grounds: King's Chapel, Granary, and Copp's Hill.

(b) In furtherance of the general purposes of this Act as prescribed in section 2, the Secretary is authorized to enter into cooperative agreements with the city of Boston, the Commonwealth of Massachusetts, or any private organization to mark, interpret, restore, and/or provide technical assistance for the preservation and interpretation of any properties listed in section 2, or portions thereof, which, in his opinion, would best be preserved in private, municipal, or State ownership, in connection with the Boston National Historical Park. Such agreements shall contain, but shall not be limited to, provisions that the Secretary, through the National Park Service, shall have right of access at all reasonable times to all public portions of the property covered by such agreement for the purpose of conducting visitors through such properties and interpreting them to the public, that no changes or alterations shall be made in such properties except by mutual agreement between the Secretary and the other parties to such agreements, except that no limitation or control of any kind over the use of any such properties customarily used for church purposes shall be imposed by any agreement. The agreements may contain specific provisions which outline in detail the extent of the participation by the Secretary in the restoration, preservation, and maintenance of such historic properties.

(c) The Secretary may identify other significant sites of the colonial and Revolutionary periods of American history in the city of Boston, Massachusetts, and its environs, which are related to the historical park created by this Act, and, with the consent of the owner or owners thereof, may mark them appropriately and make reference to them in any interpretive literature.

SEC. 4. (a) There is established a Boston National Historical Park Advisory Commission (hereinafter referred to as the "Commission") which shall be composed of members appointed by the Secretary as follows:

- (1) Three members appointed from recommendations submitted by the Governor of Massachusetts;
- (2) Three members appointed from recommendations submitted by the mayor of the city of Boston; and

Transfer of funds.

Transportation plans, consultation with city and state representatives.

Studies.
16 USC 410z-1.

Preservation and restoration, cooperative agreements.

Significant sites, identification.

Boston National Historical Park Advisory Commission.
Establishment.
16 USC 410z-2.
Membership.

(3) One member to represent each owner with which the Secretary has concluded a cooperative agreement pursuant to section 3 of this Act, to be appointed from recommendations submitted by each such owner.

Termination
date.

(b) The Commission shall terminate ten years from the date of establishment of the Boston National Historical Park.

Vacancies.

(c) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment (and for the balance of the unexpired term). The Chairman of the Commission shall be designated by the Secretary.

(d) The Commission shall act and advise by affirmative vote of a majority of its members.

Consultation
with Commission.

(e) The Secretary or his designee shall from time to time, but at least semiannually, consult with the Commission with respect to matters relating to the development of the Boston National Historical Park.

Expenses.

(f) Members of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon presentation of vouchers signed by the Chairman.

Land acquisition.
16 USC 410z-3.

SEC. 5. The Secretary may acquire property or any interest therein by donation, purchase, or exchange for the visitor center, and notwithstanding any other provision of law, funds appropriated for the development and operation of the visitor center may be expended on property in which the Secretary has acquired less than the fee simple interest therein, including a leasehold interest.

Administration.
16 USC 410z-4.

SEC. 6. When established as provided in section 2 of this Act, the Boston National Historical Park shall be administered by the Secretary in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented (16 U.S.C. 1 et seq.), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467).

Appropriation.
16 USC 410z-5.

SEC. 7. For the acquisition of lands or interests in lands designated by section 2 of this Act as components of the Boston National Historical Park, there is authorized to be appropriated not to exceed \$2,740,000. For development of the components designated as paragraphs 1 through 6 in section 2, there is authorized to be appropriated not more than \$12,818,000. For the development of the component designated as paragraph 7 in section 2, there is authorized to be appropriated not more than \$11,500,000.

Approved October 1, 1974.

Public Law 93-432

October 4, 1974
[H. R. 5507]

AN ACT

To authorize the conveyance to the city of Salem, Illinois, of a statue of William Jennings Bryan.

Salem, Ill.
William Jennings
Bryan, statue,
conveyance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed to donate, by appropriate cooperative agreement, and without monetary consideration, to the city of Salem, Illinois, all right, title, and interest of the United States in and to the statue of William Jennings Bryan authorized by the Act of June 18, 1930 (46 Stat. 783). Such donation shall be on condition that the city of Salem, Illinois, shall suitably display and maintain within such city such statue as a memorial to William Jennings Bryan, onetime Member of the House of Representatives of the United States,

Secretary of State of the United States, and three times nominated by his party for President of the United States.

Approved October 4, 1974.

Public Law 93-433

AN ACT

Making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes.

October 5, 1974
[H. R. 15404]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes, namely:

Departments of
State, Justice,
and Commerce,
the Judiciary, and
Related Agencies
Appropriation
Act, 1975.

TITLE I—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Department of
State Appropria-
tion Act, 1975.

SALARIES AND EXPENSES

For necessary expenses of the Department of State, not otherwise provided for, including expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158), and allowances as authorized by 5 U.S.C. 5921-5925; expenses of binational arbitrations arising under international air transport agreements; expenses necessary to meet the responsibilities and obligations of the United States in Germany (including those arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany); hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; expenses authorized by section 2 of the Act of August 1, 1956 (22 U.S.C. 2669), as amended; refund of fees erroneously charged and paid for passports; radio communications; payment in advance for subscriptions to commercial information, telephone and similar services abroad; care and transportation of prisoners and persons declared insane; expenses, as authorized by law (18 U.S.C. 3192), of bringing to the United States from foreign countries persons charged with crime; expenses necessary to provide maximum physical security in Government-owned and leased properties abroad; and procurement by contract or otherwise, of services, supplies, and facilities, as follows: (1) translating, (2) analysis and tabulation of technical information, and (3) preparation of special maps, globes, and geographic aids; \$349,650,000: *Provided*, That passenger motor vehicles in possession of the Foreign Service abroad may be replaced in accordance with section 7 of the Act of August 1, 1956 (22 U.S.C. 2674), and the cost, including the exchange allowance, of each such replacement shall not exceed \$4,900 in the case of the chief of mission automobile at each diplomatic mission (except that four such vehicles may be purchased at not to exceed \$9,000 each) and such amounts as may be otherwise provided by law for all other such vehicles: *Provided further*, That in addition, this appropriation shall be available for the purchase (not to exceed thirty-three), replacement, rehabilitation, and modification of passenger

motor vehicles for protective purposes without regard to any maximum price limitations otherwise established by law.

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 901 of the Foreign Service Act of 1946, as amended (22 U.S.C. 1131), \$1,350,000.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses of carrying into effect the Foreign Service Buildings Act, 1926, as amended (22 U.S.C. 292-300), including personal services in the United States and abroad; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); allowances as authorized by 5 U.S.C. 5921-5925; and services as authorized by 5 U.S.C. 3109; \$22,914,000, to remain available until expended: *Provided*, That not to exceed \$1,632,000 may be used for administrative expenses during the current fiscal year.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for the purposes authorized by section 104(b) (4) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), to be credited to and expended under the appropriation account for "Acquisition, operation, and maintenance of buildings abroad", to remain available until expended, \$4,870,000.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service, to be expended pursuant to the requirement of section 291 of the Revised Statutes (31 U.S.C. 107), \$2,100,000.

PAYMENT TO FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 1105-1106), \$20,535,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, \$205,903,000.

MISSIONS TO INTERNATIONAL ORGANIZATIONS

For expenses necessary for permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress, including expenses authorized by the pertinent Acts and conventions provided for such representation; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); allowances as authorized by 5 U.S.C.

22 USC 269a,
269b, 269f,
269g-1, 269h,
272a, 273-276,
279a, 280b, 280i,
280k, 287e, 287r,
290b, 1896b,
1928, 1928b, 2673
notes.

5921–5925; and expenses authorized by section 2 (a) and (e) of the Act of August 1, 1956, as amended (22 U.S.C. 2669); \$6,600,000.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses of participation by the United States, upon approval by the Secretary of State, in international activities which arise from time to time in the conduct of foreign affairs and for which specific appropriations have not been provided pursuant to treaties, conventions, or special Acts of Congress, including personal services without regard to civil service and classification laws; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801–1158); allowances as authorized by 5 U.S.C. 5921–5925; hire of passenger motor vehicles; contributions for the share of the United States in expenses of international organizations; and expenses authorized by section 2(a) of the Act of August 1, 1956, as amended (22 U.S.C. 2669); \$6,400,000, of which not to exceed a total of \$105,000 may be expended for representation allowances as authorized by section 901 of the Act of August 13, 1946, as amended (22 U.S.C. 1131) and for official entertainment.

INTERNATIONAL TRADE NEGOTIATIONS

For necessary expenses of participation by the United States in international trade negotiations, including not to exceed \$10,000 for representation allowances, as authorized by section 901 of the Act of August 13, 1946, as amended (22 U.S.C. 1131), and for official entertainment, \$2,000,000: *Provided*, That this appropriation shall be available in accordance with the authority provided in the current appropriation for “International conferences and contingencies”.

INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION

For payments by the United States to meet expenses of the International Commission of Control and Supervision in Viet-Nam, \$5,658,000: *Provided*, That this appropriation shall not be available for obligation except upon enactment into law of authorizing legislation.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

22 USC 277.

For expenses necessary to enable the United States to meet its obligations under the treaties of 1884, 1889, 1905, 1906, 1933, 1944, 1963, and 1970 between the United States and Mexico, and to comply with the other laws applicable to the United States Section, International Boundary and Water Commission, United States and Mexico, including operation and maintenance of the Rio Grande rectification, canalization, flood control, bank protection, water supply, power, irrigation, boundary demarcation, and sanitation projects; detailed plan preparation and construction (including surveys and operation and maintenance and protection during construction); Rio Grande emergency flood protection; expenditures for the purposes set forth in sections 101 through 104 of the Act of September 13, 1950 (22 U.S.C. 277d–1—277d–4); purchase of planographs and lithographs; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902); and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

24 Stat. 1011.
26 Stat. 1512.
35 Stat. 1863.
34 Stat. 2953.
48 Stat. 1621.
59 Stat. 1219.
15 UST 21.
23 UST 371.

SALARIES AND EXPENSES

For salaries and expenses not otherwise provided for, including examinations, preliminary surveys, and investigations, and operation and maintenance of projects or parts thereof, as enumerated above, including gaging stations, \$4,701,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89).

CONSTRUCTION

48 Stat. 1621.

22 USC 277d-32.

59 Stat. 1219.

For detailed plan preparation and construction of projects authorized by the convention concluded February 1, 1933, between the United States and Mexico, the Acts approved August 19, 1935, as amended (22 U.S.C. 277-277f), August 29, 1935 (49 Stat. 961), June 4, 1936 (49 Stat. 1463), June 28, 1941 (22 U.S.C. 277f), September 13, 1950 (22 U.S.C. 277d-1-9), October 10, 1966 (80 Stat. 884), October 25, 1972 (86 Stat. 1161), and the project stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, to remain available until expended, \$6,231,000: *Provided*, That no expenditures shall be made for the Lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the costs of said dam as shall have been allocated to such purposes by the Secretary of State.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

1 UST 694.

For expenses necessary to enable the President to perform the obligations of the United States pursuant to treaties between the United States and Great Britain, in respect to Canada, signed January 11, 1909 (36 Stat. 2448), and February 24, 1925 (44 Stat. 2102); and the treaty between the United States and Canada, signed February 27, 1950; including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; \$1,350,000, to be disbursed under the direction of the Secretary of State and to be available also for additional expenses of the American Sections, International Commissions, as hereinafter set forth:

International Joint Commission, United States and Canada, the salary of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of clerks and other employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses in attending hearings of the Commission at such places in the United States and Canada as the Commission or the American Commissioners shall determine to be necessary; and special and technical investigations in connection with matters falling within the Commission's jurisdiction: *Provided*, That transfers of funds may be made to other agencies of the Government for the performance of work for which this appropriation is made.

International Boundary Commission, United States and Canada, the completion of such remaining work as may be required under the award of the Alaskan Boundary Tribunal and the existing treaties

between the United States and Great Britain; commutation of subsistence to employees while on field duty at not to exceed the authorized prevailing daily rate; hire of freight and passenger motor vehicles from temporary field employees; and payment for timber necessarily cut in keeping the boundary line clear.

INTERNATIONAL FISHERIES COMMISSIONS

For expenses, not otherwise provided for, necessary to enable the United States to meet its obligations in connection with participation in international fisheries commissions pursuant to treaties or conventions, and implementing Acts of Congress, \$4,030,000: *Provided*, That the United States share of such expenses may be advanced to the respective commissions.

EDUCATIONAL EXCHANGE

MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACTIVITIES

For expenses, not otherwise provided for, necessary to enable the Secretary of State to carry out the functions of the Department of State under the provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451–2458), and the Act of August 9, 1939 (22 U.S.C. 501), including expenses authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801–1158); expenses of the National Commission on Educational, Scientific, and Cultural Cooperation as authorized by sections 3, 5, and 6 of the Act of July 30, 1946 (22 U.S.C. 287o, 287q, 287r); hire of passenger motor vehicles; not to exceed \$10,000 for representation expenses; not to exceed \$1,000 for official entertainment within the United States; services as authorized by 5 U.S.C. 3109; and advance of funds notwithstanding section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); \$54,000,000, of which not less than \$2,000,000 shall be used for payment in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States: *Provided*, That not to exceed \$3,252,000 may be used for administrative expenses during the current fiscal year.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange between East and West Act of 1960, by grant to any appropriate agency of the State of Hawaii, \$7,400,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.

22 USC 2054
note.

5 USC 5332
note.

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 102. Appropriations under this title for “Salaries and expenses”, “International conferences and contingencies”, and “Missions to international organizations” are available for reimbursement of the General Services Administration for security guard services for protection of confidential files.

Security guard
services.

SEC. 103. No part of any appropriation contained in this title shall be used to pay the salary or expenses of any person assigned to or serv-

Salaries and
expenses, restric-
tion.

ing in any office of any of the several States of the United States or any political subdivision thereof.

One-world-
government advo-
cates.

SEC. 104. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

Citation of
title.

This title may be cited as the "Department of State Appropriation Act, 1975".

Department of
Justice Approp-
riation Act,
1975.

TITLE II—DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

SALARIES AND EXPENSES, GENERAL ADMINISTRATION

For expenses necessary for the administration of the Department of Justice, including hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; and miscellaneous and emergency expenses authorized or approved by the Attorney General or the Assistant Attorney General for Administration; \$21,850,000, of which \$2,804,000 is for the Watergate Special Prosecution Force.

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or the Assistant Attorney General for Administration; not to exceed \$30,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and advances of public moneys pursuant to law (31 U.S.C. 529); \$59,000,000: *Provided*, That not to exceed \$125,000 may be transferred to this appropriation from the "Alien Property Fund, World War II", for the general administrative expenses of alien property activities, including rent of private or Government-owned space in the District of Columbia.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust, consumer protection and kindred laws, \$16,762,000: *Provided*, That none of this appropriation shall be expended for the establishment and maintenance of permanent regional offices of the Antitrust Division.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

For necessary expenses of the offices of the United States attorneys and marshals, including purchase of firearms and ammunition; \$126,600,000: *Provided*, That of the amount herein appropriated not to exceed \$200,000 shall be available for payment of compensation and expenses of Commissioners appointed in condemnation cases under Rule 71A(h) of the Federal Rules of Civil Procedure.

28 USC app.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, and not to exceed \$1,500,000

for such compensation and expenses of expert witnesses pursuant to section 524 of title 28, United States Code, and sections 4244-48 of title 18, United States Code, including advances; \$14,200,000: *Provided*, That no part of the sum herein appropriated shall be used to pay any witness more than one attendance fee for any one calendar day.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service established by title X of the Civil Rights Act of 1964 (42 U.S.C. 2000g-2000g-2), \$3,750,000.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for the detection and prosecution of crimes against the United States; protection of the person of the President of the United States; acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies; and such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General, including purchase for police-type use without regard to the general purchase price limitation for the current fiscal year not to exceed one thousand one hundred and seventy-nine (for replacement only) and hire of passenger motor vehicles; purchase (two), lease, hire, maintenance, operation and storage of aircraft; firearms and ammunition; not to exceed \$10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph; payment of rewards; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; \$433,100,000.

None of the funds appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any civil-service employee.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including advance of cash to aliens for meals and lodging while en route; payment of allowances (at a rate not in excess of \$1 per day) to aliens, while held in custody under the immigration laws, for work performed; payment of rewards; not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use without regard to the general purchase price limitation for the current fiscal year (not to exceed three hundred and seventy-five, of which three hundred and ten shall be for replacement only) and hire of passenger motor vehicles; purchase (not to exceed eight, of which two shall be for replacement only), lease, maintenance and operation of aircraft; firearms and ammunition, attendance at firearms matches;

refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; operation, maintenance, remodeling, and repair, of buildings and the purchase of equipment incident thereto; acquisition of land as sites for enforcement fence and construction incident to such fence; reimbursement of the General Services Administration for security guard services for protection of confidential files; \$175,850,000: *Provided*, That of the amount herein appropriated, not to exceed \$50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES, BUREAU OF PRISONS

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision of United States prisoners in non-Federal institutions; purchase of (not to exceed thirty-four, of which eighteen are for replacement only), and hire of passenger motor vehicles; compilation of statistics relating to prisoners in Federal penal and correctional institutions; assistance to State and local governments to improve their correctional systems; firearms and ammunition; medals and other awards; payment of rewards; purchase and exchange of farm products and livestock; construction of buildings at prison camps; and acquisition of land as authorized by section 4010 of title 18, United States Code, \$169,000,000: *Provided*, That there may be transferred to the Health Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions.

42 USC 250a.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, \$27,690,000, to remain available until expended: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation.

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, including necessary clothing and medical aid, payment of rewards, and reimbursement to St. Elizabeths Hospital for the care and treatment of United States prisoners, at per diem rates as authorized by law (24 U.S.C. 168a), \$26,200,000: *Provided*, That not to exceed \$1,500,000 shall be available for expenses incurred in the fiscal year 1974.

LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

SALARIES AND EXPENSES

For grants, contracts, loans, and other law enforcement assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, including departmental salaries and other expenses in connection therewith, \$880,000,000, to remain available until expended.

42 USC 3701.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including hire of passenger motor vehicles; payment in advance for special tests and studies by contract; not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 441 passenger motor vehicles (of which 406 are for replacement only) for police-type use without regard to the general purchase price limitation for the current fiscal year; payment of rewards; payment for publication of technical and informational material in professional and trade journals; purchase of chemicals, apparatus, and scientific equipment; payment for necessary accommodations in the District of Columbia for conferences and training activities; acquisition (purchase of one), lease, maintenance, and operation of aircraft; employment of aliens by contract for services abroad; research related to enforcement and drug control; benefits in accordance with those provided under 22 U.S.C. 1136(9)–(11), under regulations prescribed by the Secretary of State; \$135,000,000, of which not to exceed \$4,500,000 for research shall remain available until expended.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 202. None of the funds appropriated by this title may be used to pay the compensation of any person hereafter employed as an attorney (except foreign counsel employed in special cases) unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, territory, or the District of Columbia.

Attorneys,
qualifications.

SEC. 203. Fifty-three per centum of the expenditures for the offices of the United States Attorney and the United States marshal for the District of Columbia from all appropriations in this title shall be reimbursed to the United States from any funds in the Treasury of the United States to the credit of the District of Columbia: *Provided*, That notwithstanding the provisions of this section, not to exceed \$1,159,800 from any funds in the Treasury of the United States to the credit of the District of Columbia shall be available for reimbursement to the United States pursuant to this section.

Reimbursement
to U.S.

SEC. 204. Appropriations and authorizations made in this title which are available for expenses of attendance at meetings shall be expended for such purposes in accordance with regulations prescribed by the Attorney General.

Meetings, at-
tendance.

SEC. 205. Appropriations and authorizations made in this title for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

Experts and
consultants.

SEC. 206. Appropriations for the current fiscal year for "Salaries and expenses, general administration," "Salaries and expenses, United States attorneys and marshals," "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Bureau of Prisons", shall be available for uniforms and allowances therefor as authorized by law (5 U.S.C. 5901–5902).

Uniforms.

SEC. 207. Appropriations made in this title shall be available for the purchase of insurance for motor vehicles operated on official Government business in foreign countries.

Government
motor vehicles,
insurance.

This title may be cited as the "Department of Justice Appropriation Act, 1975".

Citation of
title.

Department of
Commerce Appro-
priation Act,
1975.

TITLE III—DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including not to exceed \$1,500 for official entertainment, \$10,200,000.

SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, and modernization or development of automatic data processing equipment, \$47,977,000.

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to prepare for taking, compiling, and publishing the censuses of business, transportation, manufactures, and mineral industries; the census of governments; the census of agriculture; the census of population and housing; and periodic surveys, as provided for by law, \$22,250,000, to remain available until expended.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

42 USC 3131,
3141, 3151, 3161.

For economic development assistance as authorized by titles I, II, III, and IV of the Public Works and Economic Development Act of 1965, as amended, \$184,200,000: *Provided*, That upon enactment of the Indian Tribal Government Grant Act the unobligated balances of the amounts appropriated for Indian tribes under Title I, section 101(a) and Title II, section 201(a) shall be transferred to carry out such purposes of the Indian Tribal Government Grant Act.

ADMINISTRATION OF ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For necessary expenses of administering the economic development assistance programs, not otherwise provided for, \$17,625,000, of which not to exceed \$300,000 may be advanced to the Small Business Administration for processing of loan applications.

REGIONAL ACTION PLANNING COMMISSIONS

REGIONAL DEVELOPMENT PROGRAMS

42 USC 3181.

For expenses necessary to carry out the programs authorized by title V of the Public Works and Economic Development Act of 1965, as amended, \$34,995,000, to remain available until expended.

DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses of domestic business activities of the Department of Commerce; necessary expenses for international business activities, including trade promotional activities abroad without regard to the provisions of law set forth in 41 U.S.C. 5 and 13, and 44 U.S.C. 501, 3702, and 3703; full medical coverage for dependent members of

immediate families of employees stationed overseas; purchase of commercial and trade reports; employment of aliens by contract for services abroad; rental of space abroad, for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; and, not to exceed \$4,200 for official representation expenses abroad; and necessary expenses for carrying out the Export Administration Act of 1969, as amended and extended by the Equal Export Opportunity Act, including awards of compensation to informers under said Act and as authorized by 22 U.S.C. 401(b); \$58,750,000, to remain available until expended, of which not to exceed \$600,000 may be advanced to the Bureau of Customs, Treasury Department, for enforcement of the export administration program: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out the activities concerned with international business activities.

50 USC app.
2401 note.

MINORITY BUSINESS ENTERPRISE

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, \$52,000,000, of which \$42,347,000 shall remain available until expended: *Provided*, That not to exceed \$10,653,000 shall be available for program development and management.

UNITED STATES TRAVEL SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the International Travel Act of 1961, as amended, including employment of aliens by contract for service abroad; rental of space abroad, for periods not exceeding five years, and expenses of alteration, repair, or improvement; advance of funds under contracts abroad; payment of tort claims, in the manner authorized in the first paragraph of section 2672 of title 28 of the United States Code, when such claims arise in foreign countries; and not to exceed \$3,500 for representation expenses abroad; \$11,250,000.

22 USC 2121
note.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For expenses necessary for the National Oceanic and Atmospheric Administration, including research and development; testing and evaluation of new operational systems and equipment; including purchase (one), maintenance, operation, and hire of aircraft; acquisition and installation of research instrumentation; expenses of an authorized strength of 358 commissioned officers on the active list; pay of commissioned officers retired in accordance with law and payments under the Retired Serviceman's Family Protection and the Survivors Benefit plans; observation of environmental conditions from space satellites, and reporting and processing of the data obtained for use in environmental forecasting; and construction of facilities, including initial

10 USC 1431,
1447.

equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; \$434,300,000, to remain available until expended: *Provided*, That this appropriation shall be available for payment to the National Aeronautics and Space Administration for procurement, in accordance with the authority available to that Administration, of such equipment or facilities as may be necessary, for the purposes of this appropriation: *Provided further*, That the sum of \$500,000 shall be made available to the following Commissions for fact gathering leading to the development of a national fisheries policy: the Atlantic States Marine Fisheries Commission, \$175,000; the Gulf States Marine Fisheries Commission, \$200,000; and the Pacific Marine Fisheries Commission, \$125,000: *Provided further*, That the amount appropriated for "Operations, Research, and Facilities" in the Special Energy Research and Development Appropriation Act, 1975 (Public Law 93-322, approved June 30, 1974) shall be merged without limitation with this appropriation.

Ante, p. 276.

COASTAL ZONE MANAGEMENT

16 USC 1451
note.

For carrying out the provisions of Public Law 92-583, approved October 27, 1972, \$12,000,000, to remain available until expended.

ADMINISTRATION OF PRIBILOF ISLANDS

16 USC 1151
note.

For carrying out the provisions of the Act of November 2, 1966 (80 Stat. 1091-1099), \$3,937,000, of which so much as may become available during the current fiscal year shall be derived from the Pribilof Islands fund.

FISHERMEN'S GUARANTY FUND

22 USC 1971
note.

For payment to the Fishermen's Guaranty Fund, established pursuant to the Act of August 12, 1968 (82 Stat. 729), \$61,000, to remain available until expended.

NATIONAL BUREAU OF FIRE PREVENTION

OPERATIONS, RESEARCH, AND ADMINISTRATION

Post, p. 1535.

For expenses necessary to carry out the provisions of the Federal Fire Prevention and Control Act of 1974, to remain available until expended, \$6,000,000.

PATENT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent Office, including defense of suits instituted against the Commissioner of Patents, \$76,300,000.

SCIENCE AND TECHNICAL RESEARCH

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, including the acquisition of buildings, grounds, and other facilities; the National Technical Information Service; and the Office of Telecommunications; to remain available until expended, \$61,400,000, of which not to exceed \$2,100,000 may be transferred to the "Working Capital Fund," National Bureau of Standards, for additional capital.

MARITIME ADMINISTRATION

SHIP CONSTRUCTION

For construction-differential subsidy and cost of national-defense features incident to construction of ships for operation in foreign commerce (46 U.S.C. 1152, 1154); for construction-differential subsidy and cost of national-defense features incident to the reconstruction and reconditioning of ships under title V of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1154); and for acquisition of used ships pursuant to section 510 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1160); to remain available until expended, \$275,000,000.

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies granted on or after January 1, 1947, as authorized by the Merchant Marine Act, 1936, as amended, and in appropriations heretofore made to the United States Maritime Commission, \$242,800,000, to remain available until expended.

46 USC 1245.

RESEARCH AND DEVELOPMENT

For expenses necessary for research, development, fabrication, and test operation of experimental facilities and equipment; collection and dissemination of maritime technical and engineering information; studies to improve water transportation systems; \$25,900,000, to remain available until expended.

OPERATIONS AND TRAINING

For expenses necessary for carrying into effect the Merchant Marine Act, 1936, as amended, and the training of cadets as officers of the Merchant Marine, including not to exceed \$1,125 for entertainment of officials of other countries when specifically authorized by the Maritime Administrator; not to exceed \$1,250 for representation allowances; not to exceed \$2,500 for contingencies for the Superintendent, United States Merchant Marine Academy to be expended in his discretion; and uniform and textbook allowances for cadet midshipmen at the U.S. Merchant Marine Academy at an average yearly cost of not to exceed \$575 per cadet; \$40,333,000, to remain available until expended: *Provided*, That reimbursement may be made to this appropriation for expenses in support of activities for National Maritime Research Centers financed from the appropriation for "Research and development": *Provided further*, That reimbursements may be made to this appropriation from receipts to the "Federal ship financing fund" for administrative expenses in support of that program.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

No additional vessel shall be allocated under charter, nor shall any vessel be continued under charter by reason of any extension of chartering authority beyond June 30, 1949, unless the charterer shall agree that the Maritime Administration shall have no obligation upon redelivery to accept or pay for consumable stores, bunkers, and slop-chest items, except with respect to such minimum amounts of bunkers as the Maritime Administration considers advisable to be retained on the vessel and that prior to such redelivery all consumable stores, slop-

50 USC app.
1738b.

chest items, and bunkers over and above such minimums shall be removed from the vessel by the charterer at his own expense.

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

46 USC 1116.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act, and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 302. During the current fiscal year applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act.

SEC. 303. During the current fiscal year appropriations to the Department of Commerce which are available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902).

SEC. 304. No part of any appropriation contained in this title shall be used for construction of any ship in any foreign country.

SEC. 305. None of the funds appropriated in this title for the Maritime Administration shall be available for obligation for ship construction, operating-differential subsidies, research and development, nor operations and training, except upon enactment into law of authorizing legislation.

Citation of title.

This title may be cited as the “Department of Commerce Appropriation Act, 1975”.

Judiciary Ap-
propriation Act,
1975.

TITLE IV—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES

For the Chief Justice and eight Associate Justices, and all other officers and employees, whose compensation shall be fixed by the Court, except as otherwise provided by law, and who may be employed and assigned by the Chief Justice to any office or work of the Court, \$4,450,000.

PRINTING AND BINDING SUPREME COURT REPORTS

For printing and binding the advance opinions, preliminary prints, and bound reports of the Court, \$565,000.

MISCELLANEOUS EXPENSES

For miscellaneous expenses, to be expended as the Chief Justice may approve, \$642,000.

AUTOMOBILE FOR THE CHIEF JUSTICE

For purchase, exchange, lease, driving, maintenance, and operation of an automobile for the Chief Justice of the United States, \$16,300.

BOOKS FOR THE SUPREME COURT

For books and periodicals for the Supreme Court to be purchased by the Librarian of the Supreme Court, under the direction of the Chief Justice, \$63,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without reference to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); \$687,300, to remain available until expended: *Provided*, That not to exceed \$371,500 of the unobligated balance of the appropriation under this head for the fiscal year 1974 is hereby continued available until expended.

5 USC 5101 et
seq., 8331 et seq.

COURT OF CUSTOMS AND PATENT APPEALS

SALARIES AND EXPENSES

For salaries of the chief judge, four associate judges, and all other officers and employees of the court, and necessary expenses of the court, including exchange of books, and traveling expenses, as may be approved by the chief judge, \$782,000.

CUSTOMS COURT

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, including exchange of books and traveling expenses, as may be approved by the court; \$2,479,000: *Provided*, That traveling expenses of judges of the Customs Court shall be paid upon written certificate of the judge.

COURT OF CLAIMS

SALARIES AND EXPENSES

For salaries of the chief judge, six associate judges, and all other officers and employees of the court, and for other necessary expenses, including stenographic and other fees and charges necessary in the taking of testimony, and travel, \$2,341,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES OF JUDGES

For salaries of circuit judges; district judges (including judges of the district courts of the Virgin Islands, the Panama Canal Zone, and Guam); justices and judges retired or resigned under title 28, United

States Code, sections 371, 372, and 373; and annuities of widows of Justices of the Supreme Court of the United States in accordance with title 28, United States Code, section 375; \$27,975,000.

SALARIES OF SUPPORTING PERSONNEL

28 USC 604
note.

5 USC 5101,
5332 note.

5 USC 5301.

For salaries of all officials and employees of the Federal Judiciary, not otherwise specifically provided for, \$101,822,000: *Provided*, That the salaries of secretaries to circuit and district judges shall not exceed the compensation established in chapter 51 of title 5, United States Code, for General Schedule grade (GS) 5, 6, 7, 8, 9, or 10, and that the salaries of law clerks to circuit and district judges shall not exceed the compensation established in chapter 51 of title 5, United States Code, for General Schedule grade (GS) 7, 8, 9, 10, 11, or 12: *Provided further*, That (exclusive of step increases corresponding with those provided for by chapter 53 of title 5 of the United States Code, and of compensation paid for temporary assistance needed because of an emergency) the aggregate salaries paid to secretaries and law clerks appointed by each of the circuit and district judges shall not exceed \$57,714 and \$34,988 per annum, respectively, except in the case of the chief judge of each circuit and the chief judge of each district court having five or more district judges, in which case the aggregate salaries shall not exceed \$71,093 and \$44,957 per annum, respectively: *Provided further*, That the chief judge of each circuit may appoint a senior law clerk to the court at not more than \$30,000 per annum, without regard to the limitations referred to above.

REPRESENTATION BY COURT-APPOINTED COUNSEL AND OPERATION OF DEFENDER ORGANIZATIONS

For the operation of Federal Public Defender and Community Defender organizations, and the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964 (18 U.S.C. 3006A, as amended by Public Law 91-447, October 14, 1970), \$15,700,000.

FEES OF JURORS

For fees, expenses, and costs of jurors; and compensation of jury commissioners; \$18,500,000.

TRAVEL AND MISCELLANEOUS EXPENSES

For necessary travel and miscellaneous expenses, not otherwise provided for, incurred by the Judiciary, including the purchase of firearms and ammunition, \$15,100,000.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, and rent in the District of Columbia and elsewhere, \$5,090,000: *Provided*, That not to exceed \$100,000 of the appropriations contained in this title shall be available for the study of rules of practice and procedure.

SALARIES AND EXPENSES OF UNITED STATES MAGISTRATES

For compensation and expenses of United States Magistrates, including secretarial and clerical assistance, as authorized by 28 U.S.C. 634-635, \$8,764,000.

SALARIES OF REFEREES

For salaries of referees as authorized by the Act of June 28, 1946, as amended (11 U.S.C. 68), not to exceed \$6,990,000, to be derived from the Referees' salary and expense fund established in pursuance of said Act, and, to the extent of any deficiency in said fund, from any monies in the Treasury not otherwise appropriated.

EXPENSES OF REFEREES

For expenses of referees as authorized by the Act of June 28, 1946, as amended (11 U.S.C. 68, 102), not to exceed \$14,000,000, to be derived from the Referees' salary and expense fund established in pursuance of said Act, and, to the extent of any deficiency in said fund from any monies in the Treasury not otherwise appropriated: *Provided*, That \$440,000 shall be transferred to the appropriation for "Administrative Office of the United States Courts" for general administrative expense of the bankruptcy system.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, \$2,400,000.

28 USC 620.

SPACE AND FACILITIES, THE JUDICIARY

SPACE AND FACILITIES

For the rental of space, tenant alterations, and related services for the United States Courts of Appeals and District Courts, the Court of Customs and Patent Appeals, the Customs Court, the Court of Claims, the Administrative Office of the United States Courts and the Federal Judicial Center, pursuant to the Public Buildings Amendments of 1972, Public Law 92-313, June 16, 1972 (86 Stat. 216), \$66,100,000, to be available for transfer to the General Services Administration which shall be responsible for administering the program in compliance with standards or guidelines prescribed by the Director of the Administrative Office of the United States Courts under the supervision and direction of the Judicial Conference of the United States.

40 USC 603
note.

EXPENSES, UNITED STATES COURT FACILITIES

FURNITURE AND FURNISHINGS

For necessary expenses, not otherwise provided for, to provide furniture and furnishings for the United States Courts, including the Administrative Office of the United States Courts and the Federal Judicial Center, \$2,675,000, to be available for transfer to the General Services Administration which shall be responsible for administering the program in compliance with standards or guidelines prescribed by the Director of the Administrative Office of the United States Courts under the supervision and direction of the Judicial Conference of the United States.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 402. The reports of the United States Court of Appeals for the District of Columbia shall not be sold for a price exceeding that approved by the court and for not more than \$9.00 per volume.

D.C. Code 11-
301 note.

SEC. 403. None of the funds contained in this title shall be available for the salaries or expenses of deputy clerks in any office that has discontinued the taking of applications for passports subsequent to October 31, 1968, and has not resumed such service on a permanent basis.

This title may be cited as the "Judiciary Appropriation Act, 1975".

Citation of
title.

TITLE V—RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), \$9,250,000.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to Radio Free Europe and Radio Liberty, \$49,800,000.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, \$6,850,000.

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT FOR THE CONDUCT OF FOREIGN POLICY

SALARIES AND EXPENSES

For necessary expenses of the Commission on the Organization of the Government for the Conduct of Foreign Policy, authorized by title VI of the Foreign Relations Authorization Act of 1972, \$1,594,000, to remain available until July 30, 1975.

22 USC 2821.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission established by title VII of the Civil Rights Act of 1964, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed \$3,500,000 for payments to State and local agencies for services to the Commission pursuant to title VII of the Civil Rights Act, \$53,597,000.

42 USC 2000e.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; \$7,300,000: *Provided*, That not to exceed \$1,500 shall be available for official reception and representation expenses.

FOREIGN CLAIMS SETTLEMENT COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry on the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those provided by title IX of the Foreign Service Act of 1946, as amended, as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters for personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; \$1,240,000.

22 USC 1131.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission to carry out the provisions of title II of the Act of October 21, 1972 (Public Law 92-522), establishing the Marine Mammal Commission, \$750,000: *Provided*, That, notwithstanding section 207 of Public Law 92-522, not to exceed \$300,000 may be used for administrative expenses.

16 USC 1401 et
seq.NATIONAL COMMISSION FOR THE REVIEW OF FEDERAL AND STATE LAWS
RELATING TO WIRETAPPING AND ELECTRONIC SURVEILLANCE

SALARIES AND EXPENSES

For necessary expenses of the National Commission for the Review of Federal and State Laws Relating to Wiretapping and Electronic Surveillance, established by the Omnibus Crime Control and Safe Streets Act of 1968 (84 Stat. 224), \$332,000, to remain available until expended.

42 USC 3701
note.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles, not to exceed \$1,500 for official reception and representation expenses, and not to exceed \$5,000,000 for expenses necessary to carry out the provisions of section 406 of the Economic Opportunity Act of 1964, as amended, \$26,500,000, and in addition there may be transferred to this appropriation not to exceed a total of \$85,415,000 from the "Disaster loan fund", the "Business loan and investment fund", and the "Lease and surety bond guarantees revolving fund", in such amounts as may be necessary for administrative expenses in connection with activities respectively financed under said funds: *Provided*, That 10 per centum of the amount authorized to be transferred from these revolving funds shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may

42 USC 2906b.

31 USC 665.

be necessary to carry out the business and disaster loan, and lease and surety bond guarantee programs.

DISASTER LOAN FUND

BUSINESS LOAN AND INVESTMENT FUND

LEASE AND SURETY BOND GUARANTEES REVOLVING FUND

31 USC 849.

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the following funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster loan fund," the "Business loan and investment fund," and the "Lease and surety bond guarantees revolving fund."

BUSINESS LOAN AND INVESTMENT FUND

15 USC 631
note.

For additional capital for the "Business loan and investment fund," authorized by the Small Business Act, as amended, \$327,500,000, to remain available without fiscal year limitation.

DISASTER LOAN FUND

For additional capital for the "Disaster loan fund," authorized by the Small Business Act, as amended, \$90,000,000, to remain available without fiscal year limitation.

SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

SALARIES AND EXPENSES

For expenses necessary for the Special Representative for Trade Negotiations, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$1,850,000: *Provided*, That none of the funds contained in this paragraph shall be made available for the collection and preparation of information which will not be available to Committees of Congress in the regular discharge of their duties.

TARIFF COMMISSION

SALARIES AND EXPENSES

19 USC 1336-
1338.

For necessary expenses of the Tariff Commission, not to exceed \$150,000 for expenses of travel, hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, \$8,900,000: *Provided*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative: *Provided further*, That no part of the foregoing appropriation shall be used for making any special study, investigation, or report at the request of any other agency of the executive branch of the Government unless reimbursement is made for the cost thereof.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

For expenses necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 8 of 1953, the Mutual Educational and Cultural Exchange Act (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international information activities, including employment, without regard to the civil service and classification laws, of persons on a temporary basis (not to exceed \$20,000), and aliens within the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U.S.C. 801-1158); entertainment within the United States not to exceed \$500; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; advance of funds notwithstanding section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; purchase of uniforms for not to exceed thirteen guards; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script-writing, translation, and engineering services, by contract or otherwise; and purchase of objects for presentation to foreign governments, schools, or organizations; \$218,462,000: *Provided*, That not to exceed \$150,000 may be used for representation abroad: *Provided further*, That passenger motor vehicles used abroad exclusively for the purposes of this appropriation may be exchanged or sold pursuant to section 201(c) of the Act of June 30, 1949 (40 U.S.C. 481(c)), and the exchange allowances or proceeds of such sales shall be available for replacement of an equal number of such vehicles and the cost, including the exchange allowance of each such replacement, shall not exceed such amounts as may be otherwise provided by law: *Provided further*, That, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), the United States Information Agency is authorized, in making contracts for the use of international shortwave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities.

22 USC 1461
note.

22 USC 1461b.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, \$8,377,000, to remain available until expended.

SPECIAL INTERNATIONAL EXHIBITIONS

For expenses necessary to carry out the functions of the United States Information Agency under section 102(a)(3) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2451 et seq.), \$6,770,000, to remain available until expended: *Provided*, That not to exceed a total of \$6,500 may be expended for representation.

22 USC 2452.

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception, purchase and installation of necessary equipment for radio transmission and reception, without regard to the provisions of the Act of June 30, 1932 (40 U.S.C. 278a), and acquisition of land and interests in land by purchase, lease, rental, or otherwise, \$4,400,000, to remain available until expended: *Provided*, That this appropriation shall be available for acquisition of land outside the continental United States without regard to section 355 of the Revised Statutes (40 U.S.C. 255) and title to any land so acquired shall be approved by the Director of the United States Information Agency.

TITLE VI—FEDERAL PRISON INDUSTRIES,
INCORPORATED

31 USC 849.

The following corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of not to exceed five (for replacement only) and hire of passenger motor vehicles, except as hereinafter provided:

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL TRAINING EXPENSES,
FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed \$1,804,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed \$5,051,000 for the expenses of vocational training of prisoners, both amounts to be available for services as authorized by 5 U.S.C. 3109, and to be computed on an accrual basis and to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and shall be exclusive of depreciation, payment of claims, expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

TITLE VII—GENERAL PROVISIONS

Publicity or
propaganda.

SEC. 701. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

Foreign cur-
rency funded pro-
grams.

SEC. 702. No part of any appropriation contained in this Act shall be used to administer any program which is funded in whole or in part from foreign currencies or credits for which a specific dollar appropriation therefor has not been made.

Fiscal year lim-
itation.

SEC. 703. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 704. No part of the funds appropriated by this Act shall be used to pay the salary of any Federal employee who is finally convicted in any Federal, State, or local court of competent jurisdiction, of inciting, promoting, or carrying on a riot resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned.

Convicted rioters, payment prohibitions.

SEC. 705. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of, or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials or students in such institution from engaging in their duties or pursuing their studies at such institution.

Funds to campus disrupters, prohibitions.

SEC. 706. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

Space and services, payment, limitation.

40 USC 490.

This Act may be cited as the "Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1975".

Short title.

Approved October 5, 1974.

Public Law 93-434

AN ACT

To amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October, 1974, through the last Sunday in February, 1975.

October 5, 1974
[H. R. 16102]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended—

Emergency Daylight Saving Time Energy Conservation Act of 1973, amendments.
15 USC 260a note.

(1) by inserting immediately after "(15 U.S.C. 260a(a))," in subsection (a) the following "and except as provided in subsection (e) of this section,"; and

(2) by adding at the end thereof the following subsection:

"(e) During the period commencing at 2 o'clock antemeridian on the last Sunday of October 1974, and ending at 2 o'clock antemeridian on the last Sunday of February 1975, the standard time of each zone established by the Act of March 19, 1918 (15 U.S.C. 261-264), as modified by the Act of March 4, 1921 (15 U.S.C. 265), shall be the standard time of each such zone pursuant to such Act of March 19, 1918, as so modified."

SEC. 2. Section 4(a) of the Emergency Daylight Saving Time Energy Conservation Act of 1973 is amended by striking out "June 30, 1975" and inserting in lieu thereof "July 31, 1975".

Approved October 5, 1974.

Public Law 93-435

October 5, 1974
[H. R. 11559]

AN ACT

To place certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes.

Guam, the Vir-
gin Islands, and
American Samoa.
Submerged
lands, convey-
ance.
48 USC 1705.

Certain lands
and mineral
rights, retention
by U.S.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subject to valid existing rights, all right, title, and interest of the United States in lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coastlines of the territories of Guam, the Virgin Islands, and American Samoa, as heretofore or hereafter modified by accretion, erosion, and reliction, and in artificially made, filled in, or reclaimed lands which were formerly permanently or periodically covered by tidal waters, are hereby conveyed to the governments of Guam, the Virgin Islands, and American Samoa, as the case may be, to be administered in trust for the benefit of the people thereof.

(b) There are excepted from the transfer made by subsection (a) hereof—

(i) all deposits of oil, gas, and other minerals, but the term “minerals” shall not include coral, sand, and gravel;

(ii) all submerged lands adjacent to property owned by the United States above the line of mean high tide;

(iii) all submerged lands adjacent to property above the line of mean high tide acquired by the United States by eminent domain proceedings, purchase, exchange, or gift, after the date of enactment of this Act, as required for completion of the Department of the Navy Land Acquisition Project relative to the construction of the Ammunition Pier authorized by the Military Construction Authorization Act, 1971 (84 Stat. 1204), as amended by section 201 of the Military Construction Act, 1973 (86 Stat. 1135);

(iv) all submerged lands filled in, built up, or otherwise reclaimed by the United States, before the date of enactment of this Act, for its own use;

(v) all tracts or parcels of submerged land containing on any part thereof any structures or improvements constructed by the United States;

(vi) all submerged lands that have heretofore been determined by the President or the Congress to be of such scientific, scenic, or historic character as to warrant preservation and administration under the provisions of the Act entitled “An Act to establish a National Park Service, and for other purposes”, approved August 25, 1916 (16 U.S.C. 1 et seq.);

(vii) all submerged lands designated by the President within one hundred and twenty days after the date of enactment of this Act;

(viii) all submerged lands that are within the administrative responsibility of any agency or department of the United States other than the Department of the Interior;

(ix) all submerged lands lawfully acquired by persons other than the United States through purchase, gift, exchange, or otherwise;

(x) all submerged lands within the Virgin Islands National Park established by the Act of August 2, 1956 (16 U.S.C. 398 et seq.), including the lands described in the Act of October 5, 1962 (16 U.S.C. 398c-398d); and

(xi) all submerged lands within the Buck Island Reef National Monument as described in Presidential Proclamation 3448 dated December 28, 1961.

Upon request of the Governor of Guam, the Virgin Islands, or American Samoa, the Secretary of the Interior may, with or without reimbursement, and subject to the procedure specified in subsection (c) of this section convey all right, title, and interest of the United States in any of the lands described in clauses (ii), (iii), (iv), (v), (vi), (vii), or (viii) of this subsection to the government of Guam, the Virgin Islands, or American Samoa, as the case may be, with the concurrence of the agency having custody thereof.

76 Stat. 1441.
16 USC 431
note.

(c) No conveyance shall be made by the Secretary pursuant to this section until the expiration of sixty calendar days (excluding days on which the House of Representatives or the Senate is not in session because of an adjournment of more than three days to a day certain) from the date on which the Secretary of the Interior submits to the Committees on Interior and Insular Affairs of the House of Representatives and the Senate an explanatory statement indicating the tract proposed to be conveyed and the need therefor, unless prior to the expiration of such sixty calendar days both committees inform the Secretary that they wish to take no action with respect to the proposed conveyance.

Conveyances,
explanatory
statement, sub-
mittal to con-
gressional com-
mittees.

SEC. 2. (a) Nothing in this Act shall affect the right of the President to establish naval defensive sea areas and naval airspace reservations around and over the islands of Guam, American Samoa, and the Virgin Islands when deemed necessary for national defense.

Land and navi-
gable waters,
use.
48 USC 1706.

(b) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of the lands transferred by the first section of this Act, and the navigable waters overlying such lands, for the purposes of navigation or flood control or the production of power, or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation, or to provide for flood control or the production of power.

(c) The United States retains all of its navigational servitude and rights in and powers of regulation and control of the lands conveyed by the first section of this Act, and the navigable waters overlying such lands, for the constitutional purposes of commerce, navigation, national defense, and international affairs, all of which shall be paramount to, but shall not be deemed to include, proprietary rights of ownership, or the rights of management, administration, leasing, use, and development of the lands and natural resources which are specifically conveyed to the government of Guam, the Virgin Islands, or American Samoa, as the case may be, by the first section of this Act.

(d) Nothing in this Act shall affect the status of lands beyond the three-mile limit described in section 1 of this Act.

SEC. 3. Subsection (b) of section 31 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1545(b)) is amended to read as follows:

Virgin Islands,
public property.

“(b) All right, title, and interest of the United States in the property placed under the control of the government of the Virgin Islands by section 4(a) of the Organic Act of the Virgin Islands of the United States (48 U.S.C. 1405c(a)), not reserved to the United States by the Secretary of the Interior within one hundred and twenty days after the date of enactment of this subsection, is hereby conveyed to such government. The conveyance effected by the preceding sentence shall not apply to that land and other property which on the date of enactment of this subsection is administered by the Secretary of the Interior

as part of the National Park System and such lands and other property shall be retained by the United States.”.

Rents, royalties and fees, payment to local government.
48 USC 1707.

SEC. 4. On and after the date of enactment of this Act, all rents, royalties, or fees from leases, permits, or use rights, issued prior to such date of enactment by the United States with respect to the land conveyed by this Act, or by the amendment made by this Act, and rights of action for damages for trespass occupancies of such lands shall accrue and belong to the appropriate local government under whose jurisdiction the land is located.

Repeals.

SEC. 5. The first section, and sections 2 and 3 of the Act entitled “An Act to authorize the Secretary of the Interior to convey certain submerged lands to the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes”, approved November 20, 1963 (48 U.S.C. 1701–1703), are repealed.

Nondiscrimination.
48 USC 1708.

SEC. 6. No person shall be denied access to, or any of the benefits accruing from, the lands conveyed by this Act, or by the amendment made by this Act, on the basis of race, religion, creed, color, sex, national origin, or ancestry: *Provided, however,* That this section shall not be construed in derogation of any of the provisions of the April 17, 1900 cession of Tutuila and Aunuu or the July 16, 1904 cession of the Manu’s Islands, as ratified by the Act of February 20, 1929 (45 Stat. 1253) and the Act of May 22, 1929 (46 Stat. 4).

48 USC 1661.

Approved October 5, 1974.

Public Law 93-436

AN ACT

October 5, 1974
[S. 3320]

To extend the appropriation authorization for reporting of weather modification activities.

Weather modification reporting.
Appropriation, extension.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act entitled “An Act to provide for the reporting of weather modification activities to the Federal Government”, approved December 18, 1971 (15 U.S.C. 330e), is amended by striking out “ending June 30, 1973, and June 30, 1974,” and inserting in lieu thereof “1973, 1974, 1975, 1976, and 1977,”.

Approved October 5, 1974.

Public Law 93-437

AN ACT

October 8, 1974
[H. R. 16243]

Making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

Department of Defense Appropriation Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, for military functions administered by the Department of Defense, and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere) ; \$7,780,263,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; \$5,679,810,000.

MILITARY PERSONNEL, NAVY, 1969, 1971

(Liquidation of Deficiencies)

For an additional amount for "Military personnel, Navy" for fiscal year 1969, \$7,976,000; and fiscal year 1971, \$35,380,000; for liquidation of obligations incurred and chargeable to those accounts: *Provided*, That the fiscal years 1971 and 1973 Military personnel, Navy accounts shall be adjusted to reflect all payments authorized by Public Law 92-570 on behalf of the fiscal year 1971 account.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere) ; \$1,695,456,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; \$7,229,531,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty

under sections 265, 3019, and 3033 of title 10, United States Code, or while undergoing reserve training or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; \$493,800,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Naval Reserve on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, as authorized by law; \$211,900,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 265 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, as authorized by law; \$66,800,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265, 8019, and 8033 of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Air Reserve Officers' Training Corps, as authorized by law; \$147,865,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under sections 265, 3033, or 3496 of title 10 or section 708 of title 32, United States Code, or while undergoing training or while performing drills or equivalent duty, as authorized by law; \$660,800,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under sections 265, 8033, or 8496 of title 10 or section 708 of title 32, United States Code, or while undergoing training or while performing drills or equivalent duty, as authorized by law; \$204,527,000.

TITLE II

RETIRED MILITARY PERSONNEL

RETIRED PAY, DEFENSE

For retired pay and retirement pay, as authorized by law, of military personnel on the retired lists of the Army, Navy, Marine Corps,

and the Air Force, including the reserve components thereof, retainer pay for personnel of the Inactive Fleet Reserve, and payments under section 4 of Public Law 92-425 and chapter 73 of title 10, United States Code; \$6,040,600,000.

10 USC 1448
note.
10 USC 1431.

TITLE III

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed \$2,689,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; \$6,137,532,000, of which not less than \$355,000,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed \$3,707,000 can be used for emergencies and extraordinary expenses, as authorized by section 7202 of title 10, United States Code, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; \$7,151,175,000, of which not less than \$235,000,000 shall be available only for the maintenance of real property facilities: *Provided*, That of the total amount of this appropriation made available for the alteration, overhaul, and repair of naval vessels, not more than \$1,130,000,000 shall be available for the performance of such work in Navy shipyards.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; \$449,284,000, of which not less than \$50,000,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed \$2,293,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; \$7,062,030,000, of which not less than \$350,000,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency), as authorized by law; as follows: for the Secretary of Defense activities, \$752,643,000, of which \$489,000,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services, and \$201,932,000 shall be available only for Overseas Dependents Education; for the organization of the Joint Chiefs of Staff, \$10,924,000; for the Office of Information for the Armed Forces, \$14,356,000; for the Defense Contract Audit Agency, \$66,193,000; for the Defense Investigative Service, \$25,401,000; for the Defense Mapping Agency, \$170,801,000; for the Defense Nuclear Agency, \$21,215,000; for the Defense Supply Agency, \$761,453,000; and for Intelligence and communications activities, \$527,173,000; in all: \$2,350,159,000: *Provided*, That of the total amount of this appropriation, not to exceed \$6,518,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided further*, That not less than \$19,500,000 of the total amount of this appropriation shall be available only for the maintenance of real property facilities: *Provided further*, That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$276,600,000, of which not less than \$18,000,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$245,200,000, of which not less than \$11,000,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$11,700,000, of which not less than \$500,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; \$286,680,000, of which not less than \$4,200,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); \$589,500,000, of which not less than \$13,500,000 shall be available only for the maintenance of real property facilities.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, or Air National Guard commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; \$642,500,000, of which not less than \$5,000,000 shall be available only for the maintenance of real property facilities.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses of construction, equipment, and maintenance of rifle ranges, the instruction of citizens in marksmanship, and promotion of rifle practice, in accordance with law, including travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions, and not to exceed \$10,000 for incidental expenses of the National Board; \$178,000: *Provided*, That travel expenses of civilian members of the National Board shall be paid in accordance with the Standardized Government Travel Regulations, as amended.

10 USC 4308
note.

NAVAL PETROLEUM RESERVE

For expenses of exploration, prospecting, conservation, development, production, use and operation of the naval petroleum and oil shale reserves as authorized by law, \$69,400,000, to remain available for obligation until June 30, 1976.

CLAIMS, DEFENSE

For payment, not otherwise provided for, of claims authorized by law to be paid by the Department of Defense (except for civil functions), including claims for damages arising under training contracts with carriers, and repayment of amounts determined by the Secretary concerned, or officers designated by him, to have been erroneously collected from military and civilian personnel of the Department of Defense, or from States, territories, or the District of Columbia, or members of the National Guard units thereof; \$54,600,000.

CONTINGENCIES, DEFENSE

For emergency and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; \$2,500,000.

COURT OF MILITARY APPEALS, DEFENSE

For salaries and expenses necessary for the United States Court of Military Appeals; \$1,065,000.

TITLE IV

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; \$242,800,000, and in addition, \$7,000,000, which shall be derived by transfer from "Aircraft Procurement, Army, 1974/1976", to remain available for obligation until June 30, 1977.

40 USC 255.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section

355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; \$416,500,000, and in addition, \$15,000,000, of which \$10,000,000 shall be derived by transfer from "Missile Procurement, Army, 1974/1976" and \$5,000,000 shall be derived by transfer from "Missile Procurement, Army, 1973/1975", to remain available for obligation until June 30, 1977.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; \$344,800,000, and in addition, \$3,000,000, which shall be derived by transfer from "Procurement of Weapons and Tracked Combat Vehicles, Army, 1974/1976", to remain available for obligation until June 30, 1977.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; \$720,200,000, and in addition, \$170,000,000, of which \$111,400,000 shall be derived by transfer from "Procurement of Ammunition Army, 1973/1975" and \$58,600,000 shall be derived by transfer from "Procurement of Ammunition, Army, 1974/1976", to remain available for obligation until June 30, 1977.

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; the purchase of not to exceed two thousand four hundred and sixty-nine passenger motor vehicles for replacement only; communications and electronic equipment; other support equipment; spare parts, ordnance and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; and other expenses necessary for the foregoing purposes; \$681,100,000, and in addition,

\$3,000,000, which shall be derived by transfer from "Other Procurement, Army, 1974/1976", to remain available for obligation until June 30, 1977.

AIRCRAFT PROCUREMENT, NAVY

40 USC 255.

For construction, procurement, production, modification, and modernization of aircraft, equipment including ordnance, spare parts, and accessories therefor; specialized equipment, expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plants; \$2,775,400,000, to remain available for obligation until June 30, 1977.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plants; \$729,500,000, and in addition, \$10,000,000, which shall be derived by transfer from "Weapons Procurement, Navy, 1974/1976", to remain available for obligation until June 30, 1977.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; as follows: for the Trident program, \$1,166,800,000; for the SSN-688 nuclear attack submarine, \$502,500,000; for the DLGN nuclear powered guided missile frigate program, \$244,300,000, which shall be available only for construction of DLGN 41 and for advance procurement funding for DLGN 42, both ships to be constructed as follow ships of the DLGN 38 class; for the DD-963 program, \$457,100,000; for the patrol hydrofoil missile program, \$92,300,000; for the patrol frigate program, \$186,000,000; for a destroyer tender, \$116,700,000; for a fleet ocean tug, \$10,800,000; for the Poseidon conversion of fleet ballistic-missile submarines, \$104,600,000; for conversion of a submarine tender, \$18,300,000; for craft, \$22,000,000; for pollution abatement craft, \$10,400,000; for outfitting material, \$24,900,000; for post delivery, \$30,400,000; and for escalation on prior year programs, \$71,900,000; in all: \$3,059,000,000, and in addition \$70,000,000 for escalation and cost growth on prior year programs which shall be derived by transfer from "Shipbuilding and Conversion, Navy 1973/1977", to remain available for obligation until June 3, 1979: *Provided*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign ship-

yards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion), purchase of not to exceed seven hundred and twenty-four passenger motor vehicles, for replacement only, expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public or private plants; \$1,582,600,000, and in addition, \$20,800,000, of which \$10,200,000 shall be derived by transfer from "Other Procurement, Navy, 1973/1975" and \$10,600,000 shall be derived by transfer from "Other Procurement, Navy, 1974/1976", to remain available for obligation until June 30, 1977.

40 USC 255.

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public or private plants; and vehicles for the Marine Corps, including purchase of not to exceed fifty-five passenger motor vehicles, for replacement only; \$207,800,000, and in addition, \$10,000,000, of which \$5,000,000 shall be derived by transfer from "Procurement, Marine Corps, 1973/1975" and \$5,000,000 shall be derived by transfer from "Procurement, Marine Corps, 1974/1976", to remain available for obligation until June 30, 1977.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; \$3,062,800,000, and in addition, \$153,600,000, of which \$106,800,000 shall be derived by transfer from "Aircraft Procurement, Air Force 1974/1976" and \$46,800,000 shall be derived by transfer from "Aircraft Procurement, Air Force, 1973/1975", to remain available for obligation until June 30, 1977.

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, rockets, and related equipment, including spare parts and accessories therefor,

40 USC 255.

ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; \$1,533,700,000, and in addition, \$5,000,000, which shall be derived by transfer from "Missile Procurement, Air Force, 1974/1976", to remain available for obligation until June 30, 1977.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed one thousand three hundred and thirty-eight passenger motor vehicles for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; \$1,776,500,000, and in addition, \$12,600,000, of which \$500,000 shall be derived by transfer from "Other Procurement, Air Force, 1973/1975" and \$12,100,000 shall be derived by transfer from "Other Procurement, Air Force, 1974/1976", to remain available for obligation until June 30, 1977.

PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; purchase of three hundred and eighty-six passenger motor vehicles for replacement only; expansion of public and private plants, equipment and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; \$98,416,000, to remain available for obligation until June 30, 1977.

TITLE V

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$1,779,339,000, to remain available for obligation until June 30, 1976.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$3,006,914,000, to remain available for obligation until June 30, 1976.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$3,274,360,000, to remain available for obligation until June 30, 1976.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency), necessary for basic and applied scientific research, development, test, and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; \$491,057,000, to remain available for obligation until June 30, 1976: *Provided*, That such amounts as may be determined by the Secretary of Defense to have been made available in other appropriations available to the Department of Defense during the current fiscal year for programs related to advanced research may be transferred to and merged with this appropriation to be available for the same purposes and time period: *Provided further*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to carry out the purposes of advanced research to those appropriations for military functions under the Department of Defense which are being utilized for related programs, to be merged with and to be available for the same time period as the appropriation to which transferred.

Transfer of
funds.

DIRECTOR OF TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Director of Defense Test and Evaluation in the direction and supervision of test and evaluation, including initial operational testing and evaluation; and performance of joint testing and evaluation; and administrative expenses in connection therewith, \$25,000,000, to remain available for obligation until June 30, 1976.

TITLE VI

SPECIAL FOREIGN CURRENCY PROGRAM

For payment in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for expenses of carrying out programs of the Department of Defense, as authorized by law, \$2,900,000, to remain available for obligation until June 30, 1976: *Provided*, That this appropriation shall be available, in addition to other appropriations to such Department, for payments in the foregoing currencies.

TITLE VII

MILITARY ASSISTANCE, SOUTH VIETNAMESE FORCES

For necessary expenses to support South Vietnamese military forces, to be obligated only by the issuance of orders by the Secretary of Defense for such support, \$700,000,000: *Provided*, That this appropriation shall be deemed obligated at the time the Secretary of Defense issues orders authorizing support of any kind for South Vietnamese military forces, which obligations shall in the case of non-excess materials and supplies to be furnished from the inventory of the Department of Defense be equal to the replacement costs thereof at the time such obligation is incurred and in the case of excess materials and supplies be equal at the actual value thereof at the time such obligation is incurred: *Provided further*, That none of the funds appropriated in this title shall be used for compensation or allowances of more than 2,850 citizens of the United States in South Viet Nam who are members of the Armed Services or employees of or under contract to the Armed Services or the Department of Defense or any departments or agencies thereof.

TITLE VIII

GENERAL PROVISIONS

Publicity or
propaganda.

SEC. 801. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

Experts or
consultants.

SEC. 802. During the current fiscal year, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 3109 of title 5, United States Code, under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

Employment of
noncitizens.
31 USC 700.

SEC. 803. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

Appropriations,
availability.

SEC. 804. Appropriations contained in this Act shall be available for insurance of official motor vehicles in foreign countries, when required by laws of such countries; payments in advance of expenses determined by the investigating officer to be necessary and in accord with local custom for conducting investigations in foreign countries incident to matters relating to the activities of the department concerned; reimbursement of General Services Administration for security guard services for protection of confidential files; reimbursement of the Federal Bureau of Investigation for expenses in connection with investigation of defense contractor personnel; and all necessary expenses, at the seat of government of the United States of America or elsewhere, in connection with communication and other services and supplies as may be necessary to carry out the purposes of this Act.

Prisoners of
war.
31 USC 649a.

SEC. 805. Any appropriation available to the Army, Navy, or the Air Force may, under such regulations as the Secretary concerned may prescribe, be used for expenses incident to the maintenance, pay, and

allowances of prisoners of war, other persons in Army, Navy, or Air Force custody whose status is determined by the Secretary concerned to be similar to prisoners of war, and persons detained in such custody pursuant to Presidential proclamation.

SEC. 806. Appropriations available to the Department of Defense for the current fiscal year for maintenance or construction shall be available for acquisition of land or interest therein as authorized by section 2672 or 2675 of title 10, United States Code.

SEC. 807. Appropriations for the Department of Defense for the current fiscal year shall be available, (a) except as authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for primary and secondary schooling for minor dependents of military and civilian personnel of the Department of Defense residing on military or naval installations or stationed in foreign countries, as authorized for the Navy by section 7204 of title 10, United States Code, in an amount not exceeding \$202,343,000, when the Secretary of the Department concerned finds that schools, if any, available in the locality, are unable to provide adequately for the education of such dependents: *Provided*, That under such regulations as may be issued by the Secretary of Defense, such schooling in a school operated by the Department of Defense under this section may be provided without tuition for minor dependents of civilian and military personnel of the Department of Defense who died while entitled to compensation or active duty pay: *Provided further*, That where such personnel die subsequent to January 11, 1971, such schooling must be continued or commenced within one year after the date of death; (b) for expenses in connection with administration of occupied areas; (c) for payment of rewards as authorized for the Navy by section 7209(a) of title 10, United States Code, for information leading to the discovery of missing naval property or the recovery thereof; (d) for payment of deficiency judgments and interests thereon arising out of condemnation proceedings; (e) for leasing of buildings and facilities including payment of rentals for special purpose space at the seat of government, and in the conduct of field exercises and maneuvers or, in administering the provisions of title 43, United States Code, section 315q, rentals may be paid in advance; (f) payments under contracts for maintenance of tools and facilities for twelve months beginning at any time during the fiscal year; (g) maintenance of defense access roads certified as important to national defense in accordance with section 210 of title 23, United States Code; (h) for the purchase of milk for enlisted personnel of the Department of Defense heretofore made available pursuant to section 1446a, title 7, United States Code, and the cost of milk so purchased, as determined by the Secretary of Defense, shall be included in the value of the commuted ration; (i) transporting civilian clothing to the home of record of selective service inductees and recruits on entering the military services; (j) payments under leases for real or personal property for twelve months beginning at any time during the fiscal year; and (k) pay and allowances of not to exceed nine persons, including personnel detailed to International Military Headquarters and Organizations, at rates provided for under section 625(d)(1) of the Foreign Assistance Act of 1961, as amended.

SEC. 808. Appropriations for the Department of Defense for the current fiscal year shall be available for: (a) donations of not to exceed \$25 to each prisoner upon each release from confinement in military or contract prison and to each person discharged for fraudulent enlistment; (b) authorized issues of articles to prisoners, applicants for enlistment and persons in military custody; (c) subsistence of selective service registrants called for induction, applicants for enlistment, prisoners, civilian employees as authorized by law, and

Land acquisition.

Dependents' schooling.

Deficiency judgments.

Leasing.

Tools and facilities.

Access roads.

Milk program.

22 USC 2385.

Incidental expenses, payment.
10 USC 858
note.

supernumeraries when necessitated by emergent military circumstances; (d) reimbursement for subsistence of enlisted personnel while sick in hospitals; (e) expenses of prisoners confined in nonmilitary facilities; (f) military courts, boards, and commissions; (g) utility services for buildings erected at private cost, as authorized by law, and buildings on military reservations authorized by regulations to be used for welfare and recreational purposes; (h) exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law; (i) expenses of Latin American cooperation as authorized for the Navy by law (10 U.S.C. 7208); and (j) expenses of apprehension and delivery of deserters, prisoners, and members absent without leave, including payment of rewards of not to exceed \$25 in any one case.

10 USC 807
note.

Small business
assistance.

SEC. 809. Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this Act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by making available or causing to be made available to purchasing and contracting agencies of the Department of Defense information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

Mess opera-
tions.

SEC. 810. No appropriation contained in this Act shall be available for expenses of operation of messes (other than organized messes the operating expenses of which are financed principally from nonappropriated funds) at which meals are sold to officers or civilians, except under regulations approved by the Secretary of Defense, which shall (except under unusual or extraordinary circumstances) establish rates for such meals sufficient to provide reimbursements of operating expenses and food costs to the appropriations concerned: *Provided*, That officers and civilians in a travel status receiving a per diem allowance in lieu of subsistence shall be charged at the rate of not less than \$2.50 per day: *Provided further*, That for the purposes of this section payments for meals at the rates established hereunder may be made in cash or by deduction from the pay of civilian employees: *Provided further*, That members of organized nonprofit youth groups sponsored at either the national or local level, when extended the privilege of visiting a military installation and permitted to eat in the general mess by the commanding officer of the installation, shall pay the commuted ration cost of such meal or meals.

Fiscal year
limitation.

SEC. 811. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Reimbursable
appropriations.

SEC. 812. Appropriations of the Department of Defense available for operation and maintenance may be reimbursed during the current fiscal year for all expenses involved in the preparation for disposal and for the disposal of military supplies, equipment, and materiel, and for all expenses of production of lumber or timber products pursuant to section 2665 of title 10, United States Code, from amounts received as proceeds from the sale of any such property: *Provided*, That a report of receipts and disbursements under this limitation shall be made quarterly to Congress: *Provided further*, That no funds available to agencies of the Department of Defense shall be used for the

Report to Con-
gress.
50 USC 100a.

operation, acquisition, or construction of new facilities or equipment for new facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility is in the national interest.

SEC. 813. (a) During the current fiscal year, the President may exempt appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense.

Funds, appropriation exemption.

31 USC 665.

(b) Upon determination by the President that such action is necessary, the Secretary of Defense is authorized to provide for the cost of an airborne alert as an excepted expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

Airborne alert expenses.

(c) Upon determination by the President that it is necessary to increase the number of military personnel on active duty subject to existing laws beyond the number for which funds are provided in this Act, the Secretary of Defense is authorized to provide for the cost of such increased military personnel, as an excepted expense in accordance with the provisions of Revised Statutes 3732 (41 U.S.C. 11).

Military personnel increases, expenses.

(d) The Secretary of Defense shall immediately advise Congress of the exercise of any authority granted in this section, and shall report monthly on the estimated obligations incurred pursuant to subsections (b) and (c).

Report to Congress.

SEC. 814. No appropriation contained in this Act shall be available in connection with the operation of commissary stores of the agencies of the Department of Defense for the cost of purchase (including commercial transportation in the United States to the place of sale but excluding all transportation outside the United States) and maintenance of operating equipment and supplies, and for the actual or estimated cost of utilities as may be furnished by the Government and of shrinkage, spoilage, and pilferage of merchandise under the control of such commissary stores, except as authorized under regulations promulgated by the Secretaries of the military departments concerned with the approval of the Secretary of Defense, which regulations shall provide for reimbursement therefor to the appropriations concerned and, notwithstanding any other provision of law, shall provide for the adjustment of the sales prices in such commissary stores to the extent necessary to furnish sufficient gross revenue from sales of commissary stores to make such reimbursement: *Provided*, That under such regulations as may be issued pursuant to this section all utilities may be furnished without cost to the commissary stores outside the continental United States and in Alaska: *Provided further*, That no appropriation contained in this Act shall be available in connection with the operation of commissary stores within the continental United States unless the Secretary of Defense has certified that items normally procured from commissary stores are not otherwise available at a reasonable distance and a reasonable price in satisfactory quality and quantity to the military and civilian employees of the Department of Defense.

Commissary stores.

Free utilities outside U.S. and in Alaska.

SEC. 815. No part of the appropriations in this Act shall be available for any expense of operating aircraft under the jurisdiction of the armed forces for the purpose of proficiency flying, as defined in Department of Defense Directive 1340.4, except in accordance with

Proficiency flying.

regulations prescribed by the Secretary of Defense. Such regulations (1) may not require such flying except that required to maintain proficiency in anticipation of a member's assignment to combat operations and (2) such flying may not be permitted in cases of members who have been assigned to a course of instruction of ninety days or more.

Household
goods.

SEC. 816. No part of any appropriation contained in this Act shall be available for expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in any one shipment having a net weight in excess of thirteen thousand five hundred pounds.

Vessels,
transfer.
40 USC 483a.

SEC. 817. Vessels under the jurisdiction of the Department of Commerce, the Department of the Army, Department of the Air Force, or the Department of the Navy may be transferred or otherwise made available without reimbursement to any such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned.

Obligated
funds, 1975,
limitation.

SEC. 818. Not more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last two months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of civilian components or summer-camp training of the Reserve Officers' Training Corps.

Foreign real
property, use.

SEC. 819. During the current fiscal year the agencies of the Department of Defense may accept the use of real property from foreign countries for the United States in accordance with mutual defense agreements or occupational arrangements and may accept services furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

31 USC 700a.

In addition to the foregoing, agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas, without specific appropriations therefor: *Provided*, That the foregoing authority shall not be available for the conversion of heating plants from coal to oil at defense facilities in Europe: *Provided further*, That within thirty days after the end of each quarter the Secretary of Defense shall render to Congress and to the Office of Management and Budget a full report of such property, supplies, and commodities received during such quarter.

Report to Con-
gress and Office
of Management
and Budget.

Research and
development
funds.

SEC. 820. During the current fiscal year, appropriations available to the Department of Defense for research and development may be used for the purposes of section 2353 of title 10, United States Code, and for purposes related to research and development for which expenditures are specifically authorized in other appropriations of the service concerned.

Education ex-
penses, restric-
tion.

SEC. 821. No appropriation contained in this Act shall be available for the payment of more than 75 per centum of charges of educational institutions for tuition or expenses of off-duty training of military personnel, nor for the payment of any part of tuition or expenses for such training for commissioned personnel who do not agree to remain on active duty for two years after completion of such training.

ROTC, loyalty
requirements.
10 USC 2103
note.

SEC. 822. No part of the funds appropriated herein shall be expended for the support of any formally enrolled student in basic courses of the

senior division, Reserve Officers' Training Corps, who has not executed a certificate of loyalty or loyalty oath in such form as shall be prescribed by the Secretary of Defense.

SEC. 823. No part of any appropriation contained in this Act shall be available for the procurement of any article of food, clothing, cotton, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles), or specialty metals not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton, woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, wool, or specialty metals grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations: *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

Procurement restrictions.

SEC. 824. None of the funds appropriated in this Act shall be used for the construction, replacement, or reactivation of any bakery, laundry, or drycleaning facility in the United States, its territories or possessions, as to which the Secretary of Defense does not certify in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates.

Service facilities.

SEC. 825. During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the United States Postal Service for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

Airmail reimbursement.

SEC. 826. Appropriations contained in this Act shall be available for the purchase of household furnishings, and automobiles from military and civilian personnel on duty outside the continental United States, for the purpose of resale at cost to incoming personnel, and for providing furnishings, without charge, in other than public quarters occupied by military or civilian personnel of the Department of Defense on duty outside the continental United States or in Alaska, upon a determination, under regulations approved by the Secretary of Defense, that such action is advantageous to the Government.

Furnishings and automobiles, purchase.

SEC. 827. During the current fiscal year, appropriations available to the Department of Defense for pay of civilian employees shall be available for uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901; 80 Stat. 508).

Uniforms.

SEC. 828. During the current fiscal year, the Secretary of Defense shall, upon requisition of the National Board for the Promotion of

Ammunition, transfer.

Rifle Practice, and without reimbursement, transfer from agencies of the Department of Defense to the board ammunition from stock or which has been procured for the purposes in such amounts as he may determine.

Travel expenses.

Such appropriations of the Department of Defense available for obligation during the current fiscal year as may be designated by the Secretary of Defense shall be available for the travel expenses of military and naval personnel, including the Reserve components, and members of the Reserve Officers' Training Corps attending regional, national, or international rifle matches.

Congressional liaison activities.

SEC. 829. Funds provided in this Act for congressional liaison activities of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense shall not exceed \$1,320,000: *Provided*, That this amount shall be available for apportionment to the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense as determined by the Secretary of Defense.

Civil reserve air fleet.

SEC. 830. Of the funds made available by this Act for the services of the Military Airlift Command, \$100,000,000 shall be available only for procurement of commercial transportation service from carriers participating in the civil reserve air fleet program; and the Secretary of Defense shall utilize the services of such carriers which qualify as small businesses to the fullest extent found practicable: *Provided*, That the Secretary of Defense shall specify in such procurement, performance characteristics for aircraft to be used based upon modern aircraft operated by the civil air fleet.

Civilian clothing.

SEC. 831. During the current fiscal year, appropriations available to the Department of Defense for operation may be used for civilian clothing, not to exceed \$40 in cost for enlisted personnel: (1) discharged for misconduct, unfitness, unsuitability, or otherwise than honorably; (2) sentenced by a civil court to confinement in a civil prison or interned or discharged as an alien enemy; (3) discharged prior to completion of recruit training under honorable conditions for dependency, hardship, minority, disability, or for the convenience of the Government.

Defense contractors' advertising costs, restrictions.

SEC. 832. No part of the funds appropriated herein shall be available for paying the costs of advertising by any defense contractor, except advertising for which payment is made from profits, and such advertising shall not be considered a part of any defense contract cost. The prohibition contained in this section shall not apply with respect to advertising conducted by any such contractor, in compliance with regulations which shall be promulgated by the Secretary of Defense, solely for (1) the recruitment by the contractor of personnel required for the performance by the contractor of obligations under a defense contract, (2) the procurement of scarce items required by the contractor for the performance of a defense contract, or (3) the disposal of scrap or surplus materials acquired by the contractor in the performance of a defense contract.

New facilities, restriction.

SEC. 833. Funds appropriated in this Act for maintenance and repair of facilities and installations shall not be available for acquisition of new facilities, or alteration, expansion, extension, or addition of existing facilities, as defined in Department of Defense Directive 7040.2, dated January 18, 1961, in excess of \$50,000: *Provided*, That the Secretary of Defense may amend or change the said directive during the current fiscal year, consistent with the purpose of this section.

SEC. 834. During the current fiscal year upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed \$750,000,000 of the appropriations or funds available to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated, and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

Transfer of funds.

Notice to Congress.

SEC. 835. None of the funds appropriated in this Act may be used to make payments under contracts for any program, project, or activity in a foreign country unless the Secretary of Defense or his designee, after consultation with the Secretary of the Treasury or his designee, certifies to the Congress that the use, by purchase from the Treasury, of currencies of such country acquired pursuant to law is not feasible for the purpose, stating the reason therefor.

Contract payments in foreign countries.

SEC. 836. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget.

Working capital funds.

SEC. 837. No part of the funds appropriated under this Act shall be used to pay salaries of any Federal employee who is convicted in any Federal, State, or local court of competent jurisdiction, of inciting, promoting, or carrying on a riot, or any group activity resulting in material damage to property or injury to persons, found to be in violation of Federal, State, or local laws designed to protect persons or property in the community concerned.

Convicted rioters.

SEC. 838. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, or a grant to any applicant who has been convicted by any court of general jurisdiction of any crime which involves the use of or the assistance to others in the use of force, trespass, or the seizure of property under control of an institution of higher education to prevent officials or students at such an institution from engaging in their duties or pursuing their studies.

Campus disrupters.

SEC. 839. None of the funds herein appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

Vietnam, Laos, or Cambodia, combat activities.

SEC. 840. None of the funds available to the Department of Defense shall be utilized for the conversion of heating plants from coal to oil at defense facilities in Europe.

Heating plant conversion.

SEC. 841. None of the funds appropriated by this Act shall be available for any research involving uninformed or nonvoluntary human beings as experimental subjects.

Involuntary experimental subjects.

SEC. 842. Appropriations for the current fiscal year for operation and maintenance of the active forces shall be available for medical

and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel, except elective private treatment); welfare and recreation; hire of passenger motor vehicles; repair of facilities; modification of personal property; design of vessels; industrial mobilization; installation of equipment in public or private plants; military communications facilities on merchant vessels; acquisition of services, special clothing, supplies, and equipment; and expenses for the Reserve Officers' Training Corps and other units at educational institutions.

Reprogramming of funds.

SEC. 843. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for the reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

Petroleum fuels to Southeast Asia.

SEC. 844. None of the funds contained in this Act shall be used to furnish petroleum fuels produced in the continental United States to Southeast Asia for use by non-United States nationals.

Space and services furnished by GSA, charges.

SEC. 845. No part of any appropriation, funds, or other authority contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended for space and services.

40 USC 490.

Pay or allowances of commissioned officers on active duty.

SEC. 846. (a) During the last quarter of the fiscal year 1975, no funds appropriated by this Act shall be used for the pay, compensation, or allowances of commissioned officer personnel on active duty in the Armed Forces (excluding Reserve officers on active duty training or Reserve officers and Retired officers ordered to active duty for periods of thirty days or less) in excess of the following numbers in each grade:

Ranks	Department of Defense
O-10: General or admiral.....	36
O-9: Lieutenant general or vice admiral.....	128
O-8: Major general or rear admiral.....	436
O-7: Brigadier general or rear admiral.....	576
O-6: Colonel or captain of the Navy.....	15, 282
O-5: Lieutenant colonel or commander.....	32, 986
O-4: Major or lieutenant commander.....	54, 623

(b) Vacancies within the allowances prescribed by subsection (a) of this section for any grade may be assigned to any lower grade or grades.

U.S. military forces abroad, support.

SEC. 847. None of the funds appropriated by this Act shall be available for use after May 31, 1975, to support United States military forces stationed or otherwise assigned to duty outside the United States in any number greater than 452,500, not including military personnel assigned to duty aboard United States naval vessels.

Enlisted aides, limitation.

SEC. 848. None of the funds appropriated by this Act may be used to support more than five hundred enlisted aides in the United States Armed Forces.

OTH radar system, site acquisition or construction.

SEC. 849. None of the funds appropriated by this Act may be used for site acquisition or construction of the Conus Over-The-Horizon (OTH) radar system receiver antenna during the period beginning with the date of enactment of this Act and ending May 31, 1975.

War materials, transfer.

SEC. 850. No funds appropriated to the Department of Defense in this Act may be used to transfer war materials to any foreign country, unless such transfers are specifically authorized by law.

TITLE IX—RELATED AGENCY

DEFENSE MANPOWER COMMISSION

For necessary expenses of the Defense Manpower Commission in carrying out the provisions of title VII of the Department of Defense Appropriation Authorization Act, 1974, including services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and hire of passenger motor vehicles, \$800,000: *Provided*, That the unobligated balance of the appropriation granted under this heading for the Fiscal Year 1974 shall remain available during the current fiscal year.

10 USC 131
note.5 USC 5332
note.

This Act may be cited as the "Department of Defense Appropriation Act, 1975".

Short title.

Approved October 8, 1974.

Public Law 93-438

AN ACT

October 11, 1974
[H. R. 11510]

To reorganize and consolidate certain functions of the Federal Government in a new Energy Research and Development Administration and in a new Nuclear Regulatory Commission in order to promote more efficient management of such functions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Energy Reorga-
nization Act of
1974.

SHORT TITLE

SECTION 1. This Act may be cited as the "Energy Reorganization Act of 1974".

42 USC 5801
note.

DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby declares that the general welfare and the common defense and security require effective action to develop, and increase the efficiency and reliability of use of, all energy sources to meet the needs of present and future generations, to increase the productivity of the national economy and strengthen its position in regard to international trade, to make the Nation self-sufficient in energy, to advance the goals of restoring, protecting, and enhancing environmental quality, and to assure public health and safety.

42 USC 5801.

(b) The Congress finds that, to best achieve these objectives, improve Government operations, and assure the coordinated and effective development of all energy sources, it is necessary to establish an Energy Research and Development Administration to bring together and direct Federal activities relating to research and development on the various sources of energy, to increase the efficiency and reliability in the use of energy, and to carry out the performance of other functions, including but not limited to the Atomic Energy Commission's military and production activities and its general basic research

Energy Re-
search and De-
velopment
Administration,
establishment.

activities. In establishing an Energy Research and Development Administration to achieve these objectives, the Congress intends that all possible sources of energy be developed consistent with warranted priorities.

Separation of
AEC licensing
and regulatory
functions.

(c) The Congress finds that it is in the public interest that the licensing and related regulatory functions of the Atomic Energy Commission be separated from the performance of the other functions of the Commission, and that this separation be effected in an orderly manner, pursuant to this Act, assuring adequacy of technical and other resources necessary for the performance of each.

Small business
participation.

(d) The Congress declares that it is in the public interest and the policy of Congress that small business concerns be given a reasonable opportunity to participate, insofar as is possible, fairly and equitably in grants, contracts, purchases, and other Federal activities relating to research, development, and demonstration of sources of energy efficiency, and utilization and conservation of energy. In carrying out this policy, to the extent practicable, the Administrator shall consult with the Administrator of the Small Business Administration.

Priorities.

(e) Determination of priorities which are warranted should be based on such considerations as power-related values of an energy source, preservation of material resources, reduction of pollutants, export market potential (including reduction of imports), among others. On such a basis, energy sources warranting priority might include, but not be limited to, the various methods of utilizing solar energy.

TITLE I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

ESTABLISHMENT

42 USC 5811.

SEC. 101. There is hereby established an independent executive agency to be known as the Energy Research and Development Administration (hereinafter in this Act referred to as the "Administration").

OFFICERS

Administrator.
42 USC 5812.

SEC. 102. (a) There shall be at the head of the Administration an Administrator of Energy Research and Development (hereinafter in this Act referred to as the "Administrator"), who shall be appointed from civilian life by the President by and with the advice and consent of the Senate. A person may not be appointed as Administrator within two years after release from active duty as a commissioned officer of a regular component of an Armed Force. The Administration shall be administered under the supervision and direction of the Administrator, who shall be responsible for the efficient and coordinated management of the Administration.

Deputy Admin-
istrator.

(b) There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) The President shall appoint the Administrator and Deputy Administrator from among individuals who, by reason of their general background and experience are specially qualified to manage a full range of energy research and development programs.

(d) There shall be in the Administration six Assistant Administrators, one of whom shall be responsible for fossil energy, another for nuclear energy, another for environment and safety, another for conservation, another for solar, geothermal, and advanced energy systems, and another for national security. The Assistant Administrators shall be appointed by the President, by and with the advice and consent of the Senate. The President shall appoint each Assistant Administrator from among individuals who, by reason of general background and experience, are specially qualified to manage the energy technology area assigned to such Assistant Administrator.

Assistant
Administrators.

(e) There shall be in the Administration a General Counsel who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator.

General Coun-
sel.

(f) There shall be in the Administration not more than eight additional officers appointed by the Administrator. The positions of such officers shall be considered career positions and be subject to subsection 161 d. of the Atomic Energy Act.

Additional
officers.

(g) The Division of Military Application transferred to and established in the Administration by section 104(d) of this Act shall be under the direction of a Director of Military Application, who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator and shall be an active commissioned officer of the Armed Forces serving in general or flag officer rank or grade. The functions, qualifications, and compensation of the Director of Military Application shall be the same as those provided under the Atomic Energy Act of 1954, as amended, for the Assistant General Manager for Military Application.

Director of
Military Applica-
tion.

(h) Officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time. The Administrator shall delegate to one such officer the special responsibility for international cooperation in all energy and related environmental research and development.

42 USC 2011
note.

International
cooperation.

(i) The Deputy Administrator (or in the absence or disability of the Deputy Administrator, or in the event of a vacancy in the office of the Deputy Administrator, an Assistant Administrator, the General Counsel or such other official, determined according to such order as the Administrator shall prescribe) shall act for and perform the functions of the Administrator during any absence or disability of the Administrator or in the event of a vacancy in the office of the Administrator.

Order of suc-
cession.

RESPONSIBILITIES OF THE ADMINISTRATOR

Sec. 103. The responsibilities of the Administrator shall include, but not be limited to—

42 USC 5813.

(1) exercising central responsibility for policy planning, coordination, support, and management of research and development

programs respecting all energy sources, including assessing the requirements for research and development in regard to various energy sources in relation to near-term and long-range needs, policy planning in regard to meeting those requirements, undertaking programs for the optimal development of the various forms of energy sources, managing such programs, and disseminating information resulting therefrom;

(2) encouraging and conducting research and development, including demonstration of commercial feasibility and practical applications of the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources;

(3) engaging in and supporting environmental, biomedical, physical, and safety research related to the development of energy sources and utilization technologies;

(4) taking into account the existence, progress, and results of other public and private research and development activities, including those activities of the Federal Energy Administration relating to the development of energy resources using currently available technology in promoting increased utilization of energy resources, relevant to the Administration's mission in formulating its own research and development programs;

(5) participating in and supporting cooperative research and development projects which may involve contributions by public or private persons or agencies, of financial or other resources to the performance of the work;

(6) developing, collecting, distributing, and making available for distribution, scientific and technical information concerning the manufacture or development of energy and its efficient extraction, conversion, transmission, and utilization;

(7) creating and encouraging the development of general information to the public on all energy conservation technologies and energy sources as they become available for general use, and the Administrator, in conjunction with the Administrator of the Federal Energy Administration shall, to the extent practicable, disseminate such information through the use of mass communications;

(8) encouraging and conducting research and development in energy conservation, which shall be directed toward the goals of reducing total energy consumption to the maximum extent practicable, and toward maximum possible improvement in the efficiency of energy use. Development of new and improved conservation measures shall be conducted with the goal of the most expeditious possible application of these measures;

(9) encouraging and participating in international cooperation in energy and related environmental research and development;

(10) helping to assure an adequate supply of manpower for the accomplishment of energy research and development programs,

by sponsoring and assisting in education and training activities in institutions of higher education, vocational schools, and other institutions, and by assuring the collection, analysis, and dissemination of necessary manpower supply and demand data;

(11) encouraging and conducting research and development in clean and renewable energy sources.

ABOLITION AND TRANSFERS

SEC. 104. (a) The Atomic Energy Commission is hereby abolished. Sections 21 and 22 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2031 and 2032) are repealed.

Atomic Energy
Commission.
42 USC 5814.
Repeal.

(b) All other functions of the Commission, the Chairman and members of the Commission, and the officers and components of the Commission are hereby transferred or allowed to lapse pursuant to the provisions of this Act.

Transfer of
functions.

(c) There are hereby transferred to and vested in the Administrator all functions of the Atomic Energy Commission, the Chairman and members of the Commission, and the officers and components of the Commission, except as otherwise provided in this Act.

(d) The General Advisory Committee established pursuant to section 26 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2036), the Patent Compensation Board established pursuant to section 157 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2187), and the Divisions of Military Application and Naval Reactors established pursuant to section 25 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2035), are transferred to the Energy Research and Development Administration and the functions of the Commission with respect thereto, and with respect to relations with the Military Liaison Committee established by section 27 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2037), are transferred to the Administrator.

(e) There are hereby transferred to and vested in the Administrator such functions of the Secretary of the Interior, the Department of the Interior, and officers and components of such department—

Interior Depart-
ment functions.

(1) as relate to or are utilized by the Office of Coal Research established pursuant to the Act of July 1, 1960 (74 Stat. 336; 30 U.S.C. 661-668);

(2) as relate to or are utilized in connection with fossil fuel energy research and development programs and related activities conducted by the Bureau of Mines "energy centers" and synthane plant to provide greater efficiency in the extraction, processing, and utilization of energy resources for the purpose of conserving those resources, developing alternative energy resources, such as oil and gas secondary and tertiary recovery, oil shale and synthetic fuels, improving methods of managing energy-related wastes and pollutants, and providing technical guidance needed to establish and administer national energy policies; and

(3) as relate to or are utilized for underground electric power transmission research.

The Administrator shall conduct a study of the potential energy applications of helium and, within six months from the date of the

Helium applica-
tions study.

Report to
President and
Congress.

National Science
Foundation func-
tions.

Environmental
Protection Agency
functions.

Use of other
agencies' cap-
abilities.

enactment of this Act, report to the President and Congress his recommendations concerning the management of the Federal helium programs, as they relate to energy.

(f) There are hereby transferred to and vested in the Administrator such functions of the National Science Foundation as relate to or are utilized in connection with—

(1) solar heating and cooling development; and

(2) geothermal power development.

(g) There are hereby transferred to and vested in the Administrator such functions of the Environmental Protection Agency and the officers and components thereof as relate to or are utilized in connection with research, development, and demonstration, but not assessment or monitoring for regulatory purposes, of alternative automotive power systems.

(h) To the extent necessary or appropriate to perform functions and carry out programs transferred by this Act, the Administrator and Commission may exercise, in relation to the functions so transferred, any authority or part thereof available by law, including appropriation Acts, to the official or agency from which such functions were transferred.

(i) In the exercise of his responsibilities under section 103, the Administrator shall utilize, with their consent, to the fullest extent he determines advisable the technical and management capabilities of other executive agencies having facilities, personnel, or other resources which can assist or advantageously be expanded to assist in carrying out such responsibilities. The Administrator shall consult with the head of each agency with respect to such facilities, personnel, or other resources, and may assign, with their consent, specific programs or projects in energy research and development as appropriate. In making such assignments under this subsection, the head of each such agency shall insure that—

(1) such assignments shall be in addition to and not detract from the basic mission responsibilities of the agency, and

(2) such assignments shall be carried out under such guidance as the Administrator deems appropriate.

ADMINISTRATIVE PROVISIONS

Regulations.
42 USC 5815..

SEC. 105. (a) The Administrator is authorized to prescribe such policies, standards, criteria, procedures, rules, and regulations as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

Policy planning
and evaluation.

(b) The Administrator shall engage in such policy planning, and perform such program evaluation analyses and other studies, as may be necessary to promote the efficient and coordinated administration of the Administration and properly assess progress toward the achievement of its missions.

Delegation of
functions.

(c) Except as otherwise expressly provided by law, the Administrator may delegate any of his functions to such officers and employees of the Administration as he may designate, and may authorize such successive redelegations of such functions as he may deem to be necessary or appropriate.

Organization.

(d) Except as provided in section 102 and in section 104(d), the Administrator may organize the Administration as he may deem to be necessary or appropriate.

Field offices.

(e) The Administrator is authorized to establish, maintain, alter, or discontinue such State, regional, district, local, or other field offices as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(f) The Administrator shall cause a seal of office to be made for the Administration of such device as he shall approve, and judicial notice shall be taken of such seal.

Seal.

(g) The Administrator is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interests of economy and efficiency. There shall be transferred to the fund the stocks of supplies, equipment, assets other than real property, liabilities, and unpaid obligations relating to the services which he determines will be performed through the fund. Appropriations to the fund, in such amounts as may be necessary to provide additional working capital, are authorized. The working capital fund shall recover, from the appropriations and funds for which services are performed, either in advance or by way of reimbursement, amounts which will approximate the costs incurred, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from the sale or exchange of its property, and receipts in payment for loss or damage to property owned by the fund.

Working capital fund.

(h) Each department, agency, and instrumentality of the executive branch of the Government is authorized to furnish to the Administrator, upon his request, any information or other data which the Administrator deems necessary to carry out his duties under this title.

Information from other agencies.

PERSONNEL AND SERVICES

SEC. 106. (a) The Administrator is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, pursuant to section 161 d. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2201(d)) as are necessary to perform the functions now or hereafter vested in him and to prescribe their functions.

Appointment and pay.
42 USC 5816.

(b) The Administrator is authorized to obtain services as provided by section 3109 of title 5 of the United States Code.

Experts and consultants.

(c) The Administrator is authorized to provide for participation of military personnel in the performance of his functions. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Administration by the appropriate military Secretary, pursuant to cooperative agreements with the Secretary, for service in the Administration in positions other than a position the occupant of which must be approved by and with the advice and consent of the Senate.

Military personnel.

(d) Appointment, detail, or assignment to, acceptance of, and service in, any appointive or other position in the Administration under this section shall in no way affect the status, office, rank, or grade which such officers or enlisted men may occupy or hold, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. A member so appointed, detailed, or assigned shall not be subject to direction or control by his Armed Force, or any officer thereof, directly or indirectly, with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

(e) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5 of the United States Code for travel between places of recruitment and duty, and while at places of duty, of persons appointed for emergency, temporary, or seasonal services in the field service of the Administration.

Transportation and per diem.
5 USC 5701.

Personnel of
other agencies.

(f) The Administrator is authorized to utilize, on a reimbursable basis, the services of any personnel made available by any department, agency, or instrumentality, including any independent agency of the Government.

Advisory
boards.

(g) The Administrator is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92-463), to advise with and make recommendations to the Administrator on legislation, policies, administration, research, and other matters.

5 USC app. I.

Noncitizens,
employment.

(h) The Administrator is authorized to employ persons who are not citizens of the United States in expert, scientific, technical, or professional capacities whenever he deems it in the public interest.

POWERS

Research and
development.
42 USC 5817.

SEC. 107. (a) The Administrator is authorized to exercise his powers in such manner as to insure the continued conduct of research and development and related activities in areas or fields deemed by the Administrator to be pertinent to the acquisition of an expanded fund of scientific, technical, and practical knowledge in energy matters. To this end, the Administrator is authorized to make arrangements (including contracts, agreements, and loans) for the conduct of research and development activities with private or public institutions or persons, including participation in joint or cooperative projects of a research, developmental, or experimental nature; to make payments (in lump sum or installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments); and generally to take such steps as he may deem necessary or appropriate to perform functions now or hereafter vested in him. Such functions of the Administrator under this Act as are applicable to the nuclear activities transferred pursuant to this title shall be subject to the provisions of the Atomic Energy Act of 1954, as amended, and to other authority applicable to such nuclear activities. The nonnuclear responsibilities and functions of the Administrator referred to in sections 103 and 104 of this Act shall be carried out pursuant to the provisions of this Act, applicable authority existing immediately before the effective date of this Act, or in accordance with the provisions of chapter 4 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2051-2053).

42 USC 2011
note.

Facilities and
real property.
40 USC 601
note.
5 USC app. II.

(b) Except for public buildings as defined in the Public Buildings Act of 1959, as amended, and with respect to leased space subject to the provisions of Reorganization Plan Numbered 18 of 1950, the Administrator is authorized to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain facilities and real property as the Administrator deems to be necessary in and outside of the District of Columbia. Such authority shall apply only to facilities required for the maintenance and operation of laboratories, research and testing sites and facilities, quarters, and related accommodations for employees and dependents of employees of the Administration, and such other special-purpose real property as the Administrator deems to be necessary in and outside the District of Columbia. Title to any property or interest therein, real, personal, or mixed, acquired pursuant to this section, shall be in the United States.

Services for
employees at
remote locations.

(c) (1) The Administrator is authorized to provide, construct, or maintain, as necessary and when not otherwise available, the following for employees and their dependents stationed at remote locations:

- (A) Emergency medical services and supplies.
- (B) Food and other subsistence supplies.

(C) Messing facilities.

(D) Audiovisual equipment, accessories, and supplies for recreation and training.

(E) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons.

(F) Living and working quarters and facilities.

(G) Transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(2) The furnishing of medical treatment under subparagraph (A) of paragraph (1) and the furnishing of services and supplies under paragraphs (B) and (C) of paragraph (1) shall be at prices reflecting reasonable value as determined by the Administrator.

(3) Proceeds from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of such work or services, to repay or make advances to appropriations or funds which do or will bear all or a part of such cost, or to refund excess sums when necessary; except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds, if the fund is available for use by the Administrator for performing the work or services for which payment is received.

(d) The Administrator is authorized to acquire any of the following described rights if the property acquired thereby is for use in, or is useful to, the performance of functions vested in him:

Acquisition of
copyrights,
patents, etc.

(1) Copyrights, patents, and applications for patents, designs, processes, specifications, and data.

(2) Licenses under copyrights, patents, and applications for patents.

(3) Releases, before suit is brought, for past infringement of patents or copyrights.

(e) Subject to the provisions of chapter 12 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2161-2166), and other applicable law, the Administrator shall disseminate scientific, technical, and practical information acquired pursuant to this title through information programs and other appropriate means, and shall encourage the dissemination of scientific, technical, and practical information relating to energy so as to enlarge the fund of such information and to provide that free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding.

Dissemination
of information.

(f) The Administrator is authorized to accept, hold, administer, and utilize gifts, and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Administration. Gifts and bequests of money and proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the Administrator. For the purposes of Federal income, estate, and gift taxes, property accepted under this section shall be considered as a gift or bequest to the United States.

Gifts and be-
quests.

INTERIM COORDINATION

SEC. 108. (a) There is established in the Executive Office of the President an Energy Resources Council. The Council shall be composed of the Secretary of the Interior, the Administrator of the Federal Energy Administration, the Administrator of the Energy Research and Development Administration, the Secretary of State, the Director, Office of Management and Budget, and such other officials of the Federal Government as the President may designate. The President shall designate one of the members of the Council to serve as Chairman.

Energy Re-
sources Council.
Establishment.
42 USC 5818.

(b) It shall be the duty and function of the Council to—

(1) insure communication and coordination among the agencies of the Federal Government which have responsibilities for the development and implementation of energy policy or for the management of energy resources;

(2) make recommendations to the President and to the Congress for measures to improve the implementation of Federal energy policies or the management of energy resources with particular emphasis upon policies and activities involving two or more Departments or independent agencies; and

(3) advise the President in the preparation of the reorganization recommendations required by section 110 of this Act.

Testimony
before Congress.

(c) The Chairman of the Council may not refuse to testify before the Congress or any duly authorized committee thereof regarding the duties of the Council or other matters concerning interagency coordination of energy policy and activities.

Effective date,
Publication in
Federal Register,
Termination
date.

(d) This section shall be effective no later than sixty days after the enactment of this Act or such earlier date as the President shall prescribe and publish in the Federal Register, and shall terminate upon enactment of a permanent department responsible for energy and natural resources or two years after such effective date, whichever shall occur first.

FUTURE REORGANIZATION

Report to
Congress.
42 USC 5819.

SEC. 109. (a) The President shall transmit to the Congress as promptly as possible, but not later than June 30, 1975, such additional recommendations as he deems advisable for organization of energy and related functions in the Federal Government, including, but not limited to, whether or not there shall be established (1) a Department of Energy and Natural Resources, (2) an Energy Policy Council, and (3) a consolidation in whole or in part of regulatory functions concerning energy.

Ante, p. 108.

(b) This report shall replace and serve the purposes of the report required by section 15(a)(4) of the Federal Energy Administration Act.

COORDINATION WITH ENVIRONMENTAL EFFORTS

42 USC 5820.

SEC. 110. The Administrator is authorized to establish programs to utilize research and development performed by other Federal agencies to minimize the adverse environmental effects of energy projects. The Administrator of the Environmental Protection Agency, as well as other affected agencies and departments, shall cooperate fully with the Administrator in establishing and maintaining such programs, and in establishing appropriate interagency agreements to develop cooperative programs and to avoid unnecessary duplication.

TITLE II—NUCLEAR REGULATORY COMMISSION

ESTABLISHMENT AND TRANSFERS

Members and
Chairman.
42 USC 5841.

SEC. 201. (a) There is established an independent regulatory commission to be known as the Nuclear Regulatory Commission which shall be composed of five members, each of whom shall be a citizen of the United States. The President shall designate one member

of the Commission as Chairman thereof to serve as such during the pleasure of the President. The Chairman may from time to time designate any other member of the Commission as Acting Chairman to act in the place and stead of the Chairman during his absence. The Chairman (or the Acting Chairman in the absence of the Chairman) shall preside at all meetings of the Commission and a quorum for the transaction of business shall consist of at least three members present. Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission, shall have full access to all information relating to the performance of his duties or responsibilities, and shall have one vote. Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct. The Commission shall have an official seal which shall be judicially noticed.

Seal.

(b) (1) Members of the Commission shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Appointments of members pursuant to this subsection shall be made in such a manner that not more than three members of the Commission shall be members of the same political party.

(c) Each member shall serve for a term of five years, each such term to commence on July 1, except that of the five members first appointed to the Commission, one shall serve for one year, one for two years, one for three years, one for four years, and one for five years, to be designated by the President at the time of appointment.

Term.

(d) Such initial appointments shall be submitted to the Senate within sixty days of the signing of this Act. Any individual who is serving as a member of the Atomic Energy Commission at the time of the enactment of this Act, and who may be appointed by the President to the Commission, shall be appointed for a term designated by the President, but which term shall terminate not later than the end of his present term as a member of the Atomic Energy Commission, without regard to the requirements of subsection (b) (2) of this section. Any subsequent appointment of such individuals shall be subject to the provisions of this section.

Submittal of appointments to Senate.

(e) Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No member of the Commission shall engage in any business, vocation, or employment other than that of serving as a member of the Commission.

(f) There are hereby transferred to the Commission all the licensing and related regulatory functions of the Atomic Energy Commission, the Chairman and members of the Commission, the General Counsel, and other officers and components of the Commission—which functions, officers, components, and personnel are excepted from the transfer to the Administrator by section 104 (c) of this Act.

Transfer of AEC functions and personnel.

(g) In addition to other functions and personnel transferred to the Commission, there are also transferred to the Commission—

Additional transfers.

(1) the functions of the Atomic Safety and Licensing Board Panel and the Atomic Safety and Licensing Appeal Board;

(2) such personnel as the Director of the Office of Management and Budget determines are necessary for exercising responsibili-

ties under section 205, relating to, research, for the purpose of confirmatory assessment relating to licensing and other regulation under the provisions of the Atomic Energy Act of 1954, as amended, and of this Act.

42 USC 2011
note.

LICENSING AND RELATED REGULATORY FUNCTIONS RESPECTING SELECTED ADMINISTRATION FACILITIES

42 USC 5842.

SEC. 202. Notwithstanding the exclusions provided for in section 110 a. or any other provisions of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(a)), the Nuclear Regulatory Commission shall, except as otherwise specifically provided by section 110 b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(b)), or other law, have licensing and related regulatory authority pursuant to chapters 6, 7, 8, and 10 of the Atomic Energy Act of 1954, as amended, as to the following facilities of the Administration:

42 USC 2071,
2091, 2111, 2131.

(1) Demonstration Liquid Metal Fast Breeder reactors when operated as part of the power generation facilities of an electric utility system, or when operated in any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor.

(2) Other demonstration nuclear reactors—except those in existence on the effective date of this Act—when operated as part of the power generation facilities of an electric utility system, or when operated in any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor.

(3) Facilities used primarily for the receipt and storage of high-level radioactive wastes resulting from activities licensed under such Act.

(4) Retrievable Surface Storage Facilities and other facilities authorized for the express purpose of subsequent long-term storage of high-level radioactive waste generated by the Administration, which are not used for, or are part of, research and development activities.

OFFICE OF NUCLEAR REACTOR REGULATION

Establishment.
42 USC 5843.
Director.

SEC. 203. (a) There is hereby established in the Commission an Office of Nuclear Reactor Regulation under the direction of a Director of Nuclear Reactor Regulation, who shall be appointed by the Commission, who may report directly to the Commission, as provided in section 209, and who shall serve at the pleasure of and be removable by the Commission.

Functions.

(b) Subject to the provisions of this Act, the Director of Nuclear Reactor Regulation shall perform such functions as the Commission shall delegate including:

42 USC 2011
note.

(1) Principal licensing and regulation involving all facilities, and materials licensed under the Atomic Energy Act of 1954, as amended, associated with the construction and operation of nuclear reactors licensed under the Atomic Energy Act of 1954, as amended;

(2) Review the safety and safeguards of all such facilities, materials, and activities, and such review functions shall include, but not be limited to—

(A) monitoring, testing and recommending upgrading of systems designed to prevent substantial health or safety hazards; and

(B) evaluating methods of transporting special nuclear and other nuclear materials and of transporting and storing high-level radioactive wastes to prevent radiation hazards to employees and the general public.

(3) Recommend research necessary for the discharge of the functions of the Commission.

(c) Nothing in this section shall be construed to limit in any way the functions of the Administration relating to the safe operation of all facilities resulting from all activities within the jurisdiction of the Administration pursuant to this Act.

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS

SEC. 204. (a) There is hereby established in the Commission an Office of Nuclear Material Safety and Safeguards under the direction of a Director of Nuclear Material Safety and Safeguards, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 209, and who shall serve at the pleasure of and be removable by the Commission.

Establishment.
42 USC 5844.

Director.

(b) Subject to the provisions of this Act, the Director of Nuclear Material Safety and Safeguards shall perform such functions as the Commission shall delegate including:

Functions.

(1) Principal licensing and regulation involving all facilities and materials, licensed under the Atomic Energy Act of 1954, as amended, associated with the processing, transport, and handling of nuclear materials, including the provision and maintenance of safeguards against threats, thefts, and sabotage of such licensed facilities, and materials.

42 USC 2011
note.

(2) Review safety and safeguards of all such facilities and materials licensed under the Atomic Energy Act of 1954, as amended, and such review shall include, but not be limited to—

(A) monitoring, testing, and recommending upgrading of internal accounting systems for special nuclear and other nuclear materials licensed under the Atomic Energy Act of 1954, as amended;

(B) developing, in consultation and coordination with the Administration, contingency plans for dealing with threats, thefts, and sabotage relating to special nuclear materials, high-level radioactive wastes and nuclear facilities resulting from all activities licensed under the Atomic Energy Act of 1954, as amended;

(C) assessing the need for, and the feasibility of, establishing a security agency within the office for the performance of the safeguards functions, and a report with recommendations on this matter shall be prepared within one year of the effective date of this Act and promptly transmitted to the Congress by the Commission.

Report to
Congress.

(3) Recommending research to enable the Commission to more effectively perform its functions.

(c) Nothing in this section shall be construed to limit in any way the functions of the Administration relating to the safeguarding of special nuclear materials, high-level radioactive wastes and nuclear

facilities resulting from all activities within the jurisdiction of the Administration pursuant to this Act.

OFFICE OF NUCLEAR REGULATORY RESEARCH

Establishment.
42 USC 5845.
Director.

SEC. 205. (a) There is hereby established in the Commission an Office of Nuclear Regulatory Research under the direction of a Director of Nuclear Regulatory Research, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 209, and who shall serve at the pleasure of and be removable by the Commission.

Functions.

(b) Subject to the provisions of this Act, the Director of Nuclear Regulatory Research shall perform such functions as the Commission shall delegate including:

(1) Developing recommendations for research deemed necessary for performance by the Commission of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

Cooperation of
Federal agencies.

(c) The Administrator of the Administration and the head of every other Federal agency shall—

(1) cooperate with respect to the establishment of priorities for the furnishing of such research services as requested by the Commission for the conduct of its functions;

(2) furnish to the Commission, on a reimbursable basis, through their own facilities or by contract or other arrangement, such research services as the Commission deems necessary and requests for the performance of its functions; and

(3) consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and physical access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

(d) Nothing in subsections (a) and (b) of this section or section 201 of this Act shall be construed to limit in any way the functions of the Administration relating to the safety of activities within the jurisdiction of the Administration.

Information and
research services.

(e) Each Federal agency, subject to the provisions of existing law, shall cooperate with the Commission and provide such information and research services, on a reimbursable basis, as it may have or be reasonably able to acquire.

NONCOMPLIANCE

42 USC 5846.

SEC. 206. (a) Any individual director, or responsible officer of a firm constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954 as amended, or pursuant to this Act, who obtains information reasonably indicating that such facility or activity or basic components supplied to such facility or activity—

42 USC 2011
note.

(1) fails to comply with the Atomic Energy Act of 1954, as amended, or any applicable rule, regulation, order, or license of the Commission relating to substantial safety hazards, or

(2) contains a defect which could create a substantial safety hazard, as defined by regulations which the Commission shall promulgate,

shall immediately notify the Commission of such failure to comply, or of such defect, unless such person has actual knowledge that the Commission has been adequately informed of such defect or failure to comply.

(b) Any person who knowingly and consciously fails to provide the notice required by subsection (a) of this section shall be subject to a civil penalty in an amount equal to the amount provided by section 234 of the Atomic Energy Act of 1954, as amended.

(c) The requirements of this section shall be prominently posted on the premises of any facility licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended.

(d) The Commission is authorized to conduct such reasonable inspections and other enforcement activities as needed to insure compliance with the provisions of this section.

Penalty.

42 USC 2282.

Posting of requirements.

42 USC 2011
note.
Enforcement.

NUCLEAR ENERGY CENTER SITE SURVEY

SEC. 207. (a) (1) The Commission is authorized and directed to make or cause to be made under its direction, a national survey, which shall include consideration of each of the existing or future electric reliability regions, or other appropriate regional areas, to locate and identify possible nuclear energy center sites. This survey shall be conducted in cooperation with other interested Federal, State, and local agencies, and the views of interested persons, including electric utilities, citizens' groups, and others, shall be solicited and considered.

42 USC 5847.

Federal-State-local cooperation.

(2) For purposes of this section, the term "nuclear energy center site" means any site, including a site not restricted to land, large enough to support utility operations or other elements of the total nuclear fuel cycle, or both including, if appropriate, nuclear fuel reprocessing facilities, nuclear fuel fabrication plants, retrievable nuclear waste storage facilities, and uranium enrichment facilities.

Definition.

(3) The survey shall include—

(a) a regional evaluation of natural resources, including land, air, and water resources, available for use in connection with nuclear energy center sites; estimates of future electric power requirements that can be served by each nuclear energy center site; an assessment of the economic impact of each nuclear energy site; and consideration of any other relevant factors, including but not limited to population distribution, proximity to electric load centers and to other elements of the fuel cycle, transmission line rights-of-way, and the availability of other fuel resources;

(b) an evaluation of the environmental impact likely to result from construction and operation of such nuclear energy centers, including an evaluation whether such nuclear energy centers will result in greater or lesser environmental impact than separate siting of the reactors and/or fuel cycle facilities; and

(c) consideration of the use of federally owned property and other property designated for public use, but excluding national parks, national forests, national wilderness areas, and national historic monuments.

(4) A report of the results of the survey shall be published and transmitted to the Congress and the Council on Environmental Quality not later than one year from the date of the enactment of this Act and shall be made available to the public, and shall be updated from time to time thereafter as the Commission, in its discretion, deems advisable. The report shall include the Commission's evaluation of the results of the survey and any conclusions and recommendations, including recommendations for legislation, which the Commission may have concerning the feasibility and practicality of locating nuclear power reactors and/or other elements of the nuclear fuel cycle

Report to Congress and Council on Environmental Quality; public availability.

on nuclear energy center sites. The Commission is authorized to adopt policies which will encourage the location of nuclear power reactors and related fuel cycle facilities on nuclear energy center sites insofar as practicable.

ABNORMAL OCCURRENCE REPORTS

Reports to
Congress.
42 USC 5848.

42 USC 2011
note.

Public dis-
semination of
information.

SEC. 208. The Commission shall submit to the Congress each quarter a report listing for that period any abnormal occurrences at or associated with any facility which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954 as amended, or pursuant to this Act. For the purposes of this section an abnormal occurrence is an unscheduled incident or event which the Commission determines is significant from the standpoint of public health or safety. Nothing in the preceding sentence shall limit the authority of a court to review the determination of the Commission. Each such report shall contain—

- (1) the date and place of each occurrence;
- (2) the nature and probable consequence of each occurrence;
- (3) the cause or causes of each; and
- (4) any action taken to prevent reoccurrence;

the Commission shall also provide as wide dissemination to the public of the information specified in clauses (1) and (2) of this section as reasonably possible within fifteen days of its receiving information of each abnormal occurrence and shall provide as wide dissemination to the public as reasonably possible of the information specified in clauses (3) and (4) as soon as such information becomes available to it.

OTHER OFFICERS

Executive
Director.
42 USC 5849.

Functions.

Other officers.

42 USC 2201.

SEC. 209. (a) The Commission shall appoint an Executive Director for Operations, who shall serve at the pleasure of and be removable by the Commission.

(b) The Executive Director shall perform such functions as the Commission may direct, except that the Executive Director shall not limit the authority of the director of any component organization provided in this Act to communicate with or report directly to the Commission when such director of a component organization deems it necessary to carry out his responsibilities.

(c) There shall be in the Commission not more than five additional officers appointed by the Commission. The positions of such officers shall be considered career positions and be subject to subsection 161 d. of the Atomic Energy Act.

TITLE III—MISCELLANEOUS AND TRANSITIONAL PROVISIONS

TRANSITIONAL PROVISIONS

Lapses of agen-
cies and posi-
tions.
42 USC 5871.

SEC. 301. (a) Except as otherwise provided in this Act, whenever all of the functions or programs of an agency, or other body, or any component thereof, affected by this Act, have been transferred from that agency, or other body, or any component thereof by this Act, the agency, or other body, or component thereof shall lapse. If an agency, or other body, or any component thereof, lapses pursuant to the preceding sentence, each position and office therein which was expressly authorized by law, or the incumbent of which was authorized to receive compensation at the rate prescribed for an office or position at level II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313-5316), shall lapse.

(b) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this Act, and

(2) which are in effect at the time this Act takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, the Commission, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(c) The provisions of this Act shall not affect any proceeding pending, at the time this section takes effect, before the Atomic Energy Commission or any department or agency (or component thereof) functions of which are transferred by this Act; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued if this Act had not been enacted.

(d) Except as provided in subsection (f)—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

(e) No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this Act, shall abate by reason of the enactment of this Act. No cause of action by or against any department or agency, functions of which are transferred by this Act, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this Act. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(f) If, before the date on which this Act takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this Act any function of such department, agency, or officer is transferred to the Administrator or Commission, or any other official, then such suit shall be continued as if this Act had not been enacted, with the Administrator or Commission, or other official, as the case may be, substituted.

(g) Final orders and actions of any official or component in the performance of functions transferred by this Act shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred by

this Act shall apply to the performance of those functions by the Administrator or Commission, or any officer or component.

(h) With respect to any function transferred by this Act and performed after the effective date of this Act, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, the Administrator or Commission, or other office or official in which this Act vests such functions.

(i) Nothing contained in this Act shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this Act; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegation of functions.

(j) Any reference in this Act to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

(k) Except as may be otherwise expressly provided in this Act, all functions expressly conferred by this Act shall be in addition to and not in substitution for functions existing immediately before the effective date of this Act and transferred by this Act.

TRANSFER OF PERSONNEL AND OTHER MATTERS

42 USC 5872.

SEC. 302. (a) Except as provided in the next sentence, the personnel employed in connection with, and the personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with the functions and programs transferred by this Act, are, subject to section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c), correspondingly transferred for appropriate allocation. Personnel positions expressly created by law, personnel occupying those positions on the effective date of this Act, and personnel authorized to receive compensation at the rate prescribed for offices and positions at levels II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313-5316) on the effective date of this Act shall be subject to the provisions of subsection (c) of this section and section 301 of this Act.

(b) Except as provided in subsection (c), transfer of nontemporary personnel pursuant to this Act shall not cause any such employee to be separated or reduced in grade or compensation for one year after such transfer.

5 USC 5301.

(c) Any person who, on the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5 of the United States Code, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position.

INCIDENTAL DISPOSITIONS

42 USC 5873.

SEC. 303. The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be

made available in connection with functions transferred by this Act, as he may deem necessary or appropriate to accomplish the intent and purpose of this Act.

DEFINITIONS

SEC. 304. As used in this Act—

42 USC 5874.

(1) any reference to “function” or “functions” shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to “perform” or “performance”, when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.

AUTHORIZATION OF APPROPRIATIONS

SEC. 305. (a) Except as otherwise provided by law, appropriations made under this Act shall be subject to annual authorization.

42 USC 5875.

(b) Authorization of appropriations to the Commission shall reflect the need for effective licensing and other regulation of the nuclear power industry in relation to the growth of such industry.

COMPTROLLER GENERAL AUDIT

SEC. 306. (a) Section 166. “Comptroller General Audit” of the Atomic Energy Act of 1954, as amended, shall be deemed to be applicable, respectively, to the nuclear and nonnuclear activities under title I and to the activities under title II.

42 USC 5876.

42 USC 2206.

Ante, pp. 1234, 1242.

(b) The Comptroller General of the United States shall audit, review, and evaluate the implementation of the provisions of title II of this Act by the Nuclear Safety and Licensing Commission not later than sixty months after the effective date of this Act, the Comptroller General shall prepare and submit to the Congress a report on his audit, which shall contain, but not be limited to—

Report to Congress.

(1) an evaluation of the effectiveness of the licensing and related regulatory activities of the Commission and the operations of the Office of Nuclear Safety Research and the Bureau of Nuclear Materials Security;

(2) an evaluation of the effect of such Commission activities on the efficiency, effectiveness, and safety with which the activities licensed under the Atomic Energy Act of 1954, as amended, are carried out;

42 USC 2011 note.

(3) recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of title II.

REPORTS

SEC. 307. (a) The Administrator shall, as soon as practicable after the end of each fiscal year, make a report to the President for submission to the Congress on the activities of the Administration during the preceding fiscal year. Such report shall include a statement of the short-range and long-range goals, priorities, and plans of the Administration together with an assessment of the progress made toward the attainment of those objectives and toward the more effective and efficient management of the Administration and the coordination of its functions.

Reports to the President and Congress.
42 USC 5877.

(b) During the first year of operation of the Administration, the Administrator, in collaboration with the Secretary of Defense, shall conduct a thorough review of the desirability and feasibility of trans-

Feasibility of transferring military application functions.

ferring to the Department of Defense or other Federal agencies the functions of the Administrator respecting military application and restricted data, and within one year after the Administrator first takes office the Administrator shall make a report to the President, for submission to the Congress, setting forth his comprehensive analysis, the principal alternatives, and the specific recommendations of the Administrator and the Secretary of Defense.

Report to
President.

(c) The Commission shall, as soon as practicable after the end of each fiscal year, make a report to the President for submission to the Congress on the activities of the Commission during the preceding fiscal year. Such report shall include a clear statement of the short-range and long-range goals, priorities, and plans of the Commission as they relate to the benefits, costs, and risks of commercial nuclear power. Such report shall also include a clear description of the Commission's activities and findings in the following areas—

- (1) insuring the safe design of nuclear powerplants and other licensed facilities;
- (2) investigating abnormal occurrences and defects in nuclear powerplants and other licensed facilities;
- (3) safeguarding special nuclear materials at all stages of the nuclear fuel cycle;
- (4) investigating suspected, attempted, or actual thefts of special nuclear materials in the licensed sector and developing contingency plans for dealing with such incidents;
- (5) insuring the safe, permanent disposal of high-level radioactive wastes through the licensing of nuclear activities and facilities;
- (6) protecting the public against the hazards of low-level radioactive emissions from licensed nuclear activities and facilities.

INFORMATION TO COMMITTEES

42 USC 5878.

SEC. 308. The Administrator shall keep the appropriate congressional committees fully and currently informed with respect to all of the Administration's activities.

TRANSFER OF FUNDS

42 USC 5879.

SEC. 309. The Administrator, when authorized in an appropriation Act, may, in any fiscal year, transfer funds from one appropriation to another within the Administration; except, that no appropriation shall be either increased or decreased pursuant to this section by more than 5 per centum of the appropriation for such fiscal year.

CONFORMING AMENDMENTS TO CERTAIN OTHER LAWS

SEC. 310. Subchapter II (relating to Executive Schedule pay rates) of chapter 53 of title 5, United States Code, is amended as follows:

5 USC 5313.

(1) Section 5313 is amended by striking out "(8) Chairman, Atomic Energy Commission." and inserting in lieu thereof "(8) Chairman, Nuclear Regulatory Commission.", and by adding at the end thereof the following:

"(22) Administrator of Energy Research and Development Administration."

5 USC 5314.

(2) Section 5314 is amended by striking out "(42) Members, Atomic Energy Commission." and inserting in lieu thereof "(42) Members, Nuclear Regulatory Commission.", and by adding at the end thereof the following:

"(60) Deputy Administrator, Energy Research and Development Administration."

(3) Section 5315 is amended by striking out paragraph (50), and by adding at the end thereof the following:

5 USC 5315.

“(100) Assistant Administrators, Energy Research and Development Administration (6).

“(101) Director of Nuclear Reactor Regulation, Nuclear Regulatory Commission.

“(102) Director of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission.

“(103) Director of Nuclear Regulatory Research, Nuclear Regulatory Commission.

“(104) Executive Director for Operations, Nuclear Regulatory Commission.”

(4) Section 5316 is amended by striking out paragraphs (29), (62), (69), and (102), by striking out “(81) General Counsel of the Atomic Energy Commission,” and inserting in lieu thereof “(81) General Counsel of the Nuclear Regulatory Commission,” and by adding at the end thereof the following:

5 USC 5316.

“(134) General Counsel, Energy Research and Development Administration.

“(135) Additional officers, Energy Research and Development Administration (8).

“(136) Additional officers, Nuclear Regulatory Commission (5).”

SEPARABILITY

SEC. 311. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

42 USC 5801 note.

EFFECTIVE DATE AND INTERIM APPOINTMENTS

SEC. 312. (a) This Act shall take effect one hundred and twenty days after the date of its enactment, or on such earlier date as the President may prescribe and publish in the Federal Register; except that any of the officers provided for in title I of this Act may be nominated and appointed, as provided by this Act, at any time after the date of enactment of this Act. Funds available to any department or agency (or any official or component thereof), any functions of which are transferred to the Administrator and the Commission by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this subsection until such time as funds for that purpose are otherwise available.

42 USC 5801 note.

Publication in Federal Register.

(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer, whose appointment was required to be made by and with the advice and consent of the Senate and who was such an officer immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act. While so acting, such persons shall receive compensation at the rates provided by this Act for the respective offices in which they act.

TITLE IV—SEX DISCRIMINATION

SEX DISCRIMINATION PROHIBITED

42 USC 5891.

Sec. 401. No person shall on the ground of sex be excluded from participation in, be denied a license under, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under any title of this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee.

42 USC 2000d.

Approved October 11, 1974.

Public Law 93-439

October 11, 1974
[H.R. 11546]

AN ACT

To authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes.

Big Thicket
National Pre-
serve, Tex.
Establishment.
16 USC 698.

Map and de-
scription, filing.

Publication in
Federal Register.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to assure the preservation, conservation, and protection of the natural, scenic, and recreational values of a significant portion of the Big Thicket area in the State of Texas and to provide for the enhancement and public enjoyment thereof, the Big Thicket National Preserve is hereby established.

(b) The Big Thicket National Preserve (hereafter referred to as the "preserve") shall include the units generally depicted on the map entitled "Big Thicket National Preserve", dated November 1973 and numbered NBR-BT 91,027 which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and shall be filed with appropriate offices of Tyler, Hardin, Jasper, Polk, Liberty, Jefferson, and Orange Counties in the State of Texas. The Secretary of the Interior (hereafter referred to as the "Secretary") shall, as soon as practicable, but no later than six months after the date of enactment of this Act, publish a detailed description of the boundaries of the preserve in the Federal Register. In establishing such boundaries, the Secretary shall locate stream corridor unit boundaries referenced from the stream bank on each side thereof and he shall further make every reasonable effort to exclude from the units hereafter described any improved year-round residential properties which he determines, in his discretion, are not necessary for the protection of the values of the area or for its proper administration. The preserve shall consist of the following units:

Big Sandy Creek unit, Polk County, Texas, comprising approximately fourteen thousand three hundred acres;

Menard Creek Corridor unit, Polk, Hardin, and Liberty Counties, Texas, including a module at its confluence with the Trinity River, comprising approximately three thousand three hundred and fifty-nine acres;

Hickory Creek Savannah unit, Tyler County, Texas, comprising approximately six hundred and sixty-eight acres;

Turkey Creek unit, Tyler and Hardin Counties, Texas, comprising approximately seven thousand eight hundred acres;

Beech Creek unit, Tyler County, Texas, comprising approximately four thousand eight hundred and fifty-six acres;

Upper Neches River corridor unit, Jasper, Tyler, and Hardin Counties, Texas, including the Sally Withers Addition, comprising approximately three thousand seven hundred and seventy-five acres;

Neches Bottom and Jack Gore Baygall unit, Hardin and Jasper Counties, Texas, comprising approximately thirteen thousand three hundred acres;

Lower Neches River corridor unit, Hardin, Jasper, and Orange Counties, Texas, except for a one-mile segment on the east side of the river including the site of the papermill near Evadale, comprising approximately two thousand six hundred acres;

Beaumont unit, Orange, Hardin, and Jefferson Counties, Texas, comprising approximately six thousand two hundred and eighteen acres;

Loblolly unit, Liberty County, Texas, comprising approximately five hundred and fifty acres;

Little Pine Island-Pine Island Bayou corridor unit, Hardin and Jefferson Counties, Texas, comprising approximately two thousand one hundred acres; and

Lance Rosier Unit, Hardin County, Texas, comprising approximately twenty-five thousand and twenty-four acres.

(c) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange, any lands, waters, or interests therein which are located within the boundaries of the preserve: *Provided*, That any lands owned or acquired by the State of Texas, or any of its political subdivisions, may be acquired by donation only. After notifying the Committees on Interior and Insular Affairs of the United States Congress, in writing, of his intention to do so and of the reasons therefor, the Secretary may, if he finds that such lands would make a significant contribution to the purposes for which the preserve was created, accept title to any lands, or interests in lands, located outside of the boundaries of the preserve which the State of Texas or its political subdivisions may acquire and offer to donate to the United States or which any private person, organization, or public or private corporation may offer to donate to the United States and he may administer such lands as a part of the preserve after publishing notice to that effect in the Federal Register. Notwithstanding any other provision of law, any federally owned lands within the preserve shall, with the concurrence

Land acquisition.

Notice to congressional committees.

Publication in Federal Register.

of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without transfer of funds.

Acquisition
negotiations.
16 USC 698a.

SEC. 2. (a) The Secretary shall, immediately after the publication of the boundaries of the preserve, commence negotiations for the acquisition of the lands located therein: *Provided*, That he shall not acquire the mineral estate in any property or existing easements for public utilities, pipelines or railroads without the consent of the owner unless, in his judgment, he first determines that such property or estate is subject to, or threatened with, uses which are, or would be, detrimental to the purposes and objectives of this Act: *Provided further*, That the Secretary, insofar as is reasonably possible, may avoid the acquisition of improved properties, as defined in this Act, and shall make every effort to minimize the acquisition of land where he finds it necessary to acquire properties containing improvements.

Land acquisition
plan, sub-
mittal to congress-
sional com-
mittees.

(b) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate:

(i) the lands and areas which he deems essential to the protection and public enjoyment of this preserve,

(ii) the lands which he has previously acquired by purchase, donation, exchange or transfer for administration for the purpose of this preserve, and

(iii) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

Completion
date.

(c) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

Property own-
ers, retention
rights.
16 USC 698b.

SEC. 3. (a) The owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition less the fair market value, on that date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

"Improved prop-
erty."

(b) As used in this Act, the term "improved property" means a detached, one-family dwelling, construction of which was begun before July 1, 1973, which is used for noncommercial residential purposes, together with not to exceed three acres of land on which the dwelling is situated and together with such additional lands or interests therein as the Secretary deems to be reasonably necessary for access thereto, such lands being in the same ownership as the dwelling, together with any structures accessory to the dwelling which are situated on such land.

Waiver.

(c) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property

Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

42 USC 4623-4626.

42 USC 4601.

Administration.
16 USC 698c.

SEC. 4. (a) The area within the boundaries depicted on the map referred to in section 1 shall be known as the Big Thicket National Preserve. Such lands shall be administered by the Secretary as a unit of the National Park System in a manner which will assure their natural and ecological integrity in perpetuity in accordance with the provisions of this Act and with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), as amended and supplemented.

(b) In the interest of maintaining the ecological integrity of the preserve, the Secretary shall limit the construction of roads, vehicular campgrounds, employee housing, and other public use and administrative facilities and he shall promulgate and publish such rules and regulations in the Federal Register as he deems necessary and appropriate to limit and control the use of, and activities on, Federal lands and waters with respect to:

Public use facilities, construction limitation.

Rules and regulations, publication in Federal Register.

(1) motorized land and water vehicles;

(2) exploration for, and extraction of, oil, gas, and other minerals;

(3) new construction of any kind;

(4) grazing and agriculture; and

(5) such other uses as the Secretary determines must be limited or controlled in order to carry out the purposes of this Act.

(c) The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the preserve in accordance with the applicable laws of the United States and the State of Texas, except that he may designate zones where and periods when, no hunting, fishing, trapping, or entry may be permitted for reasons of public safety, administration, floral and faunal protection and management, or public use and enjoyment. Except in emergencies, any regulations prescribing such restrictions relating to hunting, fishing, or trapping shall be put into effect only after consultation with the appropriate State agency having jurisdiction over hunting, fishing, and trapping activities.

Hunting, fishing, and trapping.

SEC. 5. Within five years from the date of enactment of this Act, the Secretary shall review the area within the preserve and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or unsuitability of any area within the preserve for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

Preserve review, report to President.
16 USC 698d.

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not to exceed \$63,812,000 for the acquisition of lands and interests in lands and not to exceed \$7,000,000 for development.

16 USC 1131 note.
Appropriation.
16 USC 698e.

Approved October 11, 1974.

Public Law 93-440

October 11, 1974
[H. R. 10088]

AN ACT

To establish the Big Cypress National Preserve in the State of Florida, and for other purposes.

Big Cypress
National Pre-
serve, Fla.
Establishment.
16 USC 698f.

Map and de-
scription, filing.

Publication in
Federal Register.

Lands, waters,
acquisition.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to assure the preservation, conservation, and protection of the natural, scenic, hydrologic, floral and faunal, and recreational values of the Big Cypress Watershed in the State of Florida and to provide for the enhancement and public enjoyment thereof, the Big Cypress National Preserve is hereby established.

(b) The Big Cypress National Preserve (hereafter referred to as the "preserve") shall comprise the area generally depicted on the map entitled "Big Cypress National Preserve", dated November 1971 and numbered BC-91,001, which shall be on file and available for public inspection in the Offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and shall be filed with appropriate offices of Collier, Monroe, and Dade Counties in the State of Florida. The Secretary of the Interior (hereafter referred to as the "Secretary") shall, as soon as practicable, publish a detailed description of the boundaries of the preserve in the Federal Register which shall include not more than five hundred and seventy thousand acres of land and water.

(c) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, transfer from any other Federal agency, or exchange, any lands, waters, or interests therein which are located within the boundaries of the preserve: *Provided*, That any lands owned or acquired by the State of Florida, or any of its subdivisions, may be acquired by donation only: *Provided further*, That no Federal funds shall be appropriated until the Governor of Florida executes an agreement on behalf of the State which (i) provides for the transfer to the United States of all lands within the preserve previously owned or acquired by the State and (ii) provides for the donation to the United States of all lands acquired by the State within the preserve pursuant to the provision of "the Big Cypress Conservation Act of 1973" (Chapter 73-131 of the Florida Statutes) or provides for the donation to the United States of any remaining moneys appropriated pursuant to such Act for the purchase of lands within the preserve. No improved property, as defined by this Act, nor oil and gas rights, shall be acquired without the consent of the owner unless the Secretary, in his judgment, determines that such property is subject to, or threatened with, uses which are, or would be, detrimental to the purposes of the preserve. The Secretary may, if he determines that the acquisition of any other subsurface estate is not needed for the purposes of the preserve, exclude such interest in acquiring any lands within the preserve. Notwithstanding the provisions of section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894, 1904) the Secretary (i) may evaluate any offer to sell land within the preserve by any landowner and may, in his discretion, accept any offer not in excess of \$10,000 without an appraisal and (ii) may direct an appraisal to be made of any unimproved property within the preserve without notice to the owner or owners thereof. Notwithstanding any other provision of law, any federally owned lands within the preserve shall, with the concurrence of the head of the administering agency, be transferred to the administrative jurisdiction of the Secretary for the purposes of this Act, without transfer of funds.

42 USC 4651.

SEC. 2. (a) In recognition of the efforts of the State of Florida in the preservation of the area, through the enactment of chapter 73-131 of the Florida statutes, "The Big Cypress Conservation Act of 1973", the Secretary is directed to proceed as expeditiously as possible to acquire the lands and interests in lands necessary to achieve the purposes of this Act.

16 USC 698g.

(b) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate:

Land acquisition plan, submitted to congressional committees.

(i) the lands and areas which he deems essential to the protection and public enjoyment of this preserve,

(ii) the lands which he has previously acquired by purchase, donation, exchange or transfer for administration for the purpose of this preserve, and

(iii) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(c) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

Completion date.

SEC. 3. (a) The owner of an improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for himself and his heirs and assigns a right of use and occupancy of the improved property for a definite term of not more than twenty-five years or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless this property is wholly or partially donated to the United States, the Secretary shall pay the owner the fair market value of the property on the date of acquisition less the fair market value, on that date, of the right retained by the owner. A right retained pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, which shall include the exercise of such right in violation of any applicable State or local laws and ordinances, and it shall terminate by operation of law upon the Secretary's notifying the holder of the right of such determination and tendering to him an amount equal to the fair market value of that portion of the right which remains unexpired.

Property owners, retention rights.
16 USC 698h.

(b) As used in this Act, the term "improved property" means:

"Improved property."

(i) a detached, one family dwelling, construction of which was begun before November 23, 1971, which is used for noncommercial residential purposes, together with not to exceed three acres of land on which the dwelling is situated and such additional lands as the Secretary deems reasonably necessary for access thereto, such land being in the same ownership as the dwelling, and together with any structures accessory to the dwelling which are situated on such lands and

(ii) any other building, construction of which was begun before November 23, 1971, which was constructed and is used in accordance with all applicable State and local laws and ordinances, together with as much of the land on which the building is situated, such land being in the same ownership as the building, as the Secretary shall designate to be reasonably necessary for the continued enjoyment and use of the building in the same manner and to the same extent as existed in November 23, 1971, together with any structures accessory to the building which are situated on the lands so designated. In making such designation

the Secretary shall take into account the manner of use in which the building, accessory structures, and lands were customarily enjoyed prior to November 23, 1971.

Waiver.

(c) Whenever an owner of property elects to retain a right of use and occupancy as provided in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of such sections such owner shall not be considered a displaced person as defined in section 101(6) of such Act.

42 USC 4623-4626.

42 USC 4601.
Administration.
16 USC 698i.

SEC. 4. (a) The area within the boundaries depicted on the map referred to in section 1 shall be known as the Big Cypress National Preserve. Such lands shall be administered by the Secretary as a unit of the National Park System in a manner which will assure their natural and ecological integrity in perpetuity in accordance with the provisions of this Act and with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4), as amended and supplemented.

Rules and regulations; publication in Federal Register.

(b) In administering the preserve, the Secretary shall develop and publish in the Federal Register such rules and regulations as he deems necessary and appropriate to limit or control the use of Federal lands and waters with respect to:

- (1) motorized vehicles,
- (2) exploration for and extraction of oil, gas, and other minerals,
- (3) grazing,
- (4) draining or constructing of works or structures which alter the natural water courses,
- (5) agriculture,
- (6) hunting, fishing, and trapping,
- (7) new construction of any kind, and
- (8) such other uses as the Secretary determines must be limited

or controlled in order to carry out the purposes of this Act: *Provided*, That the Secretary shall consult and cooperate with the Secretary of Transportation to assure that necessary transportation facilities shall be located within existing or reasonably expanded rights-of-way and constructed within the reserve in a manner consistent with the purposes of this Act.

Transportation facilities.

Hunting and fishing.
16 USC 698j.

SEC. 5. The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the preserve in accordance with the applicable laws of the United States and the State of Florida, except that he may designate zones where and periods when no hunting, fishing, trapping, or entry may be permitted for reasons of public safety, administration, floral and faunal protection and management, or public use and enjoyment. Except in emergencies, any regulations prescribing such restrictions relating to hunting, fishing, or trapping shall be put into effect only after consultation with the appropriate State agency having jurisdiction over hunting, fishing, and trapping activities. Notwithstanding this section or any other provision of this Act, members of the Miccosukee Tribe of Indians of Florida and members of the Seminole Tribe of Florida shall be permitted, subject to reasonable regulations established by the Secretary, to continue their usual and customary use and occupancy of Federal or federally acquired lands and waters within the preserve, including hunting, fishing, and trapping on a subsistence basis and traditional tribal ceremonials.

Miccosukee and Seminole Indian Tribes, land use, retention rights.

Visitor services, contracts.
16 USC 698k.

SEC. 6. Notwithstanding any other provision of law, before entering into any contract for the provision of revenue producing visitor services,

(i) the Secretary shall offer those members of the Miccosukee and Seminole Indian Tribes who, on January 1, 1972, were engaged in the provision of similar services, a right of first refusal to continue providing such services within the preserve subject to such terms and conditions as he may deem appropriate, and

(ii) before entering into any contract or agreement to provide new revenue-producing visitor services within the preserve, the Secretary shall offer to the Miccosukee Tribe of Indians of Florida and the Seminole Tribe of Florida the right of first refusal to provide such services, the right to be open for a period of ninety days. Should both Tribes respond with proposals that satisfy the terms and conditions established by the Secretary, the Secretary may allow the Tribes an additional period of ninety days in which to enter into an inter-Tribal cooperative agreement to provide such visitor services, but if neither tribe responds with proposals that satisfy the terms and conditions established by the Secretary, then the Secretary shall provide such visitor services in accordance with the Act of October 9, 1965 (79 Stat. 969, 16 U.S.C. 20). No such agreement may be assigned or otherwise transferred without the consent of the Secretary.

SEC. 7. Within five years from the date of the enactment of this Act, the Secretary shall review the area within the preserve and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or unsuitability of any area within the preserve for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not to exceed \$116,000,000 for the acquisition of lands and interests in lands and not to exceed \$900,000 for development. Any funds donated to the United States by the State of Florida pursuant to chapter 73-131 of the Florida statutes shall be used solely for the acquisition of lands and interests in land within the preserve.

Approved October 11, 1974.

Preserve re-
view, report to
President.
16 USC 698f.

16 USC 1131
note.
Appropriation.
16 USC 698m.

Funds donated
to U.S. by State
of Florida, use.

Public Law 93-441

AN ACT

To authorize the Secretary of the Treasury to change the alloy and weight of the one-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, New York.

October 11, 1974
[H.R. 16032]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3515 of the Revised Statutes (31 U.S.C. 317) is amended by inserting "(a)" immediately prior to "The minor coins" and by adding at the end thereof the following new subsections:

"(b) Whenever in the judgment of the Secretary of the Treasury such action is necessary to assure an adequate supply of coins to meet the national needs, he may prescribe such composition of copper and zinc in the alloy of the one-cent piece as he may deem appropriate. Such one-cent pieces shall have such weight as may be prescribed by the Secretary.

Penny, compo-
sition change;
Eisenhower Col-
lege, N.Y., grants.

“(c) (1) The Secretary of the Treasury may change the alloy of the one-cent piece to such other metallic composition as he shall determine—

“(A) whenever he determines that the use of copper in the one-cent piece is not practicable;

“(B) after he issues an order stating the pertinent physical properties, including content, weight, dimensions, shape, and design; and in determining such physical property takes into consideration the use of such coins in coin-operated devices; and

“(C) after he notifies in writing, on the same day as the issuance of the order under subparagraph (B), the Committee on Banking and Currency of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate of the contents of the determinations and orders made under paragraph (1), and a period of sixty calendar days of continuous session of Congress commencing after the date of such notification elapses.

“(2) There shall be no coinage pursuant to this subsection after December 31, 1977.

“(3) For purposes of this subsection—

“(A) continuity of session is broken only by an adjournment of Congress sine die; and

“(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.”

SEC. 2. (a) Except as provided by subsection (b) and after receiving the assurances described in subsection (c), the Secretary of the Treasury is authorized to take one-tenth of all moneys derived from the sale of \$1 proof coins minted and issued under section 101(d) of the Coinage Act of 1965 (31 U.S.C. 391(d)) and section 203 of the Bank Holding Company Act Amendments of 1970 (31 U.S.C. 324b) which bears the likeness of the late President of the United States, Dwight David Eisenhower, and transfer such amount of moneys to Eisenhower College, Seneca Falls, New York.

(b) For the purposes of carrying out this section, there is authorized to be appropriated not to exceed \$10,000,000.

(c) Before the Secretary of the Treasury may transfer any moneys to Eisenhower College under this Act, Eisenhower College must make satisfactory assurances to him that an amount equal to 10 per centum of the total amount of moneys received by Eisenhower College under this Act shall be transferred to the Samuel Rayburn Library at Bonham, Texas.

Approved October 11, 1974.

Public Law 93-442

October 14, 1974
[H. J. Res. 898]

JOINT RESOLUTION

Authorizing the President to proclaim the second full week in October, 1974, as “National Legal Secretaries’ Court Observance Week”.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the second full week in October, 1974, as “National Legal Secretaries’ Court Observance Week”, and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Approved October 14, 1974.

National Legal
Secretaries’
Court Observance
Week.
Designation
authorization.

31 USC 391
note.

Transfer of
funds.

Appropriation.

Samuel Rayburn
Library, Tex.

Transfer of
funds.

Public Law 93-443

AN ACT

October 15, 1974
[S. 3044]

To impose overall limitations on campaign expenditures and political contributions; to provide that each candidate for Federal office shall designate a principal campaign committee; to provide for a single reporting responsibility with respect to receipts and expenditures by certain political committees; to change the times for the filing of reports regarding campaign expenditures and political contributions; to provide for public financing of Presidential nominating conventions and Presidential primary elections; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

Federal Election
Campaign
Act Amendments
of 1974.
2 USC 431 note.

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b) (1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed \$1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed \$5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"Political committee."

Post, p. 1276.

"(3) No individual shall make contributions aggregating more than \$25,000 in any calendar year. For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution was made, is considered to be made during the calendar year in which such election is held.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be one election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(c) (1) No candidate shall make expenditures in excess of—

"(A) \$10,000,000, in the case of a candidate for nomination for election to the office of President of the United States, except that the aggregate of expenditures under this subparagraph in any one State shall not exceed twice the expenditure limitation applicable in such State to a candidate for nomination for election to the office of Senator, Delegate, or Resident Commissioner, as the case may be;

"(B) \$20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 8 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) \$100,000;

"(D) in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 12 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) \$150,000;

"(E) \$70,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative in any other State, Delegate from the District of Columbia, or Resident Commissioner; or

"(F) \$15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(3) The limitations imposed by subparagraphs (C), (D), (E), and (F) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(4) The Commission shall prescribe rules under which any expenditure by a candidate for Presidential nomination for use in 2 or more

States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(d) (1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) and subsection (f) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

Publication in
Federal Register.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"Price index."

"(B) the term 'base period' means the calendar year 1974.

"Base period."

"(e) (1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate within the meaning of subsection (c) (2) (B)) relative to a clearly identified candidate during a calendar year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds \$1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"Clearly identified."

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference; and

"(B) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610, would not constitute an expenditure by such corporation or labor organization.

"Expenditure."

"(f) (1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (g)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

“(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

“(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

“(ii) \$20,000; and

“(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, \$10,000.

Voting age population estimates, certification and publication in Federal Register.

“Voting age population.”

“(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term ‘voting age population’ means resident population, 18 years of age or older.

“(h) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

Violations, penalties.

“(i) Any person who violates any provision of this section shall be fined not more than \$25,000 or imprisoned not more than one year, or both.”

(b) (1) Section 608(a) (1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

“(a) (1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns during any calendar year for nomination for election, or for election, to Federal office in excess of, in the aggregate—

“(A) \$50,000, in the case of a candidate for the office of President or Vice President of the United States;

“(B) \$35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; or

“(C) \$25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner, in any other State.

For purposes of this paragraph, any expenditure made in a year other than the calendar year in which the election is held with respect to which such expenditure was made, is considered to be made during the calendar year in which such election is held.”

(2) Such section 608(a) is amended by adding at the end thereof the following new paragraphs:

“(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or for election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

“(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.”

(c) (1) Notwithstanding section 608(a) (1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the

personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

Definitions.

(A) the terms “election”, “Federal office”, and “political committee” have the meanings given them by section 591 of title 18, United States Code; and

Post, p. 1269.

(B) the term “immediate family” has the meaning given it by section 608(a) (2) of title 18, United States Code.

(d) (1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out “an agent of a foreign principal” and inserting in lieu thereof “a foreign national”; and

(B) by striking out “, either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,”.

(2) The second paragraph of such section 613 is amended by striking out “agent of a foreign principal or from such foreign principal” and inserting in lieu thereof “foreign national”.

(3) The fourth paragraph of such section 613 is amended to read as follows:

“Foreign national.”

“As used in this section, the term ‘foreign national’ means—

“(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term ‘foreign national’ shall not include any individual who is a citizen of the United States; or

“(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a) (20) of the Immigration and Nationality Act (8 U.S.C. 1101(a) (20)).”.

(4) (A) The heading of such section 613 is amended by striking out “agents of foreign principals” and inserting in lieu thereof “foreign nationals”.

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

“613. Contributions by foreign nationals.”.

(e) (1) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out “\$5,000” and inserting in lieu thereof “\$25,000”; and

(B) by striking out “\$10,000” and inserting in lieu thereof “\$50,000”.

(2) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out “\$5,000” and inserting in lieu thereof “\$25,000”.

(3) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out “\$5,000” and inserting in lieu thereof “\$25,000”.

(f) (1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

18 USC 614.

“§ 614. Prohibition of contributions in name of another

“(a) No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person.

Violation,
penalty.

“(b) Any person who violates this section shall be fined not more than \$25,000 or imprisoned not more than one year, or both.

18 USC 615.

“§ 615. Limitation on contributions of currency

“(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed \$100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

Violation,
penalty.

“(b) Any person who violates this section shall be fined not more than \$25,000 or imprisoned not more than one year, or both.

18 USC 616.

“§ 616. Acceptance of excessive honorariums

“Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

“(1) accepts any honorarium of more than \$1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

“(2) accepts honorariums (not prohibited by paragraph (1) of this section) aggregating more than \$15,000 in any calendar year; shall be fined not less than \$1,000 nor more than \$5,000.

Penalty.

18 USC 617.

“§ 617. Fraudulent misrepresentation of campaign authority

“Whoever, being a candidate for Federal office or an employee or agent of such a candidate—

“(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

“(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (1);

Penalty.

shall, for each such offense, be fined not more than \$25,000 or imprisoned not more than one year, or both.”.

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

“Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, 615, and 617 of this title—”.

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

“614. Prohibition of contributions in name of another.

“615. Limitation on contributions of currency.

“616. Acceptance of excessive honorariums.

“617. Fraudulent misrepresentation of campaign authority.”.

2 USC 440.

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

CHANGES IN CRIMINAL CODE DEFINITIONS

SEC. 102. (a) Paragraph (a) of section 591 of title 18, United States Code, relating to the definition of election, is amended—

Definitions.

(1) by inserting “or” before “(4)” ; and

(2) by striking out “, and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States”.

USC prec. title

(b) Paragraph (2) of such section 591, relating to the definition of political committee, is amended to read as follows:

“(d) ‘political committee’ means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding \$1,000;”.

(c) Paragraph (e) of such section 591, relating to the definition of contribution, is amended to read as follows:

“(e) ‘contribution’—

“(1) means a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

“(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

“(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

“(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

“(5) does not include—

“(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

“(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual’s residential premises for candidate-related activities;

“(C) the sale of any food or beverage by a vendor for use in a candidate’s campaign at a charge less than the normal comparable charge, if such charge for use in a candidate’s campaign is at least equal to the cost of such food or beverage to the vendor;

“(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, or

“(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;

to the extent that the cumulative value of activities by any person on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed \$500 with respect to any election;”.

Definitions.
18 USC 591.

(d) Paragraph (f) of such section 591, relating to the definition of expenditure, is amended to read as follows:

“(f) ‘expenditure’—

“(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

“(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

“(3) means the transfer of funds by a political committee to another political committee; but

“(4) does not include—

“(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

“(B) nonpartisan activity designed to encourage individuals to register to vote or to vote;

“(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

“(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual’s residential premises for candidate-related activities;

“(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

“(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office;

“(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;

“(H) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 608(c) of this title; or

Ante, p. 1263.

“(I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising;

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (D) or (E) does not exceed \$500 with respect to any election;”.

Definitions.

(e) Section 591 of title 18, United States Code, relating to definitions, is amended—

- (1) by striking out “and” at the end of paragraph (g);
- (2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

“(i) ‘political party’ means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee, or organization;

“(j) ‘State committee’ means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Federal Election Commission;

“(k) ‘national committee’ means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Federal Election Commission established under section 310(a) of the Federal Election Campaign Act of 1971; and

Post, p. 1280.

“(l) ‘principal campaign committee’ means the principal campaign committee designated by a candidate under section 302 (f) (1) of the Federal Election Campaign Act of 1971.”.

Post, p. 1275.

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title."

EFFECT ON STATE LAW

18 USC 591
note.

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

2 USC 431.

SEC. 201. (a) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by inserting "and title IV of this Act" after "title";

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(3) by amending paragraph (d) to read as follows:

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding \$1,000;"

(4) by amending paragraph (e) to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of—

"(A) influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party, or

"(B) influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes;

“(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

“(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

“(5) does not include—

“(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

“(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

“(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

“(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

“(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

“(F) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed \$500 with respect to any election;”;

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

“(f) ‘expenditure’—

“(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

“(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector; or

“(B) influencing the results of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of

a preference for the nomination of persons for election to the office of President of the United States;

“(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure;

“(3) means the transfer of funds by a political committee to another political committee; but

“(4) does not include—

“(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

“(B) nonpartisan activity designed to encourage individuals to register to vote or to vote;

“(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

“(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities if the cumulative value of such activities by such individual on behalf of any candidate do not exceed \$500 with respect to any election;

“(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate if the cumulative amount for such individual incurred with respect to such candidate does not exceed \$500 with respect to any election;

“(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office; or

“(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

“(H) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;”;

(6) by striking “and” at the end of paragraph (h);

(7) by striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(8) by adding at the end thereof the following new paragraphs:

“(j) ‘identification’ means—

“(1) in the case of an individual, his full name and the full address of his principal place of residence; and

“(2) in the case of any other person, the full name and address of such person;

“(k) ‘national committee’ means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission;

“(l) ‘State committee’ means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Commission;

“(m) ‘political party’ means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of such association, committee, or organization; and

“(n) ‘principal campaign committee’ means the principal campaign committee designated by a candidate under section 302(f)(1).”

(b) (1) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out “(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)”.

(2) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for election activities, is amended by striking out the last sentence.

ORGANIZATION OF POLITICAL COMMITTEES; PRINCIPAL CAMPAIGN COMMITTEE

SEC. 202. (a) (1) Section 302(b) of the Federal Election Campaign Act of 1971, relating to reports of contributions in excess of \$10, is amended by striking out “, the name and address (occupation and principal place of business, if any)” and inserting in lieu thereof “of the contribution and the identification”.

(2) Section 302(c) of such Act, relating to detailed accounts, is amended by striking out “full name and mailing address (occupation and the principal place of business, if any)” in paragraphs (2) and (4) and inserting in lieu thereof in each such paragraph “identification”.

(3) Section 302(c) of such Act is further amended by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof “and, if a person’s contributions aggregate more than \$100, the account shall include occupation, and the principal place of business (if any);”.

(b) Section 302(f) of such Act is amended to read as follows:

“(f) (1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee. Except as provided in the preceding sentence, no political committee which supports more than one candidate may be designated as a principal campaign committee.

“(2) Notwithstanding any other provision of this title, each report or statement of contributions received or expenditures made by a political committee (other than a principal campaign committee)

Definitions.

Infra.

2 USC 451.

2 USC 431.

2 USC 452.

2 USC 432.

Reports, filing.

which is required to be filed with the Commission under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted or such expenditures are made.

“(3) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (2) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the Commission in accordance with the provisions of this title.”.

REGISTRATION OF POLITICAL COMMITTEE; STATEMENTS

2 USC 433. SEC. 203. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

“(e) In the case of a political committee which is not a principal campaign committee, reports and notifications required under this section to be filed with the Commission shall be filed instead with the appropriate principal campaign committee.”.

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

2 USC 434. SEC. 204. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentences and inserting in lieu thereof the following:
“The reports referred to in the preceding sentence shall be filed as follows:

“(A) (i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

“(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

“(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

“(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of \$1,000, or made expenditures in excess of \$1,000, and shall be complete as of the close of such calendar quarter: except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

“(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A) (i).

Any contribution of \$1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt.”; and

(2) by striking out “Each” at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof “(1) Except as provided by paragraph (2), each”, and by adding at the end thereof the following new paragraphs:

2 USC 434.

“(2) Each treasurer of a political committee which is not a principal campaign committee shall file the reports required under this section with the appropriate principal campaign committee.

“(3) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates set forth in paragraph (1) (other than the reporting date set forth in paragraph (1)(B)), and require instead that such candidate or political committee file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more than 12 reports (not counting any report referred to in paragraph (1)(B)) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, such candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.”.

Waiver.

5 USC 701.

(b)(1) Section 304(b)(5) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out “lender and endorsers” and inserting in lieu thereof “lender, endorsers, and guarantors”.

(2) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: “, together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate”.

(3) Section 304(b) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out “full name and mailing address (occupation and the principal place of business, if any)” in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph “identification”.

(4) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: “, together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate”.

(5) Section 304(b)(12) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon a comma and the following: “, together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor”.

(c) Such section 304 is amended by adding at the end thereof the following new subsections:

Members of Congress, reporting exemption.

“(d) This section does not require a Member of the Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Rep-

representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to such recording services furnished during the calendar year before the year in which the Member's term expires.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of \$100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative."

(d) The heading for such section 304 is amended to read as follows:

"REPORTS".

Savings provision.
2 USC 434 note.

(e) Notwithstanding the amendment to section 304 of the Federal Election Campaign Act of 1971, relating to the time for filing reports, made by the foregoing provisions of this section, nothing in this Act shall be construed to waive the report required to be filed by the thirty-first day of January of 1975 under the provisions of such section 304, as in effect on the date of the enactment of this Act.

CAMPAIGN ADVERTISEMENTS

2 USC 435.

SEC. 205. (a) Section 305 of the Federal Election Campaign Act of 1971, relating to reports by others than political committees, is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with such candidate's campaign, may charge any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

Funds, solicitation, notice.

"(b) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C."

Repeal.
47 USC 801-805.

(b) Title I of the Federal Election Campaign Act of 1971 is repealed.

WAIVER OF REPORTING REQUIREMENTS

2 USC 436.

SEC. 206. Section 306(b) of the Federal Election Campaign Act of 1971 (as so redesignated by section 207 of this Act), relating to formal requirements respecting reports and statements, is amended to read as follows:

Publication in Federal Register.

"(b) The Commission may, by a rule of general applicability which is published in the Federal Register not less than 30 days before its effective date, relieve—

Ante, p. 1276.

"(1) any category of candidates of the obligation to comply personally with the reporting requirements of section 304, if it determines that such action is consistent with the purposes of this Act; and

“(2) any category of political committees of the obligation to comply with the reporting requirements of such section if such committees—

“(A) primarily support persons seeking State or local office; and

“(B) do not operate in more than one State or do not operate on a statewide basis.”.

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 207. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by striking out subsection (a); by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively; and by adding at the end thereof the following new subsection:

2 USC 436.

“(d) If a report or statement required by section 303, 304(a) (1) (A) (ii), 304(a) (1) (B), 304(a) (1) (C), or 304(e) of this title to be filed by a treasurer of a political committee or by a candidate or by any other person, is delivered by registered or certified mail, to the Commission or principal campaign committee with which it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.”.

Ante, p. 1276.

REPORTS BY CERTAIN ORGANIZATIONS; FEDERAL ELECTION COMMISSION; CAMPAIGN DEPOSITORIES

SEC. 208. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating sections 308 and 309 as sections 316 and 317, respectively; by redesignating section 311 as section 321; and by inserting immediately after section 307 the following new sections:

2 USC 438,
439.
2 USC 441.

“REPORTS BY CERTAIN PERSONS

“SEC. 308. Any person (other than an individual) who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same detail as if they were expenditures within the meaning of section 301(f). The provisions of this section do not apply to any publication or broadcast of the United States Government or to any news story, commentary, or editorial distributed through the facilities of a broadcasting station or a bona fide newspaper, magazine, or other periodical publication. A news story, commentary, or editorial is not considered to be distributed through a bona fide newspaper, magazine, or other periodical publication if—

2 USC 437a.

Ante, p. 1272.

Ante, p. 1273.

“(1) such publication is primarily for distribution to individuals affiliated by membership or stock ownership with the person (other than an individual) distributing it or causing it to be distributed, and not primarily for purchase by the public at newsstands or by paid subscription; or

“(2) the news story, commentary, or editorial is distributed by a person (other than an individual) who devotes a substantial part of his activities to attempting to influence the outcome of elections, or to influence public opinion with respect to matters of national or State policy or concern.

“CAMPAIGN DEPOSITORIES

2 USC 437b.

“SEC. 309. (a) (1) Each candidate shall designate one or more national or State banks as his campaign depositories. The principal campaign committee of such candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by such committee into such account. A candidate shall deposit any payment received by him under chapter 95 or chapter 97 of the Internal Revenue Code of 1954 in the account maintained by his principal campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on such account, other than petty cash expenditures as provided in subsection (b).

26 USC 9001.

“(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more national or State banks as campaign depositories of such committee, and shall maintain a checking account for the committee at each such depository. All contributions received by such committee shall be deposited in such accounts. No expenditure may be made by such committee except by check drawn on such accounts, other than petty cash expenditures as provided in subsection (b).

“(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of \$100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

“(c) A candidate for nomination for election, or for election, to the office of President of the United States may establish one such depository in each State, which shall be considered as his campaign depository for such State by his principal campaign committee and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in such State, under rules prescribed by the Commission. The campaign depository of the candidate of a political party for election to the office of Vice President of the United States shall be the campaign depository designated by the candidate of such party for election to the office of President of the United States.

“FEDERAL ELECTION COMMISSION

Establishment.
2 USC 437c.
Membership.

“SEC. 310. (a) (1) There is established a commission to be known as the Federal Election Commission. The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives, ex officio and without the right to vote, and 6 members appointed as follows:

“(A) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President pro tempore of the Senate upon the recommendations of the majority leader of the Senate and the minority leader of the Senate;

“(B) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House; and

“(C) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President of the United States.

A member appointed under subparagraph (A), (B), or (C) shall not be affiliated with the same political party as the other member appointed under such paragraph.

“(2) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed—

Term.

“(A) one of the members appointed under paragraph (1) (A) shall be appointed for a term ending on the April 30 first occurring more than 6 months after the date on which he is appointed;

“(B) one of the members appointed under paragraph (1) (B) shall be appointed for a term ending 1 year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

“(C) one of the members appointed under paragraph (1) (C) shall be appointed for a term ending 2 years thereafter;

“(D) one of the members appointed under paragraph (1) (A) shall be appointed for a term ending 3 years thereafter;

“(E) one of the members appointed under paragraph (1) (B) shall be appointed for a term ending 4 years thereafter; and

“(F) one of the members appointed under paragraph (1) (C) shall be appointed for a term ending 5 years thereafter.

An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

Vacancies.

“(3) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment and shall be chosen from among individuals who, at the time of their appointment, are not elected or appointed officers or employees in the executive, legislative, or judicial branch of the Government of the United States.

“(4) Members of the Commission (other than the Secretary of the Senate and the Clerk of the House of Representatives) shall receive compensation equivalent to the compensation paid at level IV of the Executive Schedule (5 U.S.C. 5315).

Compensation.

“(5) The Commission shall elect a chairman and a vice chairman from among its members (other than the Secretary of the Senate and the Clerk of the House of Representatives) for a term of one year. No member may serve as chairman more often than once during any term of office to which he is appointed. The chairman and the vice chairman shall not be affiliated with the same political party. The vice chairman shall act as chairman in the absence or disability of the chairman, or in the event of a vacancy in such office.

83 Stat. 863,
Chairman and
vice chairman.

“(b) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code. The Commission has primary jurisdiction with respect to the civil enforcement of such provisions.

Ante, pp. 1263,
1268.
Jurisdiction.

“(c) All decisions of the Commission with respect to the exercise of its duties and powers under the provisions of this title shall be made by a majority vote of the members of the Commission. A member of the Commission may not delegate to any person his vote or any decisionmaking authority or duty vested in the Commission by the provisions of this title.

Meetings.

“(d) The Commission shall meet at least once each month and also at the call of any member.

Rules.

Seal.

“(e) The Commission shall prepare written rules for the conduct of its activities, shall have an official seal which shall be judicially noticed, and shall have its principal office in or near the District of Columbia (but it may meet or exercise any of its powers anywhere in the United States).

Staff director
and general coun-
sel.

83 Stat. 863.

“(f) (1) The Commission shall have a staff director and a general counsel who shall be appointed by the Commission. The staff director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The general counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Commission, the staff director may appoint and fix the pay of such additional personnel as he considers desirable.

“(2) With the approval of the Commission, the staff director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

5 USC 5332
note.

“(3) In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of other agencies and departments of the United States Government. The heads of such agencies and departments may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

“POWERS OF COMMISSION

2 USC 437d.

“SEC. 311. (a) The Commission has the power—

“(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

“(2) to administer oaths or affirmations;

“(3) to require by subpoena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

“(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

“(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

“(6) to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of

enforcing the provisions of this Act, through its general counsel;

“(7) to render advisory opinions under section 313;

Intra.

“(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act;

5 USC 500.

“(9) to formulate general policy with respect to the administration of this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code;

“(10) to develop prescribed forms under section 311(a)(1); and

Ante, pp. 1263, 1268.

“(11) to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities.

“(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpoena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

“(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

“(d) (1) Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress.

Budget estimates or requests, copies, transmittal to Congress.

“(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

“REPORTS

“SEC. 312. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate.

Reports to President and Congress.
2 USC 437e.

“ADVISORY OPINIONS

“SEC. 313. (a) Upon written request to the Commission by any individual holding Federal office, any candidate for Federal office, or any political committee, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code.

2 USC 437f.

“(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings

26 USC 9001.
Post, p. 1297.

26 USC 9001.
Post, p. 1297.
Ante, pp. 1263,
 1268.

of such advisory opinion shall be presumed to be in compliance with the provision of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, with respect to which such advisory opinion is rendered.

“(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Commission with respect to such request.

“ENFORCEMENT

Complaints,
 filing.
 2 USC 437g.

“SEC. 314. (a) (1) (A) Any person who believes a violation of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred may file a complaint with the Commission.

“(B) In any case in which the Clerk of the House of Representatives or the Secretary of the Senate (who receive reports and statements as custodian for the Commission) has reason to believe a violation of this Act or section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred, he shall refer such apparent violation to the Commission.

“(2) The Commission, upon receiving any complaint under paragraph (1) (A), or a referral under paragraph (1) (B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

“(A) report such apparent violation to the Attorney General; or

“(B) make an investigation of such apparent violation.

“(3) Any investigation under paragraph (2) (B) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant under this title, if such complainant is a candidate. Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

Hearing.

“(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.

Civil action
 for relief.

“(5) If the Commission determines, after investigation, that there is reason to believe that any person has engaged, or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.

“(6) The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of provisions of chapter 29 of title 18, United States Code, are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.

18 USC 591.

“(7) Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, upon request by the Commission the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

Ante, pp. 1263, 1268.

“(8) In any action brought under paragraph (5) or (7) of this subsection, subpoenas for witnesses who are required to attend a United States district court may run into any other district.

Subpenas.

“(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order.

Petition for judicial review.

“(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

“(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 315).

“(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

Report to Commission.

“JUDICIAL REVIEW

“Sec. 315. (a) The Commission, the national committee of any political party, or any individual eligible to vote in any election for the office of President of the United States may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

2 USC 437h.

“(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

“(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).”.

2 USC 437c
note.

47 USC 801
note.
2 USC 431.

26 USC 9001.

(b) Until the appointment and qualification of all the members of the Federal Election Commission and its general counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its general counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within 30 days after the date on which all such members and the general counsel are appointed, of copies of all appropriate records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 and chapter 95 of the Internal Revenue Code of 1954.

(c) Title III of the Federal Election Campaign Act of 1971 is amended—

2 USC 431.

(1) by amending section 301 (g), relating to definitions, to read as follows:

2 USC 432.

“(g) ‘Commission’ means the Federal Election Commission;”;

2 USC 433.

(2) by striking out “supervisory officer” in section 302(d) and inserting in lieu thereof “Commission”;

(3) by amending section 303, relating to registration of political committees; statements—

(A) by striking out “supervisory officer” each time it appears therein and inserting in lieu thereof “Commission”; and

2 USC 434.

(B) by striking out “he” in the second sentence of subsection (a) of such section and inserting in lieu thereof “it”;

(4) by amending section 304, relating to reports by political committees and candidates—

(A) by striking out “appropriate supervisory officer” and “him” in the first sentence thereof and inserting in lieu thereof “Commission” and “it”, respectively; and

(B) by striking out “supervisory officer” where it appears in paragraphs (12) and (13) of subsection (b) and inserting in lieu thereof “Commission”;

2 USC 436.

(5) by striking out “supervisory officer” each place it appears in section 306, relating to formal requirements respecting reports and statements, and inserting in lieu thereof “Commission”;

2 USC 437.

(6) by striking out “Comptroller General of the United States” and “he” in section 307, relating to reports on convention financing, and inserting in lieu thereof “Federal Election Commission” and “it”, respectively;

2 USC 438.

(7) by amending the heading for section 316 (as redesignated by subsection (a) of this section), relating to duties of the supervisory officer, to read as follows: “DUTIES”;

(8) by striking out “supervisory officer” in section 316(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof “Commission”;

(9) by amending section 316(a) (as redesignated by subsection (a) of this section)—

(A) by striking out “him” in paragraph (1) and inserting in lieu thereof “it”; and

- (B) by striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and
- (10) by amending subsection (c) of section 316 (as redesignated by subsection (a) of this section)—
- (A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and
- (B) by striking out the last sentence thereof; and
- (11) by striking out "a supervisory officer" in section 317(a) of such Act (as redesignated by subsection (a) of this Act) and inserting in lieu thereof "the Commission".

2 USC 438.

2 USC 439.

DUTIES AND REGULATIONS

SEC. 209. (a) (1) Section 316(a) of the Federal Election Campaign Act of 1971 (as redesignated and amended by section 208(a) of this Act), relating to duties of the Commission, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with it, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

Index of reports and statements.
Publication in Federal Register.

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;"

Special reports, publication.

(2) Notwithstanding section 308(a)(7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

2 USC 438 note.

(b) (1) Section 316(a)(10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (c)".

(2) Such section 316 is amended—

(A) by striking out subsection (b) and subsection (d); by redesignating subsection (c) as subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c) (1) The Commission, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

Proposed rules or regulations, statement, transmittal to Congress.

"(2) If the appropriate body of the Congress which receives a statement from the Commission under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or

Presidential elections.

statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved under this paragraph.

Senatorial
elections.

“(3) If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, it shall transmit such statement to the Senate. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative, Delegate, or Resident Commissioner, and by political committees supporting such candidate, it shall transmit such statement to the House of Representatives. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such candidate it shall transmit such statement to the House of Representatives and the Senate.

“(4) For purposes of this subsection, the term ‘legislative days’ does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such bodies, any calendar day on which both Houses of the Congress are not in session.

Rules and
regulations.

“(d) (1) The Commission shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

“(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Commission;

“(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Commission; and

“(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Commission, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of subsection (a), and preserve such reports and statements in accordance with paragraph (5) of subsection (a).

Congressional
cooperation.

“(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Commission in carrying out its duties under this Act and to furnish such services and facilities as may be required in accordance with this section.”

MISCELLANEOUS PROVISIONS

Ante, p. 1279.

SEC. 210. Title III of the Federal Election Campaign Act of 1971 is amended by inserting immediately after section 317 (as so redesignated by section 208(a) of this Act) the following new sections:

“USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

“SEC. 318. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, or may be used for any other lawful purpose. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with rules promulgated by the Commission. The Commission is authorized to prescribe such rules as may be necessary to carry out the provisions of this section.

2 USC 439a.

26 USC 170.

Rules.

“PROHIBITION OF FRANKED SOLICITATIONS

“SEC. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitations of funds by a mailing under the frank under section 3210 of title 39, United States Code.

2 USC 439b.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under this Act, and under chapters 95 and 96 of the Internal Revenue Code of 1954, not to exceed \$5,000,000 for the fiscal year ending June 30, 1975.”

2 USC 439c.

26 USC 9001.
Post, p. 1297.

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

SEC. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

2 USC 453.

“EFFECT ON STATE LAW

“SEC. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.”

PERIOD OF LIMITATIONS; ENFORCEMENT

SEC. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

2 USC 431 note.

“PERIOD OF LIMITATIONS

“SEC. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title III of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

2 USC 455.

2 USC 431.

Ante, pp. 1263,
1268.

“(b) Notwithstanding any other provision of law—

“(1) the period of limitations referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

“(2) no criminal proceeding shall be instituted against any person for any act or omission which was a violation of any provision of title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on December 31, 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

“ADDITIONAL ENFORCEMENT AUTHORITY

2 USC 456.

“SEC. 407. (a) In any case in which the Commission, after notice and opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

“(b) Any finding by the Commission under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.”.

5 USC 701.

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

SEC. 401. (a) Section 1502(a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

“(3) be a candidate for elective office.”.

(b) (1) Section 1503 of title 5, United States Code, relating to non-partisan political activity, is amended to read as follows:

“§ 1503. Nonpartisan candidacies permitted

“Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.”.

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

“1503. Nonpartisan candidacies permitted.”.

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting “and” immediately after “Federal Reserve System;” and

(3) in paragraph (4) thereof, by striking out “; and” and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

SEC. 402. (a) Section 315 of the Communications Act of 1934 (relating to candidates for public office; facilities; rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

47 USC 315.

(b) Section 315(c) of such Act (as so redesignated by subsection (a) of this section), relating to definitions, is amended to read as follows:

Definitions.

“(c) For purposes of this section—

“(1) the term ‘broadcasting station’ includes a community antenna television system; and

“(2) the terms ‘licensee’ and ‘station licensee’ when used with respect to a community antenna television system mean the operator of such system.”.

APPROPRIATIONS TO CAMPAIGN FUND

SEC. 403. (a) Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

26 USC 9006.

(1) by striking out “as provided by appropriation Acts” and inserting in lieu thereof “from time to time”; and

(2) by adding at the end thereof the following new sentence: “There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.”.

(b) In addition to the amounts appropriated to the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) by the last sentence of subsection (a) of such section (as amended by subsection (a) of this section), there is appropriated to such fund an amount equal to the sum of the amounts designated for payment under section 6096 of such Code (relating to designation by individuals to the Presidential Election Campaign Fund) before January 1, 1975, not otherwise taken into account under the provisions of such section 9006, as amended by this section.

26 USC 9006
note.

26 USC 6096.

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

SEC. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

26 USC 9004.

“(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed the expenditure limitations applicable to such candidates under section 608(c)(1)(B) of title 18, United States Code.”.

(b) (1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out “computed” and inserting in lieu thereof “allowed”.

- 26 USC 9004. (2) The first sentence of subsection (a) (3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".
- 26 USC 9002. (c) (1) Section 9002(3) of the Internal Revenue Code of 1954 (relating to the definition of "Comptroller General") is amended to read as follows:
- Ante*, p. 1280. " (3) The term 'Commission' means the Federal Election Commission established by section 310(a) (1) of the Federal Election Campaign Act of 1971."
- (2) Section 9002(1) of such Code (relating to the definition of "authorized committee") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".
- (3) The third sentence of section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".
- 26 USC 9003. (4) Section 9003(a) of such Code (relating to condition for eligibility for payments) is amended—
- (A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and
- (B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".
- (5) Section 9003(b) of such Code (relating to major parties) and section 9003(c) of such Code (relating to minor and new parties) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".
- 26 USC 9005. (6) The heading for section 9005 of such Code (relating to certification by Comptroller General) is amended by striking out "**COMPTROLLER GENERAL**" and inserting in lieu thereof "**COMMISSION**".
- (7) Section 9005(b) of such Code (relating to finality of certifications and determinations) is amended—
- (A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and
- (B) by striking out "him" and inserting in lieu thereof "it".
- 26 USC 9006. (8) Section 9006(c) of such Code (relating to payments from the fund) and section 9006(d) of such Code (relating to insufficient amounts in fund) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".
- 26 USC 9007. (9) Section 9007(a) of such Code (relating to examinations and audits) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".
- (10) Section 9007(b) of such Code (relating to repayments) is amended—
- (A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and
- (B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".
- (11) Section 9007(c) of such Code (relating to notification) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".
- 26 USC 9009. (12) Section 9009(a) of such Code (relating to reports) is amended—
- (A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and
- (B) by striking out "him" and inserting in lieu thereof "it".

(13) Section 9009(b) of such Code (relating to regulations, etc.) is amended— 26 USC 9009.

(A) by striking out “Comptroller General” and inserting in lieu thereof “Commission”;

(B) by striking out “he” and inserting in lieu thereof “it”; and

(C) by striking out “him” and inserting in lieu thereof “it”.

(14) The heading for section 9010 of such Code (relating to participation by Comptroller General in judicial proceedings) is amended by striking out “**COMPTROLLER GENERAL**” and inserting in lieu thereof “**COMMISSION**”. 26 USC 9010.

(15) Section 9010(a) of such Code (relating to appearance by counsel) is amended—

(A) by striking out “Comptroller General” and inserting in lieu thereof “Commission”;

(B) by striking out “his” and inserting in lieu thereof “its”; and

(C) by striking out “he” each place it appears therein and inserting in lieu thereof “it”.

(16) Section 9010(b) of such Code (relating to recovery of certain payments) is amended by striking out “Comptroller General” and inserting in lieu thereof “Commission”.

(17) Section 9010(c) of such Code (relating to declaratory and injunctive relief) is amended by striking out “Comptroller General” each place it appears therein and inserting in lieu thereof “Commission”.

(18) Section 9010(d) of such Code (relating to appeal) is amended by striking out “Comptroller General” and inserting in lieu thereof “Commission” and by striking out “he” and inserting in lieu thereof “it”.

(19) The heading for subsection (a) of section 9011 of such Code (relating to review of certification, determination, or other action by the Comptroller General) is amended by striking out “**COMPTROLLER GENERAL**” and inserting in lieu thereof “**COMMISSION**”. 26 USC 9011.

(20) Section 9011(a) of such Code, as amended by paragraph (19) (relating to review of certification, determination, or other action by the Commission) is amended by striking out “Comptroller General” each place it appears therein and inserting in lieu thereof “Commission”.

(21) Section 9011(b) of such Code, (relating to suits to implement chapter) is amended by striking out “Comptroller General” and inserting in lieu thereof “Commission”.

(22) Section 9012(d) (1) of such Code (relating to false statements, etc.) is amended— 26 USC 9012.

(A) by striking out “Comptroller General” each place it appears therein and inserting in lieu thereof “Commission”; and

(B) by striking out “him” and inserting in lieu thereof “it”.

CERTIFICATION FOR PAYMENT BY COMMISSION

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows: 26 USC 9005.

“(a) **INITIAL CERTIFICATIONS.**—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Commission shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.”.

Ante, p. 1292.

Ante, p. 1291.

26 USC 9003.

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out “with respect to which payment is sought” in paragraph (1) and inserting in lieu thereof “of such candidates”;

(2) by inserting “and” at the end of paragraph (2);

(3) by striking out “, and” at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

26 USC 9008.

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

“SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

Ante, p. 1291.

“(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

26 USC 6096.

“(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

“(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed \$2,000,000.

“(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the United States of the major parties in the preceding presidential election.

“(3) PAYMENTS.—Upon receipt of certification from the Commission under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

“(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

“(5) **ADJUSTMENT OF ENTITLEMENTS.**—The entitlements established by this subsection shall be adjusted in the same manner as expenditure limitations established by section 608(c) and section 608(f) of title 18, United States Code, are adjusted pursuant to the provisions of section 608(d) of such title.

Ante, pp. 1264,
1265.

“(c) **USE OF FUNDS.**—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

“(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

“(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

“(d) **LIMITATION OF EXPENDITURES.**—

“(1) **MAJOR PARTIES.**—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

“(2) **MINOR PARTIES.**—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

“(3) **EXCEPTION.**—The Commission may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by the Commission that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

“(e) **AVAILABILITY OF PAYMENTS.**—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

“(f) **TRANSFER TO THE FUND.**—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

“(g) **CERTIFICATION BY COMMISSION.**—Any major party or minor party may file a statement with the Commission in such form and manner and at such times as it may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Commission may require. Upon receipt of a statement filed under the preceding sentences, the Commission promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Commission shall conduct no later than December 31 of the calen-

2 USC 433.

Examination
and audit.

dar year in which the presidential nominating convention involved is held.

“(h) REPAYMENTS.—The Commission shall have the same authority to require repayments from the national committee of a major party or a minor party as it has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Commission under this subsection.”

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out “and” in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof “; and”; and by adding at the end thereof the following new paragraphs:

“(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

“(5) the amounts certified by it under section 9008(g) for payment to each such committee; and

“(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.”

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out “CAMPAIGN”.

(3) Section 9012(a)(1) by such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: “It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Commission under section 9008(d)(3).”

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

“(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).”

(5) Section 9012(e)(1) of such Code (relating to kickbacks and illegal payments) is amended by adding at the end thereof the following new sentence: “It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.”

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after “their authorized committees” the following: “, or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention.”

(c) The table of sections for chapter 95 of subtitle H of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

“SEC. 9008. Payments for presidential nominating conventions.”

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURNS BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year."

26 USC 6012.

Ante, p. 1272.

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Subtitle H. Financing of Presidential election campaigns."

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by striking out the item relating to chapter 96 and inserting in lieu thereof the following:

"Chapter 96. Presidential Primary Matching Payment Account."

(c) Subtitle H of such Code is amended by striking out chapter 96, relating to Presidential Election Campaign Fund Advisory Board, and inserting in lieu thereof the following new chapter:

26 USC 9021.

"CHAPTER 96—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT"

Presidential
Primary Matching
Payment Account
Act.

"Sec. 9031. Short title.

"Sec. 9032. Definitions.

"Sec. 9033. Eligibility for payments.

"Sec. 9034. Entitlement of eligible candidates to payments.

"Sec. 9035. Qualified campaign expense limitation.

"Sec. 9036. Certification by Commission.

"Sec. 9037. Payments to eligible candidates.

"Sec. 9038. Examinations and audits; repayments.

"Sec. 9039. Reports to Congress; regulations.

"Sec. 9040. Participation by Commission in judicial proceedings.

"Sec. 9041. Judicial review.

"Sec. 9042. Criminal penalties.

"SEC. 9031. SHORT TITLE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

26 USC 9031.

"SEC. 9032. DEFINITIONS.

26 USC 9032.

"FOR PURPOSES OF THIS CHAPTER—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to

seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

“(3) The term ‘Commission’ means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.

“(4) Except as provided by section 9034(a), the term ‘contribution’—

“(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election,

“(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

“(C) means funds received by a political committee which are transferred to that committee from another committee, and

“(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

“(E) does not include—

“(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

“(ii) payments under section 9037.

“(5) The term ‘matching payment account’ means the Presidential Primary Matching Payment Account established under section 9037(a).

“(6) The term ‘matching payment period’ means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, ending on the earlier of (A) the date such party nominates its candidate for the office of President of the United States, or (B) the last day of the last national convention held by a major party during such calendar year.

“(7) The term ‘primary election’ means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

“(8) The term ‘political committee’ means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the

Ante, p. 1280.

Post, p. 1299.

Post, p. 1300.

nomination of any person for election to the office of President of the United States.

“(9) The term ‘qualified campaign expense’ means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

“(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

“(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

“(10) The term ‘State’ means each State of the United States and the District of Columbia.

“SEC. 9033. ELIGIBILITY FOR PAYMENTS.

26 USC 9033.

“(a) **CONDITIONS.**—To be eligible to receive payments under section 9037, a candidate shall, in writing—

Post, p. 1300.

“(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,

“(2) agree to keep and furnish to the Commission any records, books, and other information it may request, and

“(3) agree to an audit and examination by the Commission under section 9038 and to pay any amounts required to be paid under such section.

“(b) **EXPENSE LIMITATION; DECLARATION OF INTENT; MINIMUM CONTRIBUTIONS.**—To be eligible to receive payments under section 9037, a candidate shall certify to the Commission that—

“(1) the candidate and his authorized committees will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

“(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

“(3) the candidate has received matching contributions which in the aggregate, exceed \$5,000 in contributions from residents of each of at least 20 States, and

“(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed \$250.

“SEC. 9034. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS.

26 USC 9034.

“(a) **IN GENERAL.**—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds \$250. For purposes of this subsection and section 9033 (b), the term ‘contribution’ means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).

“‘Contribution.’”

“(b) **LIMITATIONS.**—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

26 USC 9035.

“SEC. 9035. QUALIFIED CAMPAIGN EXPENSE LIMITATION.

“No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

26 USC 9036.

“SEC. 9036. CERTIFICATION BY COMMISSION.

“(a) **INITIAL CERTIFICATIONS.**—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Commission shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9037.

Post, p. 1302.

“(b) **FINALITY OF DETERMINATIONS.**—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 9038 and judicial review under section 9041.

26 USC 9037.

“SEC. 9037. PAYMENTS TO ELIGIBLE CANDIDATES.

Ante, p. 1291.

“(a) **ESTABLISHMENT OF ACCOUNT.**—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9008(b)(3) are available for such payments.

26 USC 9006.

Ante, p. 1294.

“(b) **PAYMENTS FROM THE MATCHING PAYMENT ACCOUNT.**—Upon receipt of a certification from the Commission under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Commission from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

26 USC 9038.

“SEC. 9038. EXAMINATIONS AND AUDITS; REPAYMENTS.

“(a) **EXAMINATIONS AND AUDITS.**—After each matching payment period, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committees who received payments under section 9037.

“(b) **REPAYMENTS.**—

“(1) If the Commission determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, it shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

“(2) If the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

“(A) to defray the qualified campaign expenses with respect to which such payment was made, or

“(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

“(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

“(c) NOTIFICATION.—No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

“(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

“SEC. 9039. REPORTS TO CONGRESS; REGULATIONS.

26 USC 9039.

“(a) REPORTS.—The Commission shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

“(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees,

“(2) the amounts certified by it under section 9036 for payment to each eligible candidate, and

“(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a Senate document.

“(b) REGULATIONS, ETC.—The Commission is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which it determines to be necessary to carry out its responsibilities under this chapter.

Audits.

“(c) REVIEW OF REGULATIONS.—

“(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

“(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

“(3) For purposes of this subsection, the term ‘legislative days’ does not include any calendar day on which both Houses of the Congress are not in session.

26 USC 9040.

“SEC. 9040. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

“(a) **APPEARANCE BY COUNSEL.**—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

5 USC 101 *et seq.*

5 USC 5101, 5331.

“(b) **RECOVERY OF CERTAIN PAYMENTS.**—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

Ante, p. 1300.

“(c) **INJUNCTIVE RELIEF.**—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

“(d) **APPEAL.**—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

26 USC 9041.

“SEC. 9041. JUDICIAL REVIEW.

“(a) **REVIEW OF AGENCY ACTION BY THE COMMISSION.**—Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

“(b) **REVIEW PROCEDURES.**—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

26 USC 9042.

“SEC. 9042. CRIMINAL PENALTIES.

“(a) **EXCESS CAMPAIGN EXPENSES.**—Any person who violates the provisions of section 9035 shall be fined not more than \$25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than \$25,000, or imprisoned not more than 5 years, or both.

“(b) **UNLAWFUL USE OF PAYMENTS.**—

“(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

“(A) to defray qualified campaign expenses, or
“(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

“(2) Any person who violates the provisions of paragraph (1) shall be fined not more than \$10,000, or imprisoned not more than 5 years, or both.

“(c) FALSE STATEMENTS, ETC.—

“(1) It is unlawful for any person knowingly and willfully—

“(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this chapter, or

“(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

“(2) Any person who violates the provisions of paragraph (1) shall be fined not more than \$10,000, or imprisoned not more than 5 years, or both.

“(d) KICKBACKS AND ILLEGAL PAYMENTS.—

“(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committees, who receives payments under section 9037.

“(2) Any person who violates the provisions of paragraph (1) shall be fined not more than \$10,000, or imprisoned not more than 5 years, or both.

“(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.”.

REVIEW OF REGULATIONS

SEC. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

26 USC 9009.

“(c) REVIEW OF REGULATIONS.—

“(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

“(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

“(3) For purposes of this subsection, the term ‘legislative days’

“Legislative days.”

does not include any calendar day on which both Houses of the Congress are not in session.”.

26 USC 9009.

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting “in accordance with the provisions of subsection (c)” immediately after “regulations”.

EFFECTIVE DATES

2 USC 431 note.

SEC. 410. (a) Except as provided by subsection (b) and subsection (c), the foregoing provisions of this Act shall become effective January 1, 1975.

Ante, p. 1272.

(b) Section 104 and the amendment made by section 301 shall become effective on the date of the enactment of this Act.

Ante, pp. 1291-1294, 1297, 1303.

(c) (1) The amendments made by sections 403(a), 404, 405, 406, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1974.

Ante, p. 1297.

(2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1971.

Approved October 15, 1974.

Public Law 93-444

October 15, 1974
[H. R. 4861]

AN ACT

To amend the Act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Maryland, and for other purposes.

Piscataway
Park, Md.
Preservation
and protection.

80 Stat. 319.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of October 4, 1961 (75 Stat. 780), providing for the preservation and protection of certain lands in Prince Georges and Charles Counties, Maryland, as amended, is amended as follows:

(a) In section 2(b), amend the first sentence by striking out “drawing entitled ‘Piscataway Park,’ numbered NCR 69.714-18, and dated January 25, 1966,” and inserting in lieu thereof “drawing entitled ‘Piscataway Park,’ numbered PIS-P-90,000, and dated July 19, 1974”.

(b) In section 2(b), delete the words “The property herein described is more particularly depicted on the drawing numbered 1961-1, a copy of which is on file with the Secretary of the Interior.”.

Scenic ease-
ments, donations.
80 Stat. 319.

(c) In section 2(c), delete the first sentence and insert in lieu thereof the following: “Effective on the date of enactment of this Act, there is hereby vested in the United States all right, title and interest in, and the right to immediate possession of, all real property within the boundaries of the parcels designated A, B, C, and D, as shown on the drawing referenced in subsection 2(b). The United States will pay just compensation to the owners of any property taken pursuant to this subsection and the full faith and credit of the United States is hereby pledged to the payment of any judgment so entered against the United States. Payment shall be made by the Secretary of the Treasury from moneys available and appropriated from the Land and Water Conservation Fund, subject to the appropriation limitation contained in section 4 of this Act, upon certification to him by the Secretary of the Interior of the agreed negotiated value of such property, or the valuation of the property awarded by judgment, including interest at the rate of six (6) per centum per annum from the date of taking to the date of payment therefor. In the absence of a negotiated settlement or an action by the owner within one year after the date of enactment of this Act, the Secretary may initiate proceedings at any

Post, p. 1305.

time seeking a determination of just compensation in a court of competent jurisdiction. The Secretary shall allow for the orderly termination of all operations on real property acquired by the United States in parcels A, B, C, and D of this subsection, and for the removal of equipment, facilities, and personal property therefrom: *Provided*, That in no event shall the Secretary allow operations at the Marshall Hall Amusement Park to continue beyond January 1, 1980. The Secretary shall, on lands acquired for the purposes of this park, implement a development plan which will assure public access to, and public use and enjoyment of, such lands. To further the preservation objective of this Act, the Secretary of the Interior may accept donations of scenic easements in the land within the area designated as 'Scenic Protection Area' on the drawing referred to in subsection (b) of this section."

Development
plan.

(d) In section 4, delete "\$5,657,000" and insert "\$10,557,000".

Appropriation,
75 Stat. 780;
86 Stat. 1063.

Approved October 15, 1974.

Public Law 93-445

AN ACT

To amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes.

October 16, 1974
[H. R. 15301]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Railroad Re-
tirement Act of
1937, amendment.

TITLE I—THE RAILROAD RETIREMENT ACT OF 1974

That the Railroad Retirement Act of 1937 is amended to read as follows:

45 USC 228a.

"DEFINITIONS

"SECTION 1. For the purposes of this Act—

45 USC 231.

"(a) (1) The term 'employer' shall include—

"(i) any express company, sleeping-car company, and carrier by railroad, subject to part I of the Interstate Commerce Act;

49 USC 1.

"(ii) any company which is directly or indirectly owned or controlled by, or under common control with, one or more employers as defined in paragraph (i) of this subdivision, and which operates any equipment or facility or performs any service (except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad;

"(iii) any receiver, trustee, or other individual or body, judicial or otherwise, when in the possession of the property or operating all or any part of the business of any employer as defined in paragraph (i) or (ii) of this subdivision;

“(iv) any railroad association, traffic association, tariff bureau, demurrage bureau, weighing and inspection bureau, collection agency, and any other association, bureau, agency, or organization which is controlled and maintained wholly or principally by two or more employers as defined in paragraph (i), (ii), or (iii) of this subdivision and which is engaged in the performance of services in connection with or incidental to railroad transportation; and

45 USC 151.

“(v) any railway labor organization, national in scope, which has been or may be organized in accordance with the provisions of the Railway Labor Act, as amended, and its State and National legislative committees, general committees, insurance departments, and local lodges and divisions, established pursuant to the constitution or bylaws of such organization.

“(2) Notwithstanding the provisions of subdivision (1) of this subsection, the term ‘employer’ shall not include—

“(i) any company by reason of its being engaged in the mining of coal, the supplying of coal to an employer where delivery is not beyond the mine tipple, and the operation of equipment or facilities therefor, or in any of such activities; and

“(ii) any street, interurban, or suburban electric railway, unless such railway is operating as a part of a general diesel-railroad system of transportation, but shall not exclude any part of the general diesel-railroad system of transportation now or hereafter operated by any other motive power. The Interstate Commerce Commission is hereby authorized and directed upon request of the Board, or upon complaint of any party interested, to determine after hearing whether any line operated by electric power falls within the terms of this paragraph.

“(b) (1) The term ‘employee’ means (i) any individual in the service of one or more employers for compensation, (ii) any individual who is in the employment relation to one or more employers, and (iii) an employee representative: *Provided, however,* That the term ‘employee’ shall include an employee of a local lodge or division defined as an employer in subsection (a) only if he was in the service of or in the employment relation to an employer as defined in paragraph (i) of subsection (a) (1) on or after August 29, 1935.

“(2) The term ‘employee’ shall not include any individual while such individual is engaged in the physical operations consisting of the mining of coal, the preparation of coal, the handling (other than movement by rail with standard railroad locomotives) of coal not beyond the mine tipple, or the loading of coal at the tipple.

“(c) The term ‘employee representative’ means any officer or official representative of a railway labor organization other than a labor organization included in the term ‘employer’ as defined in subsection (a) who before or after August 29, 1935, was in the service of an employer as defined in subsection (a) and who is duly authorized and

designated to represent employees in accordance with the Railway Labor Act, as amended, and any individual who is regularly assigned to or regularly employed by such officer or official representative in connection with the duties of his office.

45 USC 151.

“(d) (1) An individual is in the service of an employer whether his service is rendered within or without the United States if—

“(i) (A) he is subject to the continuing authority of the employer to supervise and direct the manner of rendition of his service, or (B) he is rendering professional or technical services and is integrated into the staff of the employer, or (C) he is rendering, on the property used in the employer's operations, personal services the rendition of which is integrated into the employer's operations; and

“(ii) he renders such service for compensation, or a method of computing the monthly compensation for such service is provided in section 3(j).

“(2) Notwithstanding the provisions of subdivision (1) of this subsection—

“(i) an individual shall be deemed to be in the service of an employer, other than a local lodge or division or a general committee of a railway-labor-organization employer, not conducting the principal part of its business in the United States only when he is rendering service to it in the United States;

“(ii) an individual shall be deemed to be in the service of a local lodge or division of a railway-labor-organization employer not conducting the principal part of its business in the United States only if (A) all, or substantially all, the individuals constituting the membership of such local lodge or division are employees of an employer conducting the principal part of its business in the United States; or (B) the headquarters of such local lodge or division is located in the United States; and

“(iii) an individual shall be deemed to be in the service of a general committee of a railway-labor-organization employer not conducting the principal part of its business in the United States only if (A) he is representing a local lodge or division described in clause (A) or (B) of paragraph (ii); or (B) all, or substantially all, the individuals represented by such general committee are employees of an employer conducting the principal part of its business in the United States; or (C) he acts in the capacity of a general chairman or an assistant general chairman of a general committee which represents individuals rendering service in the United States to an employer, but in such case if his office or headquarters is not located in the United States and the individuals represented by such general committee are employees of an employer not conducting the principal part of its business in the United States, only such proportion of the remuneration for such service shall be regarded as compensation as the proportion which the mileage in the United States under the jurisdiction of such general committee bears to the total mileage

under its jurisdiction, unless such mileage formula is inapplicable, in which case the Board may prescribe such other formula as it finds to be equitable, and if the application of such mileage formula, or such other formula as the Board may prescribe, would result in the compensation of the individual being less than 10 per centum of his remuneration for such service no part of such remuneration shall be regarded as compensation.

“(3) Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, an individual not a citizen or resident of the United States shall not be deemed to be in the service of an employer when rendering service outside the United States to an employer who is required under the laws applicable in the place where the service is rendered to employ therein, in whole or in part, citizens or residents thereof. For purposes of this subdivision, the laws applicable on August 29, 1935, in the place where the service is rendered shall be deemed to have been applicable there at all times prior to that date.

“(e) (1) An individual shall be deemed to have been in the employment relation to an employer on August 29, 1935, if—

“(i) he was on that date on leave of absence from his employment, expressly granted to him by the employer by whom he was employed, or by a duly authorized representative of such employer, and the grant of such leave of absence will have been established to the satisfaction of the Board before July 1947;

“(ii) he was in the service of an employer after August 29, 1935, and before January 1946 in each of six calendar months, whether or not consecutive;

“(iii) before August 29, 1935, he did not retire and was not retired or discharged from the service of the last employer by whom he was employed or its corporate or operating successor, but (A) solely by reason of his physical or mental disability he ceased before August 29, 1935, to be in the service of such employer and thereafter remained continuously disabled until he attained age sixty-five or until August 1945, or (B) solely for such last stated reason an employer by whom he was employed before August 29, 1935, or an employer who is its successor did not on or after August 29, 1935, and before August 1945 call him to return to service, or (C) if he was so called he was solely for such reason unable to render service in six calendar months as provided in paragraph (ii); or

“(iv) he was on August 29, 1935, absent from the service of an employer by reason of a discharge which, within one year after the effective date thereof, was protested, to an appropriate labor representative or to the employer, as wrongful, and which was followed within ten years of the effective date thereof by his reinstatement in good faith to his former service with all his seniority rights.

“(2) Notwithstanding the provisions of subdivision (1) of this subsection, an individual shall not be deemed to have been in the employment relation to an employer on August 29, 1935, if before that date

he was granted a pension or gratuity on the basis of which a pension was awarded to him pursuant to section 6 of the Railroad Retirement Act of 1937, or if during the last payroll period before August 29, 1935, in which he rendered service to an employer he was not in the service of an employer, in accordance with subsection (d), with respect to any service in such payroll period, or if he could have been in the employment relation to an employer only by reason of his having been, either before or after August 29, 1935, in the service of a local lodge or division defined as an employer in subsection (a).

45 USC 228f.

“(f) (1) The term ‘years of service’ shall mean the number of years an individual as an employee shall have rendered service to one or more employers for compensation or received remuneration for time lost, and shall be computed in accordance with the provisions of section 3(i). Twelve calendar months, consecutive or otherwise, in each of which an employee has rendered such service or received such wages for time lost, shall constitute a year of service. Ultimate fractions shall be taken at their actual value, except that if the individual will have had not less than one hundred twenty-six months of service, an ultimate fraction of six months or more shall be taken as one year.

“(2) Where service prior to August 29, 1935, may be included in the computation of years of service as provided in subdivision (3) of section 3(i), it may be included as to—

“(i) service rendered to a person which was an employer on August 29, 1935, irrespective of whether such person was an employer at the time such service was rendered;

“(ii) service rendered to any express company, sleeping-car company, or carrier by railroad which was a predecessor of a company which, on August 29, 1935, was an employer as defined in paragraph (i) of subsection (a) (1), irrespective of whether such predecessor was an employer at the time such service was rendered; and

“(iii) service rendered to a person not an employer in the performance of operations involving the use of standard railroad equipment if such operations were performed by an employer on August 29, 1935.

“(g) (1) For purposes of section 3(i) (2) of this Act, an individual shall be deemed to have been in ‘military service’ when commissioned or enrolled in the active service of the land or naval forces of the United States and until resignation or discharge therefrom; and the service of any individual in any reserve component of the land or naval forces of the United States, while serving in the land or naval forces of the United States for any period, even though less than thirty days, shall be deemed to have been active service in such force during such period.

“(2) For purposes of section 3(i) (2) of this Act, a ‘war service period’ shall mean (A) any war period, or (B) with respect to any particular individual, any period during which such individual (i) having been in military service at the end of a war period, was required to continue in military service, or (ii) was required by call of the President, or by any Act of Congress or regulation, order, or proclamation pursuant thereto, to enter and continue in military service, or (C) any period after September 7, 1939, with respect to which a state of national emergency was duly declared to exist which requires a strengthening of the national defense.

“(3) For purposes of section 3(i) (2) of this Act, a ‘war period’ shall be deemed to have begun on whichever of the following dates is the earliest: (A) the date on which the Congress of the United States declared war; or (B) the date as of which the Congress of the United States declared that a state of war has existed; or (C) the date on

which war was declared by one or more foreign states against the United States; or (D) the date on which any part of the United States or any territory under its jurisdiction was invaded or attacked by any armed force of one or more foreign states; or (E) the date on which the United States engaged in armed hostilities for the purpose of preserving the Union or of maintaining in any State of the Union a republican form of government.

"(4) For purposes of section 3(i) (2) of this Act, a 'war period' shall be deemed to have ended on the date on which hostilities ceased.

"(h) (1) The term 'compensation' means any form of money remuneration paid to an individual for services rendered as an employee to one or more employers, or as an employee representative, including remuneration paid for time lost as an employee, but remuneration paid for time lost shall be deemed earned in the month in which such time is lost. A payment made by an employer to an individual through the employer's payroll shall be presumed, in the absence of evidence to the contrary, to be compensation for service rendered by such individual as an employee of the employer in the period with respect to which the payment is made. Compensation earned in any calendar month before 1947 shall be deemed paid in such month regardless of whether or when payment will have been in fact made, and compensation earned in any calendar year after 1946 but paid after the end of such calendar year shall be deemed to be compensation paid in the calendar year in which it will have been earned if it is so reported by the employer before February 1 of the next succeeding calendar year or if the employee establishes, subject to the provisions of section 9, the period during which such compensation will have been earned.

"(2) An employee shall be deemed to be paid 'for time lost' the amount he is paid by an employer with respect to an identifiable period of absence from the active service of the employer, including absence on account of personal injury, and the amount he is paid by the employer for loss of earnings resulting from his displacement to a less remunerative position or occupation. If a payment is made by an employer with respect to a personal injury and includes pay for time lost, the total payment shall be deemed to be paid for time lost unless, at the time of payment, a part of such payment is specifically apportioned to factors other than time lost, in which event only such part of the payment as is not so apportioned shall be deemed to be paid for time lost.

"(3) Solely for purposes of determining amounts to be included in the compensation of an employee, the term 'compensation' shall also include cash tips received by an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is less than \$20.

"(4) Tips included as compensation by reason of the provisions of subdivision (3) shall be deemed to be paid at the time a written statement including such tips is furnished to the employer pursuant to section 6053 (a) of the Internal Revenue Code of 1954 or, if no statement including such tips is so furnished, at the time received. Tips so deemed to be paid in any month shall be deemed paid for services rendered in such month.

"(5) In determining compensation, there shall be attributable as compensation paid to an employee in calendar months in which he is in military service creditable under section 3(i) (2), in addition to any other compensation paid to him with respect to such months—

"(i) for each such calendar month prior to 1968, \$160;

"(ii) for each such calendar month after 1967 and prior to 1975, \$260; and

“(iii) for each such calendar month after 1974, the amount which is creditable as such individual’s ‘wages’ under the third paragraph of section 209 of the Social Security Act.

42 USC 409.

“(6) Notwithstanding the provisions of the preceding subdivisions of this subsection, the term ‘compensation’ shall not include—

“(i) tips, except as is provided under subdivision (3) of this subsection;

“(ii) the voluntary payment by an employer, without deduction from the remuneration of the employee, of any tax now or hereafter imposed with respect to the compensation of such employee;

“(iii) remuneration for service which is performed by a non-resident alien individual for the period he is temporarily present in the United States as a nonimmigrant under subparagraph (F) or (J) of section 101(a)(15) of the Immigration and Nationality Act, as amended, and which is performed to carry out the purpose specified in subparagraph (F) or (J), as the case may be;

8 USC 1101.

“(iv) remuneration earned in the service of a local lodge or division of a railway-labor-organization employer with respect to any calendar month in which the amount of such remuneration is less than \$25; and

“(v) remuneration for service as a delegate to a national or international convention of a railway-labor-organization employer if the individual rendering such service has not previously rendered service, other than as such a delegate, which may be included in his ‘years of service’.

“(i) The term ‘Board’ means the Railroad Retirement Board.

“(j) The term ‘company’ includes corporations, associations, and joint-stock companies.

“(k) The term ‘employee’ includes an officer of an employer.

“(l) The term ‘person’ means an individual, a partnership, an association, a joint-stock company, a corporation, or the United States or any other governmental body.

“(m) The term ‘United States,’ when used in a geographical sense, means the States and the District of Columbia.

“(n) The term ‘Social Security Act’ means the Social Security Act as amended from time to time.

42 USC 1305.

“(o) An individual shall be deemed to have ‘a current connection with the railroad industry’ at the time an annuity begins to accrue to him and at death if, in any thirty consecutive calendar months before the month in which an annuity under this Act begins to accrue to him, or the month in which he dies if that first occurs, he will have been in service as an employee in not less than twelve calendar months and, if such thirty calendar months do not immediately precede such month, he will not have been engaged in any regular employment other than employment for an employer or employment with the Department of Transportation, the Interstate Commerce Commission, the National Mediation Board, or the Railroad Retirement Board in the period before such month and after the end of such thirty months. For the purposes of section 2(d) only, an individual shall be deemed also to have a ‘current connection with the railroad industry’ if he will have completed ten years of service and (A) he would be neither fully nor currently insured under the Social Security Act if his service as an employee after December 31, 1936, were included in the term ‘employment’ as defined in that Act, or (B) he has no quarters of coverage under the Social Security Act.

“(p) The term ‘annuity’ means a monthly sum which is payable on the first day of each calendar month for the accrual during the preceding calendar month.

"(q) The terms 'quarter' and 'calendar quarter' shall mean a period of three calendar months ending on March 31, June 30, September 30, or December 31.

42 USC 1305.

42 USC 414.

"(r) For purposes of this Act, a person shall be considered to be permanently insured under the Social Security Act on December 31, 1974, if he or she would be fully insured within the meaning of section 214(a) of that Act when he or she attains age 62 solely on the basis of his or her quarters of coverage under that Act acquired prior to January 1, 1975.

"ANNUITY ELIGIBILITY REQUIREMENTS

45 USC 231a.

"SEC. 2. (a) (1) The following-described individuals, if they shall have completed ten years of service and shall have filed application for annuities, shall, subject to the conditions set forth in subsections (e), (f), and (h), be entitled to annuities in the amounts provided under section 3 of this Act—

"(i) individuals who have attained the age of sixty-five;

"(ii) individuals who have attained the age of sixty and have completed thirty years of service;

"(iii) individuals who have attained the age of sixty-two and have completed less than thirty years of service, but the annuity of such individuals shall be reduced by 1/180 for each calendar month that he or she is under age sixty-five when the annuity begins to accrue;

"(iv) individuals who have a current connection with the railroad industry, whose permanent physical or mental condition is such as to be disabling for work in their regular occupation, and who (A) have completed twenty years of service or (B) have attained the age of sixty; and

"(v) individuals whose permanent physical or mental condition is such that they are unable to engage in any regular employment.

"(2) For the purposes of paragraph (iv) of subdivision (1), the Board, with the cooperation of employers and employees, shall secure the establishment of standards determining the physical and mental conditions which permanently disqualify employees for work in the several occupations in the railroad industry, and the Board, employers, and employees shall cooperate in the promotion of the greatest practicable degree of uniformity in the standards applied by the several employers. An individual's condition shall be deemed to be disabling for work in his regular occupation if he will have been disqualified by his employer for service in his regular occupation in accordance with the applicable standards so established; if the employee will not have been so disqualified by his employer, the Board shall determine whether his condition is disabling for work in his regular occupation in accordance with the standards generally established; and, if the employee's regular occupation is not one with respect to which standards will have been established, the standards relating to a reasonably comparable occupation shall be used. If there is no such comparable occupation, the Board shall determine whether the employee's condition is disabling for work in his regular occupation by determining whether under the practices generally prevailing in industries in which such occupation exists such condition is a permanent disqualification for work in such occupation. For purposes of this subdivision and paragraph (iv) of subdivision (1), an employee's 'regular occupation' shall be deemed to be the occupation in which he will have been engaged in more calendar months than the calendar months in which he will have been engaged in any other occupation during the last

preceding five calendar years, whether or not consecutive, in each of which years he will have earned wages or salary, except that, if an employee establishes that during the last fifteen consecutive calendar years he will have been engaged in another occupation in one-half or more of all the months in which he will have earned wages or salary, he may claim such other occupation as his regular occupation.

“(3) Such satisfactory proof shall be made from time to time as prescribed by the Board, of the disability provided for in paragraph (iv) or (v) of subdivision (1) and of the continuance of such disability (according to the standards applied in the establishment of such disability) until the employee attains the age of sixty-five. If the individual fails to comply with the requirements prescribed by the Board as to proof of the continuance of the disability until he attains the age of sixty-five years, his right to an annuity by reason of such disability shall, except for good cause shown to the Board, cease, but without prejudice to his rights to any subsequent annuity to which he may be entitled.

“(b) (1) An individual who—

“(i) has attained age 60 and completed thirty years of service or attained age 65;

“(ii) has completed twenty-five years of service;

“(iii) is entitled to the payment of an annuity under subsection (a) (1); and

“(iv) had a current connection with the railroad industry at the time such annuity began to accrue;

shall, subject to the conditions set forth in subdivision (2) of this subsection and in subsections (e) and (h), be entitled to a supplemental annuity in the amount provided under section 3 of this Act: *Provided, however*, That in cases where an individual's annuity under subsection (a) (1) begins to accrue on other than the first day of the month, the amount of any supplemental annuity to which he is entitled for that month shall be reduced by one-thirtieth for each day with respect to which he is not entitled to an annuity under subsection (a) (1).

“(2) No individual shall be entitled to a supplemental annuity provided by this subsection for any period after he renders any service as an employee for compensation after his supplemental annuity closing date, which is the last day of the month following the month in which he attains age 65: *Provided, however*, That the supplemental annuity closing date of an individual who attained age 65 prior to January 1, 1975, shall be determined under section 3(j) (4) of the Railroad Retirement Act of 1937: *Provided further*, That for an employee whose supplemental annuity closing date occurs after he has completed at least 23 years of service but before he has completed 25 years of service and before he would have been entitled (upon filing an application therefor) to monthly insurance benefits under section 202(a) of the Social Security Act if he had no service as an employee under this Act, such closing date shall be extended to the earlier of (A) the day before the first day of the first month for which he would (on application) be entitled to monthly insurance benefits under section 202(a) of the Social Security Act if he had no service as an employee under this Act, or (B) the last day of the first month for which he qualifies for a supplemental annuity under this subsection.

45 USC 228c.

42 USC 402.

“(3) The provisions of subdivision (2) shall not supersede the provisions of any agreement reached through collective bargaining which provides for mandatory retirement at an age less than the applicable supplemental annuity closing date determined under such subdivision.

“(c) (1) The spouse of an individual, if—

“(i) such individual (A) is entitled to an annuity under subsection (a) (1) and (B) has attained the age of 60 and has com-

pleted thirty years of service or has attained the age of 62, and
“(ii) such spouse (A) has attained the age of 65, or (B) has attained the age of 60 and such individual has completed thirty years of service, or (C), in the case of a wife, has in her care (individually or jointly with her husband) a child who meets the qualifications prescribed in paragraph (iii) of subsection (d) (1) (without regard to the provisions of clause (B) of such paragraph),

shall, subject to the conditions set forth in subsections (e), (f), and (h), be entitled to a spouse's annuity, if he or she has filed application therefor, in the amount provided under section 4 of this Act.

“(2) A spouse who would be entitled to an annuity under subdivision (1) if he or she had attained the age of 65 may elect upon or after attaining the age of 62 to receive such annuity, but the annuity in any such case shall be reduced by 1/180 for each calendar month that the spouse is under age 65 when the annuity begins to accrue.

“(3) For the purposes of this Act, the term ‘spouse’ shall mean the wife or husband of an annuitant under subsection (a) (1) who (i) was married to such annuitant for a period of not less than one year immediately preceding the day on which the application for a spouse's annuity is filed, or in the month prior to his or her marriage to such annuitant was eligible for an annuity under paragraph (i) or (iv) of subsection (d) (1) or, on the basis of disability, under paragraph (iii) thereof, or is the parent of such annuitant's son or daughter, if, as of the day on which the application for a spouse's annuity is filed, such wife or husband and such annuitant were members of the same household, or such wife or husband was receiving regular contributions from such annuitant toward her or his support, or such annuitant has been ordered by any court to contribute to the support of such wife or husband; and (ii) in the case of a husband, was receiving at least one-half of his support from his wife at the time his wife's annuity under subsection (a) (1) began.

“(d) (1) The following described survivors of a deceased employee who will have completed ten years of service and will have had a current connection with the railroad industry at the time of his death shall, subject to the conditions set forth in subsections (g) and (h), be entitled to annuities, if they have filed application therefor, in the amounts provided under section 4 of this Act—

42 USC 416.

“(i) a widow (as defined in section 216 (c) and (k) of the Social Security Act) or widower (as defined in section 216 (g) and (k) of the Social Security Act) of such a deceased employee who has not remarried and who (A) will have attained the age of sixty or (B) will have attained the age of fifty but will not have attained age sixty and is under a disability which began before the end of the period prescribed in subdivision (2), and who, in the case of a widower, was receiving at least one-half of his support from the deceased employee at the time of her death or at the time her annuity under subsection (a) (1) began;

“(ii) a widow (as defined in section 216 (c) and (k) of the Social Security Act) of such a deceased employee who has not remarried and who (A) is not entitled to an annuity under paragraph (i), and (B) at the time of filing an application for an annuity under this paragraph, will have in her care a child of such deceased employee, which child is entitled to an annuity under paragraph (iii) (other than an annuity payable to a child who has attained age 18 and is not under a disability);

“(iii) a child (as defined in section 216 (e) and (k) of the Social Security Act) of such a deceased employee who (A) will be less than eighteen years of age, or (B) will be less than twenty-

two years of age and a full-time student at an educational institution, or (C) will, without regard to his age, be under a disability which began before he attained age twenty-two or before the close of the eighty-fourth month following the month in which his most recent entitlement to an annuity under this paragraph terminated because he ceased to be under a disability, and who is unmarried and was dependent upon the employee at the time of the employee's death; and

“(iv) a parent (as defined in section 202(h)(3) of the Social Security Act) of such a deceased employee who (A) will have attained the age of sixty and (B) will have received at least one-half of his or her support from such deceased employee at the time of the employee's death and (C) will not have remarried after the employee's death: *Provided, however,* That no parent will be entitled to an annuity under this paragraph on the basis of the deceased employee's compensation and years of service in any case where such employee died leaving a widow or widower or a child who is, or who might in the future become, entitled to an annuity under this subsection.

42 USC 402.

“(2) The period referred to in clause (B) of subdivision (1)(i) is the period (i) beginning with the latest of (A) the month of the employee's death, (B) in the case of a widow, the last month for which she was entitled to an annuity under paragraph (ii) of subdivision (1) as the widow of the deceased employee, or (C) the month in which the widow's or widower's previous entitlement to an annuity as the widow or widower of the deceased employee terminated because her or his disability had ceased and (ii) ending with the month before the month in which she or he attains age sixty, or, if earlier, with the close of the eighty-fourth month following the month with which such period began.

“(3) For purposes of paragraph (i) or (iii) of subdivision (1), a widow, widower, or child shall be under a disability if her or his permanent physical or mental condition is such that she or he is unable to engage in any regular employment. The provisions of subsection (a)(3) of this section as to the proof of disability shall apply with regard to determinations with respect to disability under subdivision (1).

“(4) In determining for purposes of this subsection and subdivision (3) of subsection (c) whether an applicant is the wife, husband, widow, widower, child, or parent of a deceased employee as claimed, the rules set forth in section 216(h) of the Social Security Act shall be applied deeming, for this purpose, individuals entitled to an annuity under subsection (c) to be entitled to benefits under subsection (b) or (c) of section 202 of the Social Security Act and individuals entitled to an annuity under paragraph (i) or (ii) of subsection (d)(1) to be entitled to a benefit under subsection (e), (f), or (g) of section 202 of the Social Security Act. For purposes of paragraph (iii) of subdivision (1), a child shall be deemed to have been dependent upon his parent employee if the conditions set forth in section 202(d)(3), (4), or (9) of the Social Security Act are fulfilled. The provisions of paragraph (7) of section 202(d) of the Social Security Act (defining the terms ‘full-time student’ and ‘educational institution’) shall be applied by the Board in the administration of this subsection as if the references therein to the Secretary were references to the Board. A child who attains age twenty-two at a time when he is a full-time student (as defined in subparagraph (A) of paragraph (7) of section 202(d) of the Social Security Act and without the application of subparagraph (B) of such paragraph) but has not (at such time) completed the requirements for, or received, a degree from a four-year

42 USC 416.

42 USC 402.

college or university shall be deemed (for purposes of determining his continuing or initial entitlement to an annuity under this subsection) not to have attained such age until the first day of the first month following the end of the quarter or semester in which he is enrolled at such time (or, if the educational institution in which he is enrolled is not operated on a quarter or semester system, until the first day of the first month following the completion of the course in which he is enrolled or until the first day of the third month beginning after such time, whichever first occurs).

“(e) (1) No individual shall be entitled to an annuity under subsection (a) (1) until he shall have ceased to render compensated service to any person, whether or not an employer as defined in section 1(a) (but with the right to engage in other employment to the extent not prohibited by subdivision (3) or (4) of this subsection or by subsection (f)). As used in this subsection, the term ‘compensated service’ shall not include any service as an elected public official of the United States, a State, or any political subdivision of a State.

“‘Compensated
service.’”

“(2) An annuity under subsection (a) (1) shall be paid only if the applicant shall have relinquished such rights as he may have to return to the service of an employer and of the person, or persons, by whom he was last employed: *Provided, however*, That this requirement shall not apply to individuals mentioned in paragraphs (iv) and (v) of subsection (a) (1) prior to attaining age sixty-five: *Provided further*, That, notwithstanding the provisions of the preceding proviso and of clause (i) of subsection (c) (1) of this section, an annuity shall be paid to the spouse of an individual only if such individual shall have satisfied the requirements of this subdivision without regard to the preceding proviso: *And provided further*, That, notwithstanding the provisions of the first proviso of this subdivision and of clause (iii) of subsection (b) (1) of this section, a supplemental annuity shall be paid to an individual only if such individual shall have satisfied the requirements of this subdivision without regard to the first proviso thereof.

“(3) No annuity under subsection (a) (1) or supplemental annuity under subsection (b) (1) shall be paid with respect to any month in which an individual in receipt of an annuity or supplemental annuity thereunder shall render compensated service to an employer or to the last person, or persons, by whom he was employed prior to the date on which the annuity under subsection (a) (1) began to accrue. Individuals receiving annuities under subsection (a) (1) shall report to the Board immediately all such compensated service.

“(4) No annuity under paragraph (iv) or (v) of subsection (a) (1) shall be paid to an individual with respect to any month in which the individual is under age sixty-five and is paid more than \$200 in earnings from employment or self-employment of any form: *Provided, however*, That for purposes of this subdivision, if a payment in any one calendar month is for accruals in more than one calendar month, such payment shall be deemed to have been paid in each of the months in which accrued to the extent accrued in such month. Any such individual under the age of sixty-five shall report to the Board any such payment of earnings for such employment or self-employment before receipt and acceptance of an annuity for the second month following the month of such payment. A deduction shall be imposed, with respect to any such individual who fails to make such report, in the annuity or annuities otherwise due the individual, in an amount equal to the amount of the annuity for each month in which he is paid such earnings in such employment or self-employment, except that the first deduction imposed pursuant to this sentence shall in no case exceed an amount equal to the amount of the annuity otherwise due for the first

month with respect to which the deduction is imposed. If pursuant to the first sentence of this subdivision an annuity was not paid to an individual with respect to one or more months in any calendar year, and it is subsequently established that the total amount of such individual's earnings during such year as determined in accordance with that sentence (but exclusive of earnings for services described in subdivision (3)) did not exceed \$2,400, the annuity with respect to such month or months, and any deduction imposed by reason of the failure to report earnings for such month or months under the third sentence of this subdivision, shall then be payable. If the total amount of such individual's earnings during such year (exclusive of earnings for services described in subdivision (3)) is in excess of \$2,400, the number of months in such year with respect to which an annuity is not payable by reason of such first and third sentences shall not exceed one month for each \$200 of such excess, treating the last \$100 or more of such excess as \$200; and if the amount of the annuity has changed during such year, any payments of annuities which become payable solely by reason of the limitations contained in this sentence shall be made first with respect to the month or months for which the annuity is larger.

“(5) The annuity of a spouse under subsection (c) shall, with respect to any month, be subject to the same provisions of this subsection as the individual's annuity. In addition, the annuity of a spouse under subsection (c) shall not be payable for any month if the individual's annuity under subsection (a)(1) is not payable for such month by reason of the provisions of this subsection.

“(f)(1) That portion of the individual's annuity as is computed under section 3(a) of this Act on the basis of (A) his compensation and years of service subsequent to December 31, 1974, and (B) his wages and self-employment income derived from employment and self-employment under the Social Security Act and that portion of the individual's annuity as is computed under section 3(h) of this Act shall be subject to deductions on account of work pursuant to the provisions of section 203 of the Social Security Act in the same manner as if such portion of such annuity were a monthly insurance benefit under that Act: *Provided, however,* That the provisions of this subdivision shall be applicable to the annuity of an individual only if such individual would be fully insured under the Social Security Act on the basis of wages and self-employment income derived from employment and self-employment under that Act and on the basis of compensation derived from service as an employee after December 31, 1974, if such service as an employee had been included in the term ‘employment’ as defined in that Act. Any person in receipt of an annuity subject to deduction under this subsection shall report to the Board the receipt of excess earnings as defined in paragraph (3) of section 203(f) of the Social Security Act.

42 USC 1305.

42 USC 403.

“(2) That portion of the spouse's annuity under subsection (c) which is derived from the portion of the individual's annuity subject to deductions under subdivision (1) and that portion of the spouse's annuity as is computed under section 4(e) of this Act shall be subject to deductions on account of work pursuant to the provisions of section 203 of the Social Security Act in the same manner as if such portion of such spouse's annuity were a monthly insurance benefit under that Act. In addition, such portion of the spouse's annuity shall be subject to deductions if the individual's annuity is subject to deductions under subdivision (1) in the same manner as if such portion of such spouse's annuity were a monthly insurance benefit under the Social Security Act.

“(g) (1) No annuity shall be paid to a survivor under subsection (d) with respect to any month in which such survivor renders service for compensation as an employee of an employer. Survivors receiving annuities under subsection (d) shall report to the Board immediately all such service for compensation.

42 USC 403.

42 USC 402.

“(2) Deductions, in amounts and at such time or times as the Board shall determine, shall be made from any payments to which a survivor is entitled under subsection (d) until the total of such deductions equals such survivor's annuity under that subsection for any month, if for such month such survivor is under the age of seventy-two and is charged with excess earnings under section 203(f) of the Social Security Act or, having engaged in any activity outside the United States, would be charged under such section 203(f) with any excess earnings derived from such activity if it had been an activity within the United States. For purposes of this subdivision the Board shall have the authority to take such actions and to make such determinations and such suspensions of payment of benefits in the manner and to the extent that the Secretary of Health, Education, and Welfare would be authorized to take or to make under section 203(h) (3) of the Social Security Act if the survivors were receiving the annuities to which this subdivision applies under section 202 of such Act: *Provided, however, That in determining a survivor's excess earnings for a year for the purposes of this subdivision there shall not be included his income from employment or self-employment during months beginning with the month with respect to which he ceases to be qualified for an annuity. Survivors receiving annuities under subsection (d) shall report to the Board the receipt of excess earnings described in this subdivision.*

“(h) (1) In the event military service credited under section 3(i) (2) of this Act is or has been used as the basis or as a partial basis for a pension, disability compensation, or any other gratuitous benefits payable on a periodic basis under any other Act of Congress, any annuity of an individual under subsection (a) (1) which is based in part on such military service shall be reduced, with respect to a calendar month for all or part of which such other benefit is also payable, by (i) the proportion which the number of years of service by which such military service increases the years of service bears to the total years of service, or (ii) the aggregate amount of such pension or other benefit with respect to that month, whichever would result in the smaller reduction: *Provided, however, That in no case shall the reduction under this subdivision operate to reduce the annuity of an individual under subsection (a) (1) below the amount it would have been if military service had not been included in the individual's years of service. If the annuity of an individual under subsection (a) (1) is reduced for any month by reason of this subdivision, any annuity payable to the spouse of such individual for such month under subsection (c) shall be reduced proportionately.*

“(2) The supplemental annuity provided an individual by subsection (b) shall, with respect to any month, be reduced by the amount of the supplemental pension, attributable to the employer's contribution, that such individual is entitled to receive for that month under any other supplemental pension plan: *Provided, however, That the maximum of such reduction shall be equal to the amount of the supplemental annuity less any amount by which the supplemental pension is reduced by reason of the supplemental annuity.*

“(3) If a spouse entitled to an annuity under subsection (c) or a survivor entitled to an annuity under subsection (d) for any month is also entitled to annuity under subsection (a) (1) for such month, the annuity under subsection (c) or (d) shall be reduced, but not below

zero, by an amount equal to the annuity under subsection (a) (1) : *Provided, however,* That the provisions of this subdivision shall not apply if either the spouse or survivor or the individual upon whose earnings record the spouse's or survivor's annuity under subsection (c) or (d) is based rendered service as an employee to an employer, or as an employee representative, prior to January 1, 1975.

"(4) If an annuitant is entitled to more than one annuity under subsections (c) and (d) for a month, such annuitant shall be entitled to only the larger of such annuities for such month, except that, if such annuitant so elects, he shall instead be entitled to only the smaller of such annuities for such month.

"COMPUTATION OF EMPLOYEE ANNUITIES

"SEC. 3. (a) (1) The annuity of an individual under section 2(a) (1) of this Act shall be in an amount equal to the amount (before any reduction on account of age and before any deductions on account of work) of the old-age insurance benefit or disability insurance benefit to which such individual would have been entitled under the Social Security Act if all of his or her service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act.

45 USC 231b.

42 USC 1305.

"(2) For purposes of this subsection, individuals entitled to an annuity under paragraph (ii) of section 2(a) (1) of this Act shall, except for purposes of recomputations in accordance with the provisions of section 215(f) of the Social Security Act, be deemed to have attained age 65, and individuals entitled to an annuity under paragraph (iv) or (v) of such section 2(a) (1) shall be deemed to be entitled to a disability insurance benefit under section 223 of the Social Security Act.

42 USC 415.

42 USC 423.

"(b) (1) The amount of the annuity of an individual provided under subsection (a) of this section shall be increased by an amount equal to (A) the amount of the annuity to which such individual would have been entitled (without regard to the requirement that an individual's years of service be ten or more) under section 2(a) (1) of the Railroad Retirement Act of 1937 as in effect on December 31, 1974, on the basis of his compensation and years of service prior to January 1, 1975, deeming such individual (i) to be eligible for such an annuity and (ii) to be entitled to no other benefit under either that Act or the Social Security Act except a benefit under the Social Security Act in the amount computed in accordance with the provisions of subclause (ii) of clause (C) of subsection (h) (1) or (h) (2) of this section, minus (B) the amount of the old-age insurance benefit to which such individual would have been entitled (before any deductions on account of work and subject to the last sentence of this subdivision) under the Social Security Act as in effect on December 31, 1974, if all his service as an employee after December 31, 1936, and before January 1, 1975, were included in the term 'employment' as defined in that Act, and if such individual (i) were age 65 and otherwise eligible for such a benefit and (ii) had no wages or self-employment income under that Act other than wages derived from service as an employee after December 31, 1936, and before January 1, 1975. For purposes of computing amounts under clause (A) of this subdivision, the Board shall have the authority to approximate the effect of the reductions prescribed by sections 3(a) (2) and 3(a) (3) of the Railroad Retirement Act of 1937 in cases where the individual is entitled to a benefit under subsection (h) (1) or (h) (2) of this section. For purposes of this subdivision, 18 'benefit computation years' shall be used in calculating an individual's 'average monthly wage',

45 USC 228b.

45 USC 228c.

45 USC 228c.

except in computing increases in amounts determined under clause (A) of this subdivision pursuant to section 3(a)(6) of the Railroad Retirement Act of 1937.

“(2) The amount computed under subdivision (1) of this subsection shall be increased by 65 per centum of the percentage increase obtained by comparing the unadjusted Consumer Price Index for the month of September 1976 with the unadjusted Consumer Price Index for the September immediately preceding the earlier of (A) the calendar year in which the individual's annuity under section 2(a)(1) of this Act begins to accrue or (B) the calendar year 1981.

“(c) If an individual entitled to an annuity under section 2(a)(1) of this Act will have rendered service as an employee to an employer, or as an employee representative, subsequent to December 31, 1974, the amount of the annuity of such individual provided under the preceding subsections of this section shall be increased by \$1.50 for each of the first ten years of service that the individual has prior to January 1, 1975, and by \$1.00 for each year of service prior to January 1, 1975, that the individual has in excess of ten years.

“(d) (1) The amount of the annuity of an individual provided under the preceding subsections of this section shall be increased according to the following formula:

$$I = Y (.005A + 4)$$

“(2) The amount computed under subdivision (1) of this subsection shall be increased according to the following formula:

$$I = 2.6YC$$

“(3) The amount computed under subdivisions (1) and (2) of this subsection shall be further increased according to the following formula:

$$I = .005Y[.65BC - (B - D)]$$

In no event shall this subdivision result in a decrease in the amounts computed under subdivisions (1) and (2).

“(4) For purposes of the formulae set forth in this subsection:

“‘I’ represents the amount of increase in dollars;

“‘A’ represents the employee's average monthly compensation for service after 1974;

“‘Y’ represents the number of years of service of the employee after 1974;

“‘C’ represents the percentage increase (converted to a decimal fraction) obtained by comparing the unadjusted Consumer Price Index for the month of September 1976 with the unadjusted Consumer Price Index for the September immediately preceding the earlier of the calendar year in which the individual's annuity under section 2(a)(1) of this Act begins to accrue, or the calendar year 1981;

“‘B’ represents the employee's average monthly compensation for his years of service after 1974 (disregarding, for this purpose, compensation for any month after 1980 in excess of one-twelfth of the maximum taxable ‘wages’ as defined in section 3121 of the Internal Revenue Code of 1954 for the calendar year 1980);

“‘D’ represents the employee's average monthly compensation for his years of service after 1974 (disregarding, for this purpose, compensation for any month after 1976 in excess of one-twelfth of the maximum taxable ‘wages’ as defined in section 3121 of the Internal Revenue Code for the calendar year 1976).

“(e) The supplemental annuity of an individual under section 2(b) of this Act shall be \$23 plus an additional amount of \$4 for each year

26 USC 3121.

of service that the individual has in excess of 25 years, but in no case shall the supplemental annuity exceed \$43.

“(f) (1) If the total amount of an individual’s annuity and supplemental annuity computed under the preceding subsections of this section would, before any reductions on account of age, before any reduction due to such individual’s entitlement to a monthly insurance benefit under the Social Security Act, and disregarding any increases in such total amount which become effective after the date on which such begins to accrue, exceed an amount equal to the sum of individual’s annuity under section 2(a)(1) of this Act (A) 100 per centum of his ‘final average monthly compensation’ up to an amount equal to 50 per centum of one-twelfth of the maximum annual taxable ‘wages’ (as defined in section 3121 of the Internal Revenue Code of 1954) for the calendar year in which such individual’s annuity under section 2(a)(1) of this Act begins to accrue, plus (B) 80 per centum of so much of his ‘final average monthly compensation’ as exceeds 50 per centum of one-twelfth of the maximum annual taxable ‘wages’ (as defined in section 3121 of the Internal Revenue Code of 1954) for the calendar year in which such individual’s annuity under section 2(a)(1) of this Act begins to accrue, the supplemental annuity of such individual first, and then, if necessary, the annuity amount of such individual as computed under subsections (b), (c), and (d) of this section, shall be reduced until such total amount of such individual’s annuity and supplemental annuity equals such sum or until such supplemental annuity and such annuity amount computed under subsections (b), (c), and (d) of this section are reduced to zero, whichever occurs first: *Provided, however*, That the provisions of this subdivision shall not operate to reduce the total amount of an individual’s annuity and supplemental annuity computed under the preceding subsections of this section below \$1,200. For purposes of this subdivision, the ‘final average monthly compensation’ of an individual shall be determined by dividing the total compensation received by such individual in the two calendar years, consecutive or otherwise, in which he was credited with the highest total compensation during the ten-year period ending with December 31 of the year in which such individual’s annuity under section 2(a)(1) of this Act begins to accrue by 24. For purposes of this subdivision, the term ‘compensation’ shall include ‘compensation’ as defined in section 1(h) of this Act, ‘wages’ as defined in section 209 of the Social Security Act, ‘self-employment income’ as defined in section 211(b) of the Social Security Act, and wages deemed to have been paid under section 217 or 229 of the Social Security Act on account of military service: *Provided, however*, That in no case shall the compensation with respect to any calendar month exceed the limitation on the compensation for such month prescribed in subsection (j) of this section. Wages and self-employment income included as compensation for purposes of this subdivision shall, in the absence of evidence to the contrary, be presumed to have been paid in equal proportions with respect to all months in the calendar quarter in which credited, in the case of wages, or in equal proportions with respect to all months in the calendar year in which credited, in the case of self-employment income.

42 USC 1305.

26 USC 3121.

42 USC 409.

42 USC 411.

42 USC 417.
429.

“(2) If, in the case of an individual whose annuity under section 2(a)(1) of this Act began to accrue prior to January 1, 1983, the annuity (before any reduction due to such individual’s entitlement to a monthly insurance benefit under the Social Security Act and disregarding any amount provided by subsection (h) of this section) plus the supplemental annuity to which such individual is entitled for any month under this Act, together with the annuity, if any, of the spouse of such individual (before any reduction due to such

42 USC 1305. spouse's entitlement to a wife's or husband's insurance benefit under the Social Security Act and disregarding any amount provided by section 4(e) of this Act), before any reductions under the provisions of section 2(f) of this Act, is less than the total amount which would have been payable to such individual and his spouse for such month, on the basis of the individual's compensation and years of service, 45 USC 228a. under the provisions of the Railroad Retirement Act of 1937 as in effect on December 31, 1974, disregarding, for purposes of the computations under such Railroad Retirement Act of 1937, compensation for any month after December 31, 1974, in excess of one-twelfth of the maximum annual taxable 'wages' (as defined in section 3121 of the Internal Revenue Code of 1954) for the calendar year 1974, the 26 USC 3121. annuity of such individual and the annuity of such spouse, if any, shall be increased, without regard to the provisions of subdivision (1) of this subsection, proportionately so as to equal such total amount. For the purpose of computing amounts under this subdivision, the Board shall have the authority to approximate the effect of the reductions prescribed by sections 3(a) (2) and 3(a) (3) of the Railroad Retirement Act of 1937. For purposes of computing amounts payable 45 USC 228c. under the Railroad Retirement Act of 1937, any increases in the amounts determined under the first proviso of section 3(e) of such Act which would have become effective after December 31, 1974, shall be disregarded.

"(3) If for any month in which an annuity accrues and is payable under this Act the annuity to which an individual is entitled under this Act (or would have been entitled except for a reduction pursuant to a joint and survivor election), together with the annuity, if any, of the spouse of such individual, is less than the total amount, or the additional amount, which would have been payable to all persons for such month under the Social Security Act if such individual's service as an employee after December 31, 1936, were included in the term 'employment' as defined in that Act, such annuity or annuities shall be increased proportionately to such total amount, or such additional amount: *Provided, however,* That if an annuity accrues to an individual or a spouse for a part of a month, the amount payable for such part of a month under this subdivision shall be one-thirtieth of the amount payable under this subdivision for an entire month, multiplied by the number of days in such part of a month. For purposes of this subdivision, (i) persons not entitled to an annuity under section 2 of this Act shall not be included in the computation under this subdivision except a spouse who could qualify for an annuity under section 2(c) of this Act if the individual from whom the spouse's annuity under this Act would derive had attained age 60 or 62, as the case may be, and such individual's children who meet the definition as such contained in section 216 (e) of the Social Security Act; (ii) after an annuity has been certified for payment and this subdivision was inapplicable after allowing for any waiting period under section 223(c) (2) of the Social Security Act, and after having considered the inclusion of all persons who were then eligible for inclusion in the computation under this subdivision, or was then applicable but later became inapplicable, any recertification in such annuity under this subdivision shall not take into account persons not entitled to an annuity under section 2 of this Act except a spouse who could qualify for an annuity under section 2(c) of this Act when she attains age 60 or 62, as the case may be, if the individual from whom the spouse's annuity would derive had attained age 60 or 62, as the case may be, and who was married to such individual at the time he applied for his annuity; and (iii) in computing the amount to be paid under this subdivision the only benefits under title II of the Social

42 USC 416.

42 USC 423.

Security Act which shall be considered shall be those to which the persons included in the computation are entitled.

42 USC 401.

“(g) Those portions of the annuity of an individual as are computed under subsections (b) and (d) of this section shall, if such individual’s annuity under section 2(a)(1) of this Act began to accrue on or before the date on which the applicable increase under this subsection becomes effective, be increased by 32.5 per centum of the percentage increase, if any (rounded to the nearest one-tenth of 1 percent), obtained by comparing (A) the unadjusted Consumer Price Index for the calendar quarter ending March 31, 1977, with such index for the calendar quarter ending March 31, 1976, (B) the unadjusted Consumer Price Index for the calendar quarter ending March 31, 1978, with the higher of (i) such index for the calendar quarter ending March 31, 1977, or (ii) such index for the calendar quarter ending March 31, 1976, (C) the unadjusted Consumer Price Index for the calendar quarter ending March 31, 1979, with the highest of (i) such index for the calendar quarter ending March 31, 1978, (ii) such index for the calendar quarter ending March 31, 1977, or (iii) such index for the calendar quarter ending March 31, 1976, and (D) the unadjusted Consumer Price Index for the calendar quarter ending March 31, 1980, with the highest of (i) such index for the calendar quarter ending March 31, 1979, (ii) such index for the calendar quarter ending March 31, 1978, (iii) such index for the calendar quarter ending March 31, 1977, or (iv) such index for the calendar quarter ending March 31, 1976. The unadjusted Consumer Price Index for any calendar quarter shall be the arithmetical mean of such index for the three months in such quarter. The increases provided under clauses (A), (B), (C), and (D) of this subsection shall be effective on June 1, 1977, June 1, 1978, June 1, 1979, and June 1, 1980, respectively.

“(h) (1) The amount of the annuity provided under subsections (a) through (d) of this section of an individual who (A) will have (i) rendered service as an employee to an employer, or as an employee representative, during the calendar year 1974, or (ii) had a current connection with the railroad industry on December 31, 1974, or at the time his annuity under section 2(a)(1) of this Act began to accrue, or (iii) completed twenty-five years of service prior to January 1, 1975, and (B) will have (i) completed ten years of service prior to January 1, 1975, and (ii) been permanently insured under the Social Security Act on December 31, 1974, shall be increased by an amount equal to the amount by which (C) the sum of (i) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, if his service as an employee after December 31, 1936, and prior to January 1, 1975, were included in the term ‘employment’ as defined in that Act and if he had no wages or self-employment income under that Act other than wages derived from such service as an employee, and (ii) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of his wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, exceeds (D) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of his wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, and on the basis of compensation derived from service as an

42 USC 1305.

employee after December 31, 1936, and prior to January 1, 1975, if such service as an employee had been included in the term 'employment' as defined in that Act.

42 USC 1305.

"(2) The amount of the annuity provided under subsections (a) through (d) of this section to an individual who (A) will not have met the conditions set forth in subclause (i), (ii), or (iii) of clause (A) of subdivision (1) of this subsection, but (B) will have (i) completed ten years of service prior to January 1, 1975, and (ii) been permanently insured under the Social Security Act as of December 31 of the calendar year prior to 1975 in which he last rendered service as an employee to an employer, or as an employee representative, shall be increased by an amount equal to the amount by which (C) the sum of (i) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, if his service as an employee after December 31, 1936, and prior to January 1, 1975, were included in the term 'employment' as defined in that Act and if he had no wages or self-employment income under that Act other than wages derived from such service as an employee, and (ii) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of his wages and self-employment income derived from employment and self-employment under that Act as of December 31 of the calendar year prior to 1975 in which he last performed service as an employee under this Act, exceeds (D) the primary insurance amount to which such individual would have been entitled, upon the attainment of age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of his wages and self-employment income derived from employment and self-employment under that Act as of December 31 of the calendar year prior to 1975 in which he last performed service as an employee under this Act and on the basis of compensation derived from service as an employee after December 31, 1936, and prior to January 1, 1975, if such service as an employee had been included in the term 'employment' as defined in that Act.

"(3) The amount of the annuity provided under subsections (a) through (d) of this section of an individual who (A) will have (i) rendered service as an employee to an employer, or as an employee representative, during the calendar year 1974, or (ii) had a current connection with the railroad industry on December 31, 1974, or at the time his annuity under section 2(a)(1) of this Act began to accrue, or (iii) completed twenty-five years of service prior to January 1, 1975, and (B) will have completed ten years of service prior to January 1, 1975, and is the wife, husband, widow, or widower of a person who will have been permanently insured under the Social Security Act on December 31, 1974, shall be increased by an amount equal to the smaller of (C) the wife's, husband's, widow's, or widower's insurance benefit to which such individual would have been entitled, upon attaining age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of such person's wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, or (D) the primary insurance amount to which such individual would have been entitled upon attaining age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of such individual's wages and self-employment income derived from employment and self-employment

under that Act prior to January 1, 1975, and on the basis of compensation derived from service as an employee after December 31, 1936, and prior to January 1, 1975, if such service as an employee had been included in the term 'employment' as defined in that Act.

"(4) The amount of the annuity provided under subsections (a) through (d) of this section of an individual who (A) will not have met the conditions set forth in subclause (i), (ii), or (iii) of clause (A) of subdivision (3) of this subsection, but (B) will have completed ten years of service prior to January 1, 1975, and is the wife, husband, widow, or widower of a person who will have been permanently insured under the Social Security Act as of December 31 of the calendar year prior to 1975 in which such individual last rendered service as an employee to an employer, or as an employee representative, shall be increased by an amount equal to the smaller of (C) the wife's, husband's, widow's, or widower's insurance benefit to which such individual would have been entitled, upon attaining age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of such person's wages and self-employment income derived from employment and self-employment under that Act as of December 31 of the calendar year prior to 1975 in which such individual last performed service as an employee under this Act or (D) the primary insurance amount to which such individual would have been entitled upon attaining age 65 (or, if later, for January 1975), under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of such individual's wages and self-employment income derived from employment and self-employment under that Act as of December 31 of the calendar year prior to 1975 in which such individual last performed service as an employee under this Act and on the basis of compensation derived from service as an employee after December 31, 1936, and prior to January 1, 1975, if such service as an employee had been included in the term 'employment' as defined in that Act.

42 USC 1305.

"(5) The amount computed under subdivision (1), (2), (3), or (4) of this subsection shall be increased by the same percentage, or percentages, as benefits under the Social Security Act are increased, or would have been increased had there been no general benefit increases under the Social Security Act, pursuant to the automatic cost-of-living provisions of section 215(i) of that Act, during the period from January 1, 1975, to the date on which the individual's annuity under section 2(a)(1) of this Act began to accrue.

42 USC 415.

"(i)(1) The 'years of service' of an individual shall include all his service subsequent to December 31, 1936.

Years of service.

"(2) The 'years of service' of an individual shall also include his voluntary or involuntary military service, within or without the United States, during any war service period: *Provided, however,* That such military service shall be included only if, prior to the beginning of his military service and in the same calendar year in which such military service began, or in the next preceding calendar year, the individual rendered service for compensation to an employer or to a person service to which is otherwise creditable under this Act, or lost time as an employee for which he received remuneration, or was serving as an employee representative: *Provided further,* That such military service shall be included only subject to and in accordance with the provisions of subdivisions (1) and (3) of this subsection in the same manner as though military service were service rendered as an employee: *And provided further,* That such military service rendered after December 1956 shall not be included with respect to any month if (A) any benefits are payable for that month under the Social Security Act on the basis of such individual's wages and self-employ-

ment income, (B) such military service was included in the computation of such benefits, and (C) the inclusion of such military service in the computation of such benefits resulted (for that month) in benefits not otherwise payable or in an increase in the benefits otherwise payable: *And provided further*, That an individual who entered military service prior to a war service period shall not be regarded as having been in military service in a war service period with respect to any part of the period for which he entered such military service.

“(3) The ‘years of service’ of an individual who was an employee on August 29, 1935, shall, if the total number of his ‘years of service’ as determined under subdivisions (1) and (2) is less than thirty, also include his service prior to January 1, 1937, but not so as to make his total years of service exceed thirty: *Provided, however*, That with respect to any such individual who rendered service to any employer subsequent to December 31, 1936, and who on August 29, 1935, was not an employee of an employer conducting the principal part of its business in the United States, no greater proportion of his service rendered prior to January 1, 1937, shall be included in his ‘years of service’ than the proportion which his total compensation (without regard to any limitation on the amount of compensation otherwise provided in this Act) for service subsequent to December 31, 1936, rendered anywhere to an employer conducting the principal part of its business in the United States or rendered in the United States to any other employer bears to his total compensation (without regard to any limitation on the amount of compensation otherwise provided in this Act) for service rendered anywhere to an employer subsequent to December 31, 1936. Where the ‘years of service’ include only part of the service prior to January 1, 1937, the part included shall be taken in reverse order beginning with the last calendar month of such service.

Average
monthly compen-
sation.

“(j) The ‘average monthly compensation’ shall be the average compensation paid to an employee with respect to calendar months included in his ‘years of service’, except (1) that with respect to service prior to January 1, 1937, the monthly compensation shall be the average compensation paid to an employee with respect to calendar months included in his years of service in the years 1924–1931, and (2) the amount of compensation paid or attributable as paid to him with respect to each month of service before September 1941 as a station employee whose duties consisted of or included the carrying of passengers’ hand baggage and otherwise assisting passengers at passenger stations and whose remuneration for service to the employer was, in whole or in substantial part, in the forms of tips, shall be the monthly average of the compensation paid to him as a station employee in his months of service in the period September 1940 through August 1941: *Provided, however*, That where service in the period 1924 through 1931 in the one case, or in the period September 1940 through August 1941 in the other case, is, in the judgment of the Board, insufficient to constitute a fair and equitable basis for determining the amount of compensation paid or attributable as paid to him in each month of service before 1937, or September 1941, respectively, the Board shall determine the amount of such compensation for each such month in such manner as in its judgment shall be fair and equitable. In computing the monthly compensation, no part of any month’s compensation in excess of \$300 for any month before July 1, 1954, or in excess of \$350 for any month after June 30, 1954, and before June 1, 1959, or in excess of \$400 for any month after May 31, 1959, and before November 1, 1963, or in excess of \$450 for any month after October 31, 1963, and before October 1, 1965, or in excess of (i) \$450, or (ii) an amount equal to one-twelfth of the current maximum annual taxable ‘wages’ as

defined in section 3121 of the Internal Revenue Code of 1954, whichever is greater, for any month after September 30, 1965, shall be recognized. If the employee earned compensation in service after June 30, 1937, and after the last day of the calendar year in which he attained age sixty-five, such compensation and service shall be disregarded in computing the average monthly compensation if the result of taking such compensation into account in such computation would be to diminish his annuity. If the 'average monthly compensation' computed under this subsection is not a multiple of \$1, it shall be rounded to the next lower multiple of \$1. Where an employee claims credit for months of service rendered within two years prior to his retirement from the service of an employer, with respect to which the employer's return pursuant to section 9 of this Act has not been entered on the records of the Board before the employee's annuity could otherwise be certified for payment, the Board may, in its discretion (subject to subsequent adjustment at the request of the employee) include such months in the computation of the annuity without further verification and may consider the compensation for such months to be the average of the compensation for months in the last period for which the employer has filed a return of the compensation of such employee and such return has been entered on the records of the Board.

26 USC 3121.

Post, p. 1343.

"(k) The annuity of an individual who shall have been an employee representative shall be determined in the same manner and with the same effect as if the employee organization by which he shall have been employed were an employer.

"(l) In cases where an annuity awarded under paragraph (iii) of section 2(a) (1) or under section 2(c) (2) of this Act is increased either by a change in the law or by a recomputation, the reduction for the increase in the annuity shall be determined separately and the period with respect to which the reduction applies shall be determined as if such increase were a separate annuity payable for and after the first month for which such increase is effective.

"(m) The annuity of any individual under subsection (a) of this section for any month shall be reduced, but not below zero, by the amount of any monthly benefit payable to that individual for that month under title II of the Social Security Act.

42 USC 401.

"COMPUTATION OF SPOUSE AND SURVIVOR ANNUITIES

"SEC. 4. (a) (1) The annuity of a spouse of an individual under section 2(c) of this Act shall be in an amount equal to the amount (before any reduction on account of age and before any deductions on account of work) of the wife's insurance benefit or the husband's insurance benefit to which such spouse would have been entitled under the Social Security Act if such individual's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act.

45 USC 231c.

42 USC 1305.

"(2) For purposes of this subsection, spouses entitled to an annuity under clause (B) of paragraph (ii) of section 2(c) (1) of this Act shall be deemed to have attained age 65.

"(b) The amount of the annuity of a spouse of an individual provided under subsection (a) of this section shall be increased by an amount equal to 50 per centum of that portion of the individual's annuity as is computed under subsections (b), (c), and (d) of section 3 of this Act: *Provided, however,* That if the spouse is entitled to an annuity amount provided by subsection (e) (1) or (e) (2) of this section, the amount of such spouse's annuity provided by the preceding provisions of this subsection shall be reduced by the amount by which the amount computed in accordance with the

42 USC 302
notes, 401 note.

45 USC 228b.
45 USC 228c.

42 USC 401
note.
Ante, p. 1312.

42 USC 1305.

42 USC 401,
423.

provisions of clause (C) of subsection (e)(1) or (e)(2) of this section was increased by the Social Security Amendments of 1965, 1967, and 1969, disregarding (A) the amount of any such increase resulting from the Social Security Amendments of 1967 equal to, or less than, the excess of \$5 over 5.8 per centum of the lesser of (i) the amount computed under clause (C) of subsection (e)(1) or (e)(2) of this section before any increases derived from legislation enacted after the Social Security Amendments of 1967 or (ii) the amount of the spouse's annuity to which such spouse would have been entitled under section 2(e) of the Railroad Retirement Act of 1937, without regard to section 3(a)(2) of that Act or to increases derived from legislation enacted after 1968 and before any reduction on account of age, on the basis of the individual's compensation and years of service prior to January 1, 1975, and (B) the amount of any such increase resulting from the Social Security Amendments of 1969 equal to, or less than, \$5: *Provided further*, That if the spouse is entitled to an annuity under section 2(a)(1) of this Act, the amount of the annuity of such spouse under this subsection shall, subject to the third proviso of this subsection, be increased by an amount equal to the amount by which the amount of the annuity of such spouse provided under subsection (a) of this section was reduced by reason of the provisions of subsection (i)(2) of this section: *And provided further*, That if the total of (A) the amount of the spouse's annuity provided under subsection (a) of this section (before any reduction due to such spouse's entitlement to a wife's or husband's insurance benefit under the Social Security Act), or, in the case of a spouse entitled to an annuity under section 2(a)(1) of this Act or to an old-age insurance benefit or a disability insurance benefit under section 202 or 223 of the Social Security Act, the amount to which such spouse would be entitled under subsection (a) if she or he were not entitled to an annuity under section 2(a)(1) of this Act or to an old-age insurance benefit or a disability insurance benefit under section 202 or 223 of the Social Security Act, plus (B) the amount of her or his annuity under this subsection would, with respect to any month, before any reductions on account of age, exceed 110 per centum of an amount equal to the maximum amount which could be paid to anyone, with respect to such month, as a wife's insurance benefit under section 202(b) of the Social Security Act, the amount of the annuity of such spouse under this subsection shall be reduced until the total of such annuity amounts equals 110 per centum of such amount. The Board shall have the authority to approximate the amount of any reduction prescribed by the first proviso of this subsection.

"(c) If (A) the total amount of the annuity of a spouse of an individual as computed under the preceding subsections of this section as of the date on which the annuity of such individual under section 2(a)(1) of this Act began to accrue (before any reduction due to such spouse's entitlement to a wife's or husband's insurance benefit under the Social Security Act) plus (B) the total amount of the annuity and supplemental annuity of the individual (before any reduction due to such individual's entitlement to a monthly insurance benefit under the Social Security Act) subject to the provisions of section 3(f)(1) of this Act would, before any reductions in the amounts specified in clauses (A) and (B) on account of age and disregarding any increases in such amounts which become effective after the date on which the individual's annuity under section 2(a)(1) of this Act began to accrue, exceed the amount determined under clauses (A) and (B) of section 3(f)(1) of this Act, the portion of the annuity of such spouse determined under subsection (b) of this section as of the date on which the individual's annuity under section 2(a)(1) began to accrue

Ante, p. 1319.

shall be reduced until the sum of the amounts specified in clauses (A) and (B) of this subsection equals the amount determined under clauses (A) and (B) of section 3(f)(1) or until such amount under subsection (b) is reduced to zero, whichever occurs first. If, after such amount under subsection (b) is reduced to zero, the sum of the remaining amounts specified in clauses (A) and (B) of this subsection still exceeds the amount determined under clauses (A) and (B) of section 3(f)(1), the supplemental annuity of the individual first, and then, if necessary, the annuity amount of the individual computed under subsections (b), (c), and (d) of section 3 as of the date on which the individual's annuity under section 2(a)(1) began to accrue, shall be reduced until the amounts specified in clauses (A) and (B) of this subsection equals the amount determined under clauses (A) and (B) of section 3(f)(1) or until such supplemental annuity and such annuity amount are reduced to zero, whichever occurs first. Notwithstanding the preceding provisions of this subsection, the provisions of this subsection shall not operate to reduce the total of the amounts specified in clauses (A) and (B) of this subsection below \$1,200.

“(d) That portion of the annuity of the spouse of an individual as is determined under subsections (b) and (c) of this section shall be increased by the same percentage, or percentages, as the individual's annuity is, or has been, increased pursuant to the provisions of section 3(g) of this Act.

“(e)(1) The amount of the annuity of the spouse of an individual determined under subsections (a) and (b) of this section, if (A) such individual will have (i) rendered service as an employee to an employer, or as an employee representative, during the calendar year 1974, or (ii) had a current connection with the railroad industry on December 31, 1974, or at the time his annuity under section 2(a)(1) of this Act began to accrue, or (iii) completed twenty-five years of service prior to January 1, 1975, and (B) such individual will have completed ten years of service prior to January 1, 1975, and such spouse will have been permanently insured under the Social Security Act on December 31, 1974, shall be increased by an amount equal to the smaller of (C) the primary insurance amount to which such spouse would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of her or his wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, or (D) the wife's or husband's insurance benefit to which such spouse would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, if such individual's service as an employee after December 31, 1936, and prior to January 1, 1975, were included in the term ‘employment’ as defined in that Act, if such individual had no wages or self-employment income under the Act other than wages derived from such service as an employee, and if such spouse were entitled to no other benefit under that Act: *Provided, however,* That the increase under the provisions of this subdivision shall not be less than 50 per centum of the portion of the annuity, if any, of such individual determined under the provisions of section 3(h)(1) of this Act prior to any increases under the provisions of section 3(h)(5) of this Act.

42 USC 1305.

“(2) The amount of the annuity of the spouse of an individual determined under subsections (a) and (b) of this section, if (A) such individual will not have met the conditions set forth in subclause (i), (ii), or (iii) of clause (A) of subdivision (1) of this subsection, but (B) such individual will have completed ten years of service prior to January 1, 1975, and such spouse will have been permanently insured under the Social Security Act as of December 31 of the calendar

42 USC 1305.

year prior to 1975 in which such individual last rendered service as an employee, shall be increased by an amount equal to the smaller of (C) the primary insurance amount to which such spouse would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of his or her wages and self-employment income derived from employment and self-employment under that Act as of December 31 of the calendar year prior to 1975 in which such individual last rendered service as an employee or (D) the wife's or husband's insurance benefit to which such spouse would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, if such individual's service as an employee after December 31, 1936, and prior to January 1, 1975, were included in the term 'employment' as defined in that Act, if such individual had no wages or self-employment income under that Act other than wages derived from such service as an employee, and if such spouse were entitled to no other benefit under that Act: *Provided, however,* That the increase under the provisions of this subdivision shall not be less than 50 per centum of the portion of the annuity, if any, of such individual determined under the provisions of section 3(h)(2) of this Act prior to any increases under the provisions of section 3(h)(5) of this Act.

"(3) The amount of the annuity of the spouse of an individual determined under subsections (a) and (b) of this section, if (A) such individual is entitled to an amount determined under the provisions of section 3(h)(1) or 3(h)(2) of this Act and (B) such spouse is not entitled to an amount determined under the provisions of subdivision (1) or (2) of this subsection, shall be increased by an amount equal to 50 per centum of the portion of the annuity of such individual determined under the provisions of section 3(h)(1) or 3(h)(2) of this Act prior to any increases under the provisions of section 3(h)(5) of this Act.

42 USC 402.

"(4) The amount determined under the provisions of subdivision (1), (2), or (3) of this subsection shall be increased by the same percentage or percentages, as wife's and husband's insurance benefits under section 202 of the Social Security Act are increased, or would have been increased had there been no general benefit increases under the Social Security Act, pursuant to the automatic cost-of-living provisions of section 215(i) of that Act, during the period from January 1, 1975, to the date on which the individual's annuity under section 2(a)(1) of this Act began to accrue.

42 USC 415.

"(f)(1) The annuity of a survivor of a deceased employee under section 2(d) of this Act shall be in an amount equal to the amount (before any deductions on account of work) of the widow's insurance benefit, widower's insurance benefit, mother's insurance benefit, parent's insurance benefit, or child's insurance benefit, whichever is applicable, to which he or she would have been entitled under the Social Security Act if such deceased employee's service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act.

Survivor benefits.

"(2) For purposes of this subsection—

"(i) a widow or widower or a parent who is entitled to an annuity based on age under section 2(d)(1) of this Act and who has not attained age 62 shall be deemed to be age 62: *Provided, however,* That the provisions of this paragraph shall not apply in the case of a widow or widower who was entitled to an annuity under section 2(d)(1) on the basis of disability for the month before the month in which he or she attained age 60, and

"(ii) a widow or widower or a child who is entitled to an annuity under section 2(d)(1) of this Act on the basis of disability shall be deemed to be entitled to a widow's insurance

benefit, a widower's insurance benefit, or a child's insurance benefit under the Social Security Act on the basis of disability.

42 USC 1305.

“(g) The annuity of a survivor of a deceased employee determined under subsection (f) of this section shall, with respect to any month, be increased by an amount equal to 30 per centum of the amount of the annuity (before any deductions on account of work) to which such survivor is entitled for such month under the provisions of subsection (f) of this section, or to which such survivor would have been entitled for such month under such subsection if such survivor were entitled to no other monthly benefit under section 2 of this Act or under the Social Security Act: *Provided, however,* That, if a widow or widower of a deceased employee is not entitled to an annuity under section 2(a)(1) of this Act or to an old-age insurance benefit or a disability insurance benefit under the Social Security Act, the amount of the annuity to which such widow or widower is entitled under this subsection shall not be less than an amount which would cause the total of the annuity amounts to which such widow or widower is entitled (before any deductions on account of work) under this subsection and subsection (f) of this section to equal the total of the annuity amounts to which such widow or widower was entitled (or would have been entitled except for the provisions of sections 2(e) and 2(f) of this Act) as a spouse under subsections (a) and (b) of this section (after any reduction on account of age) in the month preceding the employee's death: *Provided further,* That, if a widow or widower of a deceased employee is entitled to an annuity under section 2(a)(1) of this Act or to an old-age insurance benefit or a disability insurance benefit under the Social Security Act, the amount of the annuity to which such widow or widower is entitled under this subsection shall not be less than an amount which would cause (A) the total of the annuity amounts to which such widow or widower is entitled (after any reductions pursuant to section 202(k) or 202(q) of the Social Security Act or subsection (i)(2) of this section but before any deductions on account of work) under this subsection and subsection (f) of this section to equal (B)(i) the total of the annuity amounts, if any, to which such widow or widower was entitled (or would have been entitled except for the provisions of sections 2(e) and 2(f) of this Act) as a spouse under subsections (a) and (b) of this section (after any reduction on account of age) in the month preceding the employee's death less (ii), if such widow or widower is entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act but was not entitled to such a benefit in the month preceding the employee's death, the amount by which the annuity amount payable under subsection (a) of this section to such widow or widower as a spouse in the month preceding the employee's death would have been reduced by reason of section 202(k) or 202(q) of the Social Security Act if such widow or widower had been entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act in the month preceding the employee's death in an amount equal to the amount of such benefit at the time such benefit first began to accrue to such widow or widower.

Ante, p. 1312.

42 USC 402.

“(h)(1) The amount of the annuity of the widow or widower of a deceased employee determined under subsections (f) and (g) of this section, if such deceased employee will have completed ten years of service prior to January 1, 1975, and such widow or widower will have been permanently insured under the Social Security Act on December 31, 1974, shall be increased by an amount equal to the amount, if any, by which (A) the sum of (i) the widow's or widower's insurance annuity to which such widow or widower would have been entitled, upon attaining age 65, under section 5(a) of the Railroad Retirement

45 USC 228e.

45 USC 228c.

42 USC 1305.

Ante, p. 1312.

Act of 1937 as in effect on December 31, 1974 (without regard to the proviso of that section or the first proviso of section 3(e) of that Act), on the basis of the deceased employee's remuneration and service prior to January 1, 1975, and (ii) the primary insurance amount to which such widow or widower would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of her or his wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, exceeds (B) 130 per centum of the amount of the widow's or widower's insurance benefit to which such widow or widower would have been entitled, upon attaining age 65, under the provisions of the Social Security Act as in effect on December 31, 1974, on the basis of the deceased employee's wages and self-employment income derived from employment and self-employment under that Act prior to January 1, 1975, and on the basis of compensation derived from service as an employee after December 31, 1936, and before January 1, 1975, if the deceased employees' service as an employee after December 31, 1936, and before January 1, 1975, had been included in such employment and if such widow or widower were entitled to no other monthly benefit under section 2 of this Act or under the Social Security Act.

42 USC 402.

42 USC 415.

"(2) The amount determined under the provisions of subdivision (1) of this subsection shall be increased by the same percentage, or percentages, as widow's and widower's insurance benefits under section 202 of the Social Security Act are increased, or would have been increased had there been no general benefit increase under the Social Security Act, pursuant to the automatic cost-of-living provisions of section 215(i) of that Act, during the period from January 1, 1975, to the earlier of the date of the deceased employee's death or the date on which the deceased employee's annuity under section 2(a)(1) of this Act began to accrue.

42 USC 401.

"(i)(1) The annuity of any spouse under subsection (a) of this section for any month shall be reduced, but not below zero, by the amount of any wife's or husband's insurance benefit payable to such spouse for that month under title II of the Social Security Act.

"(2) If a spouse entitled to an annuity under section 2(c) of this Act or a survivor entitled to an annuity under section 2(d) of this Act for any month is also entitled to an annuity under section 2(a)(1) of this Act for such month, the annuity amount of such spouse determined under subsection (a) of this section or of such survivor under subsection (f) of this section shall, after any reduction pursuant to subdivision (1) of this subsection, be reduced by the amount of the annuity of such spouse or such survivor determined under section 3(a) of this Act.

"ANNUITY BEGINNING AND ENDING DATES

45 USC 231d.

"SEC. 5. (a) An annuity under section 2 of this Act shall begin with the month in which eligibility therefor was otherwise acquired, but—

"(i) not earlier than the date specified in the application therefor;

"(ii) not earlier than the first day of the twelfth month before the month in which the application therefor was filed; and

"(iii) in the case of an applicant otherwise eligible for an annuity under section 2(a)(1) or 2(c) not earlier than the date following the last day of compensated service of the applicant.

"(b) An application for any payment under this Act shall be made and filed in such manner and form as the Board may prescribe. An application filed with the Board for an annuity under this Act shall, unless the applicant specifies otherwise, be deemed to be an application

for any benefit to which such applicant may be entitled under this Act or the Social Security Act. An individual who was entitled to an annuity under paragraph (iv) or (v) of section 2(a) (1) of this Act for the month preceding the month in which he attained the age of 65, shall be deemed to have filed an application for an annuity under paragraph (i) of section 2(a) (1) on the date on which he attained age 65, and a widow or widower who was entitled to an annuity under section 2(d) (1) of this Act on the basis of disability for the month preceding the month in which she or he attained age 60, shall be deemed to have filed an application for an annuity under such section 2(d) (1) on the basis of age on the date on which she or he attained age 60.

42 USC 1305.

Ante, p. 1312.

“(c) (1) An individual’s entitlement to an annuity under paragraph (i), (ii), or (iii) of section 2(a) (1) or to a supplemental annuity under section 2(b) shall end with the month preceding the month in which he dies.

“(2) An individual’s entitlement to an annuity under paragraph (iv) or (v) of section 2(a) (1) shall end on (A) the last day of the second month following the month in which he ceases to be disabled as provided for purposes of such paragraphs, (B) the last day of the month preceding the month in which he attains age 65 or (C) the last day of the month preceding the month in which he dies, whichever first occurs.

“(3) The entitlement of a spouse of an individual to an annuity under section 2(c) shall end on the last day of the month preceding the month in which (A) the spouse or the individual dies, (B) the spouse and the individual are absolutely divorced, or (C) in the case of a wife who does not satisfy the requirements of clause (ii) (A) or (ii) (B) of section 2(c) (1) (other than a wife who is receiving such annuity by reason of an election under section 2(c) (2)), such wife no longer has in her care a child described in clause (ii) (C) of section 2(c) (1), whichever first occurs.

“(4) The entitlement of a widow or widower of a deceased employee to an annuity under paragraph (i) of section 2(d) (1) on the basis of age shall end on (A) the last day of the month preceding the month in which she or he dies or (B) the last day of the month preceding the month in which she or he remarries after the employee’s death, whichever first occurs.

“(5) The entitlement of a widow or widower of a deceased employee to an annuity under paragraph (i) of section 2(d) (1) on the basis of disability shall end on (A) the last day of the month preceding the month in which she or he dies, (B) the last day of the month preceding the month in which she or he remarries after the employee’s death, (C) the last day of the second month following the month in which she or he ceases to be disabled as provided for purposes of such paragraph, or (D) the last day of the month preceding the month in which she or he attains age 60, whichever first occurs.

“(6) The entitlement of a widow of a deceased employee to an annuity under paragraph (ii) of section 2(d) (1) shall end on (A) the last day of the month preceding the month in which she dies, (B) the last day of the month preceding the month in which she remarries after the employee’s death, or (C) the last day of the month preceding the month in which she no longer has in her care a child described in clause (B) of such paragraph (ii), whichever first occurs.

“(7) The entitlement of a child of a deceased employee to an annuity under paragraph (iii) of section 2(d) (1) shall end on (A) the last day of the month preceding the month in which he or she dies, (B) the last day of the month preceding the month in which he or she marries, (C) the last day of the month preceding the month in which he or she attains age 18 and does not meet the qualifications set forth

in clause (B) or (C) of such paragraph (iii), (D) the last day of the month preceding (i) the month during no part of which he or she is a full-time student or (ii) the month in which he or she attains age 22, and does not meet the qualifications set forth in clause (A) or (C) of such paragraph (iii), or (E) the last day of the second month following the month in which he or she ceases to be disabled for purposes of such paragraph (iii) and does not meet the qualifications set forth in clause (A) or (B) of such paragraph (iii), whichever first occurs. A child whose entitlement to an annuity under paragraph (iii) of section 2(d)(1) terminated by reason of clause (E) of this subdivision because he or she ceased to be disabled and who again becomes disabled as provided in clause (C) of such paragraph (iii), may become reentitled to an annuity on the basis of such disability upon his or her application for such reentitlement. A child whose entitlement to an annuity under paragraph (iii) of section 2(d)(1) terminated with the month preceding the month in which he or she attained age 18, or with a subsequent month, may again become entitled to such an annuity (providing no event to disqualify the child has occurred) beginning with the first month thereafter in which he or she meets the qualifications set forth in clause (B) or (C) of such paragraph (iii), if he or she has filed an application for such reentitlement.

“(8) The entitlement of a parent of a deceased employee to an annuity under paragraph (iv) of section 2(d)(1) shall end on the last day of the month preceding the month in which (A) such parent dies or (B) such parent remarries after the employee's death, whichever first occurs.

“LUMP-SUM PAYMENTS

45 USC 231e.

“SEC. 6. (a)(1) Annuities under section 2(a)(1) and supplemental annuities under section 2(b) which will have become due an individual but will not have been paid at the time of such individual's death shall be payable to the person, if any, who is determined by the Board to be such individual's widow or widower and to have been living with such individual at the time of such individual's death and who will not have died before receiving payment of such annuities. If there be no such widow or widower, such annuities shall be payable to any person or persons, equitably entitled thereto, to the extent and in the proportions that he or they shall have paid the expenses of burial of such individual, and to the extent that he or they will not have been reimbursed under subsection (b) of this section for having paid such expenses. If there be no person or persons so entitled, or if the total of such annuities exceeds the amount payable under this subdivision to such person or persons, such total, or the remainder thereof, as the case may be, shall be paid to the children, grandchildren, parents, or brothers and sisters of the deceased individual in the same manner as if such annuities were a lump sum payable under subsection (c)(1) of this section.

“(2) Annuities under section 2(d) which will have become due a survivor of an employee but will not have been paid at the time of such survivor's death shall be payable to the person, if any, who is determined by the Board to be such employee's widow or widower and to have been living with such employee at the time of the employee's death and who will not have died before receiving payment of such annuities. If there be no such widow or widower, such annuities shall be payable to the children, grandchildren, parents, or brothers and sisters of the deceased employee in the same manner as if such unpaid annuities were a lump sum payable under subsection (c)(1) of this section.

“(3) Annuities under section 2(e) which will have become due a spouse of an individual but which will not have been paid at the time

of such spouse's death shall be payable to the individual from whose employment such annuities derived and who will not have died before receiving payment of such annuities. If there be no such individual, such annuities shall be paid as provided in the last two sentences of subdivision (1) of this subsection as if such annuities were annuities due to an individual but unpaid at the time of such individual's death.

"(4) Applications for accrued and unpaid annuities provided for in the preceding subdivisions of this subsection shall be filed prior to the expiration of two years after the death of the person to whom such annuities were originally due.

"(5) If there is no person to whom all or any part of the payments described in subdivision (1), (2), or (3) can be made, such payment or part thereof shall escheat to the credit of the Railroad Retirement Account.

"(6) For the purposes of this subsection and subsection (c) of this section, a widow or widower of an individual shall be deemed to have been living with the individual at the time of the individual's death if the applicable conditions set forth in section 216(h) (2) or (3) of the Social Security Act, as in effect before 1957, are fulfilled.

42 USC 416.

"(7) In determining for purposes of this subsection and subsections (c) and (d) of this section whether an applicant is the widow, widower, child, or parent of an employee as claimed, the rules set forth in section 216(h) of the Social Security Act shall be applied. In determining for purposes of this subsection and subsections (c) and (d) of this section whether an applicant is the grandchild, brother, or sister of an employee as claimed, the Board shall apply such law as would be applied in determining the devolution of intestate personal property by the courts of the State in which such employee was domiciled at the time of his death, or if such employee was not so domiciled in any State, by the courts of the District of Columbia. Applicants who according to such law would have the same status relative to taking personal property as a grandchild, brother, or sister shall be deemed such.

"(b) (1) Upon the death of an individual who will have completed ten years of service prior to January 1, 1975, and will have had a current connection with the railroad industry at the time of his death, a lump-sum payment shall be made in accordance with the provisions of section 5(f) (1) of the Railroad Retirement Act of 1937 as in effect on December 31, 1974, in an amount, if any, which would have been payable under such section 5(f) (1) on the basis of (A) the individual's compensation after December 31, 1936, and prior to January 1, 1975, and (B) the individual's wages (as defined in section 209 of the Social Security Act) prior to January 1, 1975. Any lump sum payable under this subdivision shall be in an amount computed as if the individual had died on January 1, 1975.

45 USC 228e.

42 USC 409.

"(2) Upon the death of an individual who will not have completed ten years of service prior to January 1, 1975, but who (i) will have completed ten years of service at the time of his death, (ii) will have had a current connection with the railroad industry at the time of his death, and (iii) will have died leaving no widow, widower, child, or parent who would on proper application therefor be entitled to receive an annuity under section 2(d) of this Act for the month in which such death occurred, a lump-sum death payment shall be made in accordance with the provisions of section 202(i) of the Social Security Act in an amount equal to the amount which would have been payable under such section 202(i) if such individual's service as an employee after December 31, 1936, were included in the term 'employment' as defined in that Act. If a lump sum would be payable to a widow or widower under this subdivision except for the fact that a survivor will have been entitled to receive an annuity for the month

Ante, p. 1312.

42 USC 402.

Ante, p. 1312.

in which the individual will have died, but within one year after the individual's death there will not have accrued to survivors of the individual, by reason of his death, annuities which, after all deductions pursuant to sections 2(g) and 2(h) of this Act, are equal to such lump sum, a payment equal to the amount by which such lump sum exceeds such annuities so accrued after such deductions shall then nevertheless be made under this subdivision to the widow or widower to whom a lump sum would have been payable under this subdivision except for the fact that a monthly benefit under section 2(d) of this Act was payable for the month in which the individual died, if such widow or widower will not have died before receiving payment of such lump sum.

42 USC 1305.

“(c) (1) Whenever it shall appear, with respect to the death of an employee, that no benefits, or no further benefits (other than benefits payable to a widow, widower, or parent under either this Act or the Social Security Act upon attaining the age of eligibility therefor at a future date) will be payable under this Act or under the Social Security Act, a lump sum in an amount computed under subdivision (2) of this subsection shall be paid to such person or persons as the deceased employee may have designated by a writing filed with the Board prior to his or her death, or if there be no designation, to the following person (or, if more than one, in equal shares to the persons) whose relationship to the deceased employee will have been determined by the Board and who will not have died before receiving payment of the lump sum provided for in this subdivision—

“(i) the widow or widower of the deceased employee who was living with such employee at the time of such employee's death; or

“(ii) if there be no such widow or widower, to any child or children of such employee; or

“(iii) if there be no such widow, widower, or child, to any grandchild or grandchildren of such employee; or

“(iv) if there be no such widow, widower, child, or grandchild, to any parent or parents of such employee; or

“(v) if there be no such widow, widower, child, grandchild, or parent, to any brother or sister of such employee; or

“(vi) if there be no such widow, widower, child, grandchild, parent, brother, or sister, to the estate of such employee:

Provided, however, That if the employee is survived by a widow, widower, or parent who may upon attaining the age of eligibility be entitled to benefits under this Act or under the Social Security Act, such lump sum shall not be paid unless such widow, widower, or parent makes and files with the Board an irrevocable election, in such form as the Board may prescribe, to have such lump sum be paid in lieu of all benefits to which such widow, widower, or parent might otherwise become entitled under this Act on the basis of the deceased employee's compensation and years of service or under the Social Security Act on the basis of the deceased employee's wages from (A) employment with an employer as defined in section 1(a) of this Act or (B) service as an employee representative as defined in section 1(c) of this Act. Any election made and filed by a widow, widower, or parent pursuant to this subdivision shall be legally effective according to its terms.

“(2) The lump sum provided under subdivision (1) of this subsection shall be in an amount equal to (A) the sum of 4 per centum of the deceased employee's compensation paid after December 31, 1936, and prior to January 1, 1947, plus 7 per centum of such employee's compensation paid after December 31, 1946, and before January 1, 1959, plus 7½ per centum of such employee's compensation paid after December 31, 1958, and before January 1, 1962, plus 8 per centum of

such employee's compensation paid after December 31, 1961, and before January 1, 1966, plus an amount equal to the total of all employee taxes payable by such employee after December 31, 1965, and before January 1, 1975, under the provisions of section 3201 of the Railroad Retirement Tax Act (excluding, for this purpose, the amount of the employee tax attributable to that portion of the tax rate derived from section 3101(b) of the Internal Revenue Code of 1954), plus one-half of 1 per centum of the compensation on which such taxes were payable, deeming the compensation attributable to creditable military service after June 30, 1963, and before January 1, 1975, to be taxable compensation, and one-half of the taxes payable by an employee representative under section 3211 of the Railroad Retirement Tax Act to be employee taxes under section 3201 of such Act, minus (B) the sum of all benefits paid to such employee, and to others deriving from such employee, during his or her life, or to others by reason of his or her death, under this Act, the Railroad Retirement Act of 1937, or the Social Security Act (excluding, for this purpose, payments to providers of services under section 7(d) of this Act or section 21 of the Railroad Retirement Act of 1937, any amounts by which that portion of the annuities provided the employee under section 3(a) of this Act or his spouse under section 4(a) of this Act were increased by reason of the employee's wages and self-employment income derived from employment and self-employment under the Social Security Act, that portion of the annuities provided the employee under section 3(h) of this Act or his spouse under section 4(e) of this Act, and so much of the benefits paid to the employee and to others deriving from him or her under the Social Security Act during his or her lifetime as would have been payable under that Act if such employee had not rendered service as an employee as defined in section 1(b) of this Act). In computing compensation for purposes of this subdivision there shall be excluded compensation in excess of \$300 for any month before July 1, 1954; compensation in excess of \$350 for any month after June 30, 1954, and before June 1, 1959; compensation in excess of \$400 for any month after May 31, 1959, and before November 1, 1963; compensation in excess of \$450 for any month after October 31, 1963, and before October 1, 1965; and compensation in excess of (i) \$450 or (ii) an amount equal to one-twelfth of the current maximum annual taxable 'wages' as defined in section 3121 of the Internal Revenue Code of 1954, whichever is greater, for any month after September 30, 1965.

26 USC 3201.

26 USC 3101.

26 USC 3211.

45 USC 228a.
42 USC 1305.
Post, p. 1338.
45 USC 228s-2.
Ante, pp. 1319,
1327.

26 USC 3121.

"(d)(1) Every individual who will have completed ten years of service at the time of his retirement or death, but does not meet the qualifications for an annuity amount determined under the provisions of section 3(h)(1) or 3(h)(2) of this Act, shall, at the time his annuity under section 2(a)(1) begins to accrue, be entitled to a lump sum in the amount provided under subdivision (2) of this subsection. If an individual otherwise eligible for a lump sum under this section dies before he becomes entitled to an annuity under section 2(a)(1) of this Act, or before he receives payment of such lump sum, such lump sum shall be payable to the person, if any, who is determined by the Board to be such individual's widow or widower and who will not have died before receiving payment of such lump sum. If there be no such widow or widower, such lump sum shall be payable to the children, grandchildren, parents, brothers and sisters, or the estate of the deceased individual in the same manner as if such lump sum were a lump sum payable under subsection (c)(1) of this section.

Ante, p. 1312.

"(2) The lump sum provided under subdivision (1) of this subsection shall be in an amount equal to the sum of (A) 1.5 per centum of so much of such individual's combined earnings for any calendar

year after 1950 and before 1954 as is in excess of \$3,600, plus (B) 2 per centum of so much of such individual's combined earnings for any calendar year after 1953 and before 1957 as is in excess of \$4,200, plus (C) 2.25 per centum of so much of such individual's combined earnings for any calendar year after 1956 and before 1959 as is in excess of \$4,200, plus (D) 2.5 per centum of so much of such individual's combined earnings for the calendar year 1959 as is in excess of \$4,800, plus (E) 3 per centum of so much of such individual's combined earnings for each of the calendar years 1960 and 1961 as is in excess of \$4,800, plus (F) 3.125 per centum of so much of such individual's combined earnings for the calendar year 1962 as is in excess of \$4,800, plus (G) 3.625 per centum of so much of such individual's combined earnings for any calendar year after 1962 and before 1966 as is in excess of \$5,400, plus (H) 4.2 per centum of so much of such individual's combined earnings for the calendar year 1966 as is in excess of \$6,600, plus (I) 4.4 per centum of so much of such individual's combined earnings for the calendar year 1967 as is in excess of \$6,600, plus (J) 3.8 per centum of so much of such individual's combined earnings for the calendar year 1968 as is in excess of \$7,800, plus (K) 4.2 per centum of so much of such individual's combined earnings for each of the calendar years 1969 and 1970 as is in excess of \$7,800, plus (L) 4.6 per centum of so much of such individual's combined earnings for the calendar year 1971 as is in excess of \$7,800, plus (M) 4.6 per centum of so much of such individual's combined earnings for the calendar year 1972 as is in excess of \$9,000, plus (N) 4.85 per centum of so much of such individual's combined earnings for the calendar year 1973 as is in excess of \$10,800, plus (O) 4.95 per centum of so much of such individual's combined earnings for the calendar year 1974 as is in excess of \$13,200. For purposes of this subsection, the term 'combined earnings' shall include 'compensation' as defined in section 1(h) of the Railroad Retirement Act of 1937, 'wages' as defined in section 209 of the Social Security Act, and 'self-employment' income as defined in section 211(b) of the Social Security Act.

"Combined earnings."

45 USC 228a.

42 USC 409.

42 USC 411.

"POWERS AND DUTIES OF THE BOARD

45 USC 231f.

Membership.

Term of office.

Ante, p. 1305.

Vacancies.

"SEC. 7. (a) This Act shall be administered by the Railroad Retirement Board established by the Railroad Retirement Act of 1937 as an independent agency in the executive branch of the Government and composed of three members appointed by the President, by and with the advice and consent of the Senate. Each member shall hold office for a term of five years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of the term and any member holding office pursuant to appointment under the Railroad Retirement Act of 1937 when this Act becomes effective shall hold office until the term for which he was appointed under such Railroad Retirement Act of 1937 expires. One member shall be appointed from recommendations made by representatives of the employees and one member shall be appointed from recommendations made by representatives of employers as defined in paragraph (i) of section 1(a) (1) of this Act, in both cases as the President shall direct, so as to provide representation on the Board satisfactory to the largest number, respectively, of employees and employers concerned. One member, who shall be the chairman of the Board, shall be appointed without recommendation by either employers or employees and shall not be in the employment of or be pecuniarily or otherwise interested in any employer or organization of employees. Vacancies in the Board shall not impair the powers or affect the duties of the

Board or of the remaining members of the Board, of whom a majority of those in office shall constitute a quorum for the transaction of business. Upon the expiration of his term of office a member shall continue to serve until his successor is appointed and shall have qualified.

“(b) (1) The Board shall have and exercise all the duties and powers necessary to administer this Act. The Board shall take such steps as may be necessary to enforce such Act and make awards and certify payments. Decisions by the Board upon issues of law and fact relating to annuities or death benefits shall not be subject to review by any other administrative or accounting officer, agent, or employee of the United States.

“(2) In the case of—

“(A) an individual who will have completed ten years of service creditable under this Act,

“(B) the wife or husband of such an individual,

“(C) any survivor of such an individual if such survivor is entitled, or could upon application become entitled, to an annuity under section 2 of this Act, and

Ante, p. 1312.

“(D) any other person entitled to benefits under title II of the Social Security Act on the basis of the wages and self-employment income of such an individual (except a survivor of such an individual where such individual did not have a current connection with the railroad industry at the time of his death),

42 USC 401.

the Board shall provide for the payment on behalf of the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund of monthly benefits payable under title II of the Social Security Act which are certified by the Secretary to it for payment under the provisions of title II of the Social Security Act.

“(3) If the Board finds that an applicant is entitled to an annuity or death benefit under the provisions of this Act then the Board shall make an award fixing the amount of the annuity or benefit, as the case may be, and shall certify the payment thereof as hereinafter provided; otherwise the application shall be denied. For purposes of this section, the Board shall have and exercise such of the powers, duties and remedies provided in subsections (a), (b), (d), and (n) of section 12 of the Railroad Unemployment Insurance Act as are not inconsistent with the express provisions of this Act. The Board is authorized to delegate to any member, officer, or employee of the Board any of the powers conferred upon the Board by the Act, excluding only the power to prescribe rules and regulations, including the power to make decisions on applications for annuities or other benefits: *Provided, however*, That any person aggrieved by a decision on his application for an annuity or other benefit shall have the right to appeal to the Board. Notice of a decision of the Board, or of an employee thereof, shall be communicated to the applicant in writing within thirty days after such decision shall have been made.

45 USC 362.

“(4) The Board shall from time to time certify to the Secretary of the Treasury the name and address of each individual entitled to receive a payment, the amount of such payment, and the time at which it should be made, and the Secretary of the Treasury through the Division of Disbursements of the Treasury Department, and prior to audit by the General Accounting Office, shall make payment in accordance with the certification by the Board.

“(5) The Board shall establish and promulgate rules and regulations to provide for the adjustment of all controversial matters arising in the administration of this Act. All rules, regulations, or decisions of the Board shall require the approval of at least two members, and they shall be entered upon the records of the Board, which shall be a public record.

Rules and regulations.

Recordkeeping.

"(6) The Board shall gather, keep, compile, and publish in convenient form such records and data as may be necessary to assure proper administration of this Act, including subdivision (2) of this subsection. The Board shall have power to require all employers and employees and any officer, board, commission, or other agency of the United States to furnish such information and records as shall be necessary for the administration of this Act, including subdivision (2) of this subsection. The several district courts of the United States and the District Court of the United States for the District of Columbia shall have jurisdiction upon suit by the Board to compel obedience to any order of the Board issued pursuant to this section. The orders, writs, and processes of the District Court of the United States for the District of Columbia in such suits may run and be served anywhere in the United States. Witnesses summoned before the Board shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. The Board shall make an annual report to the President of the United States to be submitted to Congress.

Jurisdiction.

Witness fees.

Report to President and Congress.
Reports.

"(7) The Secretary of Health, Education, and Welfare shall furnish the Board certified reports of wages, self-employment income, and periods of service and of other records in his possession, or which he may secure, pertinent to the administration of this Act. The Board shall furnish the Secretary of Health, Education, and Welfare certified reports of records of compensation and periods of service reported to it pursuant to section 9 of this Act, of determinations under section 2 of this Act, and of other records in its possession, or which it may secure, pertinent to subsection (c) of this section or to the administration of the Social Security Act as affected by section 18 of this Act. Such certified reports shall be conclusive in adjudication as to the matters covered therein: *Provided, however,* That if the Board or the Secretary of Health, Education, and Welfare receives evidence inconsistent with a certified report and the application involved is still in course of adjudication or otherwise open for such evidence such recertification of such report shall be made as, in the judgment of the Board or the Secretary of Health, Education, and Welfare, whichever made the original certification, the evidence warrants. Such recertification and any subsequent recertification shall be treated in the same manner and be subject to the same conditions as an original certification.

42 USC 1305.
Post, p. 1349.

Military service records, certification.

"(8) Any department or agency of the United States maintaining records of military service, at the request of the Board, shall certify to the Board, with respect to any individual, the number of months of military service which such department or agency finds the individual to have had during any period or periods with respect to which the Board's request is made, the date and manner of entry into such military service, and the conditions under which such service was continued. Any department or agency of the United States which is authorized to make awards of pensions, disability compensation, or any other gratuitous benefits or allowances payable, on a periodic basis or otherwise, under any other Act of Congress on the basis of military service, at the request of the Board, shall certify to the Board, with respect to any individual, the calendar months for all or part of which any such pension, compensation, benefit, or allowance is payable to, or with respect to, the individual, the amounts of any such pension, compensation, benefit, or allowance, and the military service on which such pension, compensation, benefit, or allowance is based. Any certification made pursuant to the provisions of this subdivision shall be conclusive on the Board: *Provided, however,* That if evidence inconsistent with any such certification is submitted, and the claim is in the course of adjudication or is otherwise open for such evidence, the Board shall refer such evidence to the department or agency which

made the original certification and such department or agency shall make such recertification as in its judgment the evidence warrants. Such recertification, and any subsequent recertification, shall be conclusive, made in the same manner, and subject to the same conditions as an original certification.

“(9) The Board shall maintain such offices, provide such equipment, furnishings, supplies, services, and facilities, and employ such individuals and provide for their compensation and expenses as may be necessary for the proper discharge of its functions. All positions to which such individuals are appointed, except one administrative assistant to each member of the Board, shall be in and under the competitive civil service and shall not be removed or excepted therefrom. In the employment of such individuals under the civil service laws and rules the Board shall give preference over all others to individuals who have had experience in railroad service, if, in the judgment of the Board, they possess the qualifications necessary for the proper discharge of the duties of the positions to which they are to be appointed. For purposes of its administration of this Act or the Railroad Unemployment Insurance Act, or both, the Board may place, without regard to the numerical limitations contained in section 505 of the Classification Act of 1949, as amended, four positions in grade GS-16 of the General Schedule established by that Act, four positions in grade GS-17 of such schedule, and one position in grade GS-18 of such schedule.

Duties.

45 USC 367.

5 USC 5108.

5 USC 5332
note.

“(c) (1) Benefit payments determined by the Board to be payable under this Act shall be made from the Railroad Retirement Account, except that payments of supplemental annuities under section 2(b) of this Act shall be made from the Railroad Retirement Supplemental Account.

“(2) At the close of the fiscal year ending June 30, 1975, and each fiscal year thereafter, the Board and the Secretary of Health, Education, and Welfare shall determine the amounts, if any, which if added to or subtracted from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund would place each such Trust Fund in the same position in which it would have been if (A) service as an employee after December 31, 1936, had been included in the term ‘employment’ as defined in the Social Security Act and in the Federal Insurance Contributions Act and (B) this Act had not been enacted. Such determination with respect to each such Trust Fund shall be made no later than June 15 following the close of the fiscal year. If, pursuant to any such determination, any amount is to be added to any such Trust Fund, the Board shall, within ten days after the determination, certify such amount to the Secretary of the Treasury for transfer from the Railroad Retirement Account to such Trust Fund. If, pursuant to any such determination, any amount is to be subtracted from any such Trust Fund, the Secretary of Health, Education, and Welfare shall, within ten days after the determination, certify such amount to the Secretary of the Treasury for transfer from such Trust Fund to the Railroad Retirement Account. Any amount so certified shall further include interest (at the rate determined in subdivision (3) for the fiscal year under consideration) payable from the close of such fiscal year until the date of certification. The Secretary of the Treasury is authorized and directed to transfer to the Railroad Retirement Account from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, or the Federal Hospital Insurance Trust Fund or to any such Trust Fund from the Railroad Retirement Account, as the case may be, such amounts as, from time to time, may be determined by the Board and

42 USC 1305.

26 USC 3101.

the Secretary of Health, Education, and Welfare pursuant to the provisions of this subdivision and certified by the Board or the Secretary of Health, Education, and Welfare for transfer from any such Trust Fund or from the Railroad Retirement Account.

"(3) For purposes of subdivision (2), for any fiscal year, the rate of interest to be used shall be equal to the average rate of interest, computed as of May 31 preceding the close of such fiscal year, borne by all interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest shall be the multiple of one-eighth of 1 per centum next lower than such average rate.

"(d) (1) The Board shall, for purposes of this subsection, have the same authority to determine the rights of individuals described in subdivision (2) to have payments made on their behalf for hospital insurance benefits consisting of inpatient hospital services, posthospital extended care services, posthospital home health services, and outpatient hospital diagnostic services (all hereinafter referred to as 'services') under section 226, and parts A and C of title XVIII, of the Social Security Act as the Secretary of Health, Education, and Welfare has under such section and such parts with respect to individuals to whom such sections and such parts apply. For purposes of section 8, a determination with respect to the rights of an individual under this subsection shall, except in the case of a provider of services, be considered to be a decision with respect to an annuity.

"(2) Except as otherwise provided in this subsection, every person who—

"(i) has attained age 65 and (A) is entitled to an annuity under this Act or (B) would be entitled to such an annuity had he ceased compensated service and, in the case of a spouse, had such spouse's husband or wife ceased compensated service; or

"(ii) has not attained age 65 and (A) has been entitled to an annuity under section 2 of this Act, or under the Railroad Retirement Act of 1937 and section 2 of this Act, or could have been includible in the computation of an annuity under section 3(f)(3) of this Act, for not less than 24 consecutive months and (B) could have been entitled for 24 consecutive calendar months, and could currently be entitled, to monthly insurance benefits under section 223 of the Social Security Act or under section 202 of that Act on the basis of disability if service as an employee after December 31, 1936, had been included in the term 'employment' as defined in that Act and if an application for disability benefits had been filed, shall be certified to the Secretary of Health, Education, and Welfare as a qualified railroad retirement beneficiary under section 226 of the Social Security Act.

"(3) If an individual entitled to an annuity under paragraph (iv) or (v) of section 2(a)(1) of this Act would have been insured for disability insurance benefits as determined under section 223(c)(1) of the Social Security Act at the time such annuity began, he shall be deemed, solely for purposes of paragraph (ii) of subdivision (2), to be entitled to a disability insurance benefit under section 223 of the Social Security Act for each month, and beginning with the first month, in which he would meet the requirements for entitlement to such a benefit, other than the requirement of being insured for disability insurance benefits, if service as an employee after December 31, 1936, had been included in the term 'employment' as defined in the Social Security Act and if an application for disability benefits had been filed.

"(4) The rights of individuals described in subdivision (2) of this subsection to have payment made on their behalf for the services

42 USC 426,
1395, 1395x.

Ante, p. 1312.
45 USC 228a.

Ante, p. 1319.

42 USC 423,
402.

42 USC 426.

42 USC 1305.

referred to in subdivision (1) but provided in Canada shall be the same as those of individuals to whom section 226 and part A of title XVIII of the Social Security Act apply, and this subdivision shall be administered by the Board as if the provisions of section 226 and part A of title XVIII of the Social Security Act were applicable, as if references to the Secretary of Health, Education, and Welfare were to the Board, as if references to the Federal Hospital Insurance Trust Fund were to the Railroad Retirement Account, as if references to the United States or a State included Canada or a subdivision thereof, and as if the provisions of sections 1862(a)(4), 1863, 1864, 1867, 1868, 1869, 1874(b), and 1875 were not included in such title. The payments for services herein provided for in Canada shall be made from the Railroad Retirement Account (in accordance with, and subject to, the conditions applicable under section 7(b), in making payment of other benefits) to the hospital, extended care facility, or home health agency providing such services in Canada to individuals to whom subdivision (2) of this subsection applies, but only to the extent that the amount of payments for services otherwise hereunder provided for an individual exceeds the amount payable for like services provided pursuant to the law in effect in the place in Canada where such services are furnished. For the purposes of section 10 of this Act, any overpayment under this subdivision shall be treated as if it were an overpayment of an annuity.

42 USC 426,
1395.

“(5) The Board and the Secretary of Health, Education, and Welfare shall furnish each other with such information, records, and documents as may be considered necessary to the administration of this subsection or section 226, and part A of title XVIII, of the Social Security Act.

“(e) The Board is authorized to accept on behalf of the United States money gifts and bequests made unconditionally to the Railroad Retirement Account, to the Railroad Retirement Supplemental Account, or to the Railroad Unemployment Insurance Account, or to the Board, or any member, officer, or employee thereof, for the benefit of such accounts or any activity financed through such accounts. Any such gift accepted pursuant to the authority granted in this subsection shall be deposited in the specific account designated by the donor or, if the donor has made no such specific designation, in the Railroad Retirement Account.

“COURT JURISDICTION

“SEC. 8. Decisions of the Board determining the rights or liabilities of any person under this Act shall be subject to judicial review in the same manner, subject to the same limitations, and all provisions of law shall apply in the same manner as though the decision were a determination of corresponding rights or liabilities under the Railroad Unemployment Insurance Act except that the time within which proceedings for the review of a decision with respect to an annuity, supplemental annuity, or lump-sum benefit may be commenced shall be one year after the decision will have been entered upon the records of the Board and communicated to the claimant.

45 USC 231g.

45 USC 367.

“RETURNS OF COMPENSATION

“SEC. 9. Employers shall file with the Board, in such manner and form and at such times as the Board by rules and regulations may prescribe, returns of compensation of employees, and, if the Board shall so require, shall furnish employees with statements of their compensation as reported to the Board. The Board's record of the compensa-

45 USC 231h.

tion so returned shall be conclusive as to the amount of compensation paid to an employee during each period covered by the return, and the fact that the Board's records show that no return was made of the compensation claimed to have been paid to an employee during a particular period shall be taken as conclusive that no compensation was paid to such employee during that period, unless the error in the amount of compensation returned in the one case, or the failure to make return of the compensation in the other case, is called to the attention of the Board within four years after the day on which return of the compensation was required to be made.

"ERRONEOUS PAYMENTS

45 USC 231i.

"SEC. 10. (a) If the Board finds that at any time more than the correct amount of annuities or other benefits has been paid to any individual under this Act, or payment has been made to an individual not entitled thereto, recovery by adjustment in subsequent payments to which such individual, or any other individual on the basis of the same compensation, wages, or self-employment income, is entitled under this Act, or the Railroad Unemployment Insurance Act may, except as otherwise provided in this section, be made under regulations prescribed by the Board. If the individual to whom more than the correct amount has been paid dies before recovery is completed, recovery may be made by setoff or adjustments, under regulations prescribed by the Board, in subsequent payments due, under this Act, or the Railroad Unemployment Insurance Act, to the estate of such individual or to any person on the basis of the compensation, wages, or self-employment income of such individual.

45 USC 367.

"(b) Adjustments under this section may be made either by deductions from subsequent payments or, with respect to payments which are to be made during a lifetime or lifetimes, by subtracting the total amount of annuities or other benefits paid in excess of the proper amount from the actuarial value, as determined by the Board, of such payments to be made during a lifetime or lifetimes and recertifying such payments on the basis of the reduced actuarial value. In the latter case, recovery shall be deemed to have been completed upon such recertification.

"(c) There shall be no recovery in any case in which more than the correct amount of annuities or other benefits has been paid under this Act to an individual or payment has been made to an individual not entitled thereto who, in the judgment of the Board, is without fault when, in the judgment of the Board, recovery would be contrary to the purpose of the Acts or would be against equity or good conscience.

"(d) No certifying or disbursing officer shall be held liable for any amount certified or paid by him in good faith to any person where the recovery of such amount is waived under subsection (c) of this section or has been begun but cannot be completed under subsection (a) of this section.

"WAIVER OF ANNUITIES

45 USC 231j.

"SEC. 11. Any person awarded an annuity under this Act may decline to accept all or any part of such annuity by a waiver signed and filed with the Board. Such a waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect. Such a waiver will have no effect on entitlement to, or the amount of, any other annuity or benefit.

"INCOMPETENCE

"SEC. 12. (a) Every individual receiving or claiming benefits, or to whom any right or privilege is extended, under this Act or any other Act of Congress now or hereafter administered, in whole or in part, by the Board shall be conclusively presumed to have been competent until the date on which the Board receives written notice, in a form and manner acceptable to the Board, that he is an incompetent, or a minor, for whom a guardian or other person legally vested with the care of his person or estate has been appointed: *Provided, however,* That, regardless of the legal competency or incompetency of an individual entitled to a benefit administered by the Board, the Board may, if it finds the interest of such individual to be served thereby, recognize actions by, and conduct transactions with, and make payments to, such individual, or recognize actions by, and conduct transactions with, and make payments to, a relative or some other person for such individual's use and benefit.

45 USC 231k.

"(b) Every guardian or other person legally vested with the care of the person or estate of an incompetent or minor who is receiving or claiming benefits, or to whom any right or privilege is extended, under this Act or any other Act of Congress now or hereafter administered, in whole or in part, by the Board shall have power everywhere, in the manner and to the extent prescribed by the Board, but subject to the provisions of the preceding subsection, to take any action necessary or appropriate to perfect any right or exercise any privilege of the incompetent or minor and to conduct all transactions on his behalf under this or any other Act of Congress now or hereafter administered, in whole or in part, by the Board. Any payment made pursuant to the provisions of this section shall be a complete settlement and satisfaction of any claim, right, or interest in and to such payment.

"PENALTIES

"SEC. 13. (a) Any person who shall knowingly fail or refuse to make any report or furnish any information required by the Board in the administration of this Act, including the provisions of section 7(b)(2) thereof, or who shall knowingly make or cause to be made any false or fraudulent statement or report when a statement or report is required to be made for the purpose of this Act, or who shall knowingly make or aid in making any false or fraudulent statement or claim for the purpose of causing an award or payment to be made, shall be punished by a fine of not more than \$10,000 or by imprisonment not exceeding one year, or both.

45 USC 231l.

"(b) All fines and penalties imposed by a court pursuant to this Act shall be paid to the court and be remitted from time to time by order of the judge to the Treasury of the United States to be credited to the Railroad Retirement Account.

"EXEMPTION FROM LEGAL PROCESS

"SEC. 14. Notwithstanding any other law of the United States, or of any State, territory, or the District of Columbia, no annuity or supplemental annuity shall be assignable or be subject to any tax or to garnishment, attachment, or other legal process under any circumstances whatsoever, nor shall the payment thereof be anticipated: *Provided, however,* That the provisions of this section shall not operate to exclude the amount of any supplemental annuity paid to an individual under section 2(b) of this Act from income taxable pursuant to the Federal income tax provisions of the Internal Revenue Code of 1954.

45 USC 231m.

26 USC 1 et seq.

"RAILROAD RETIREMENT ACCOUNT"

45 USC 231n.
45 USC 228c.

26 USC 3233.

26 USC 3211,
3221.

"SEC. 15. (a) The Railroad Retirement Account established by section 15(a) of the Railroad Retirement Act of 1937 shall continue to be maintained in the Treasury of the United States. There is hereby authorized to be appropriated to such Account for each fiscal year, beginning with the fiscal year ending June 30, 1975, to provide for the payment of benefits to be made from such Account in accordance with the provisions of section 7(c)(1) of this Act, and to provide for expenses necessary for the Board in the administration of all provisions of this Act, an amount equal to amounts covered into the Treasury (minus refunds) during each fiscal year under the Railroad Retirement Tax Act, except those portions of the amounts covered into the Treasury under sections 3211(b), 3221(c), and 3221(d) of such Tax Act as are necessary to provide sufficient funds to meet the obligation to pay supplemental annuities at the level provided under section 3(e) of this Act and, with respect to those entitled to supplemental annuities under section 205(a) of title II of this Act, at the level provided under section 205(a). The Board is directed to determine what portion of the taxes collected under sections 3211(b), 3221(c), and 3221(d) of the Railroad Retirement Tax Act is to be credited to the Railroad Retirement Account pursuant to the preceding provisions of this subsection and what portion of such taxes is to be credited to the Railroad Retirement Supplemental Account pursuant to the provisions of subsection (c) of this section. The Board shall make such a determination with respect to each calendar quarter commencing with the quarter beginning January 1, 1975, shall make each such determination not later than fifteen days before each calendar quarter, and shall, as soon as practicable after each such determination, advise the Secretary of the Treasury of the determination made. The Secretary of the Treasury shall credit the amounts covered into the Treasury under sections 3211(b), 3221(c), and 3221(d) of the Railroad Retirement Tax Act to the Railroad Retirement Account and the Railroad Retirement Supplemental Account in such proportions as is determined by the Board pursuant to the provisions of this subsection.

"(b) In addition to the amount authorized to be appropriated in subsection (a) of this section, there is hereby authorized to be appropriated to the Railroad Retirement Account for each fiscal year, beginning with the fiscal year ending June 30, 1975, such amount as the Board determines to be necessary to meet (A) the additional costs, resulting from the crediting of military service under this Act, of benefits payable under section 2 of this Act, but only to the extent that such Account is not reimbursed for such costs under section 7(c)(2), (B) the additional administrative expenses resulting from the crediting of military service under this Act, and (C) any loss in interest to such Account resulting from the payment of additional benefits based on military service credited under this Act: *Provided, however,* That, in determining the amount to be appropriated to the Railroad Retirement Account for any fiscal year pursuant to the provisions of this subsection, there shall not be considered any costs resulting from the crediting of military service under this Act for which appropriations to such Account have already been made pursuant to section 4(1) of the Railroad Retirement Act of 1937. Any determination as to loss in interest to the Railroad Retirement Account pursuant to clause (C) of the first sentence of this subsection shall take into account interest from the date each annuity based, in part, on military service began to accrue or was increased to the date or dates on which the amount appropriated is credited to the Account.

45 USC 228c-1.

The cost resulting from the payment of additional benefits under this Act based on military service determined pursuant to the preceding provisions of this subsection shall be adjusted by applying thereto the ratio of the total net level cost of all benefits under this Act to the portion of such net level cost remaining after the exclusion of administrative expenses and interest charges on the unfunded accrued liability as determined under the last completed actuarial valuation pursuant to the provisions of subsection (g) of this section. At the close of the fiscal year ending June 30, 1975, and each fiscal year thereafter, the Board shall, as promptly as practicable, determine the amount to be appropriated to the Account pursuant to the provisions of this subsection, and shall certify such amount to the Secretary of the Treasury for transfer from the general fund in the Treasury to the Railroad Retirement Account. When authorized by an appropriation Act, the Secretary of the Treasury shall transfer to the Railroad Retirement Account from the general fund in the Treasury such amounts as, from time to time, may be determined by the Board pursuant to the provisions of this subsection and certified by the Board for transfer to such Account. In any determination made pursuant to section 7(c)(2) of this Act, no further charges shall be made against the Trust Funds established by title II of the Social Security Act for military service rendered before January 1, 1957, and with respect to which appropriations authorized by clause (2) of the first sentence of section 4(l) of the Railroad Retirement Act of 1937 shall have been credited to the Railroad Retirement Account, but the additional benefit payments incurred by such Trust Funds by reason of such military service shall be taken in account in making any such determination.

Transfer of
funds.

42 USC 401.

45 USC 228c-1.

Supplemental
annuities.
45 USC 228o.

26 USC 3211,
3221.

“(c) The Railroad Retirement Supplemental Account established by section 15(b) of the Railroad Retirement Act of 1937 shall continue to be maintained in the Treasury of the United States. There is hereby authorized to be appropriated to such account for each fiscal year, beginning with the fiscal year ending June 30, 1975, to provide for the payment of supplemental annuities under section 2(b) of this Act, and to provide for the expenses necessary for the Board in the administration of the payment of such supplemental annuities, an amount equal to such portions of the amounts covered into the Treasury (minus refunds) during each fiscal year under sections 3211(b), 3221(c), and 3221(d) of the Railroad Retirement Tax Act as are not appropriated to the Railroad Retirement Account pursuant to the provisions of subsection (a) of this section.

“(d) There is hereby authorized to be appropriated to the Railroad Retirement Account for each fiscal year, beginning with the fiscal year ending June 30, 1976, such sums as the Board determines to be necessary on a level basis to pay before the end of fiscal year 2000 the total of (A) the amounts of the annuities paid and to be paid after 1974 pursuant to the provisions of sections 3(h), 4(e), and 4(h) of this Act and pursuant to the provisions of sections 204(a)(3), 204(a)(4), 206(3), and 207(3) of title II of this Act, plus (B) any loss in interest to such Account resulting from the payment of such amounts reduced by (C) such amount as the Board determines, on an estimated basis, is equal to the excess of (i) the interest which such account will actually earn in the fiscal years 1976 through 2000 over (ii) the interest which such account would have earned in such fiscal years if the provisions of subsection (e) of this section were identical to the provisions of section 15(c) of the Railroad Retirement Act of 1937. The Board shall, at the time of each actuarial valuation made prior to the fiscal year 2000 pursuant to the provisions of subsection (g) of this section re-evaluate the amount determined under the preceding sen-

tence for the purpose of determining the amounts to be appropriated thereunder.

Investments.

“(e) At the request and direction of the Board, it shall be the duty of the Secretary of the Treasury (hereinafter referred to as the ‘Secretary’) to invest such portion of the amounts credited to the Railroad Retirement Account and the Railroad Retirement Supplemental Account as, in the judgment of the Board, is not immediately required for the payment of annuities, supplemental annuities, and death benefits. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at the issue price; or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the accounts. Such obligations issued for purchase by the accounts shall have maturities fixed with due regard for the needs of the accounts, and shall bear interest at a rate equal to the average market yield, computed as of the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing notes of the United States then forming a part of the public debt that are not due or callable until after the expiration of three years from the end of such calendar month, except that where such rate is not a multiple of one-eighth of 1 per centum, the rate of interest on such obligations shall be the multiple of one-eighth of 1 per centum nearest such rate: *Provided*, That the rate of interest on such obligations shall in no case be less than 3 per centum per annum. At the request of the Board the Secretary shall purchase other interest-bearing obligations of the United States, or obligations guaranteed as to both principal and interest by the United States, or other obligations which are lawful investments for trust funds of the United States, on original issue or at the market price: *Provided*, That the interest yield of such obligations shall not be less than the interest rate determined in accordance with the preceding sentence. At the request of the Board, the Secretary shall sell at the market price such obligations in the accounts (other than special obligations issued exclusively to the accounts) as the Board designates. The Board shall from time to time request the Secretary to redeem such special obligations issued exclusively to the accounts as the Board designates and upon such request the Secretary shall redeem such obligations at par plus accrued interest. All requests of the Board to the Secretary, provided for in this subsection, shall be mandatory upon the Secretary. It shall be the duty of the Board to determine at all times what proportion of the accounts shall be invested in other than special obligations issued to the accounts and further to determine which of such obligations available to the accounts consistent with the foregoing requirements will provide the greatest rate of return on the funds invested.

31 USC 774.

Rate of interest.

Actuarial Advisory Committee.

“(f) The Board is hereby authorized and directed to select two actuaries, one from recommendations made by representatives of employees and the other from recommendations made by representatives of employers as defined in paragraph (i) of section 1(a)(1) of this Act. These actuaries, along with a third who shall be designated by the Secretary of the Treasury, shall be known as the Actuarial Advisory Committee with respect to the Railroad Retirement Account. The actuaries so selected shall hold membership in the American Academy of Actuaries and shall be qualified in the evaluation of pen-

sion plans: *Provided, however,* That these requirements shall not apply to any actuary who served as a member of the Committee prior to January 1, 1975. The Committee shall examine the actuarial reports and estimates made by the Board and shall have authority to recommend to the Board such changes in actuarial methods as they may deem necessary. The compensation of the members of the Committee, exclusive of the member designated by the Secretary, shall be fixed by the Board on a per diem basis.

“(g) The Board shall include in its annual report a statement of the status and the operations of the Railroad Retirement and Railroad Retirement Supplemental Accounts. At intervals not longer than three years the Board shall make an estimate of the liabilities created by this Act and shall include such estimate in its annual report.

Annual report.

“PRIVATE PENSIONS

“SEC. 16. Nothing in this Act shall be taken as restricting or discouraging payment by employers to retired employees of pensions or gratuities in addition to the annuities paid to such employees under this Act, nor shall this Act be taken as terminating any trust heretofore created for the payment of such pensions or gratuities. The annuity, except a supplemental annuity under section 2(b), of an individual shall not be reduced on account of any pension or gratuity paid by an employer to such individual.

45 USC 231o.

“FREE TRANSPORTATION

“SEC. 17. It shall not be unlawful for carriers by railroad subject to this Act to furnish free transportation to individuals receiving annuities under this Act in the same manner as such transportation is furnished to employees in their service.

45 USC 231p.

“CREDITING SERVICE UNDER THE SOCIAL SECURITY ACT

“SEC. 18. (1) Except as provided in subdivision (2), the term ‘employment’ as defined in section 210 of the Social Security Act shall not include service performed by an individual as an employee as defined in section 1(b) of this Act.

45 USC 231q.

42 USC 410.

“(2) For the purpose of determining (i) monthly insurance benefits under the Social Security Act to an employee who will have completed less than ten years of service and to others deriving from him or her during his or her life and (ii) monthly insurance benefits and lump-sum death benefits under such Act with respect to the death of an employee who (A) will have completed less than ten years of service or (B) will have completed ten or more years of service but will not have had a current connection with the railroad industry at the time of his death, and for the purposes of section 203 of that Act, section 210(a) (9) of the Social Security Act and subdivision (1) of this section shall not operate to exclude from ‘employment’ under the Social Security Act service which would otherwise be included in such ‘employment’ but for such sections. For such purpose, compensation paid in a calendar year shall, in the absence of evidence to the contrary, be presumed to have been paid in equal proportions with respect to all months in the year in which the employee will have been in service as an employee. In the application of the Social Security Act pursuant to this subdivision to service as an employee, all service as defined in section 1(d) of this Act shall be deemed to have been performed within the United States.

42 USC 403.

42 USC 1305.

“AUTOMATIC BENEFIT ELIGIBILITY REQUIREMENT
ADJUSTMENTS

45 USC 231r.
42 USC 401.

“SEC. 19. (a) If title II of the Social Security Act is amended at any time after December 31, 1974, to reduce the eligibility requirements for old-age insurance benefits, disability insurance benefits, wife's insurance benefits payable to a wife, husband's insurance benefits, child's insurance benefits payable to a child of a deceased individual, widow's insurance benefits payable to a widow, widower's insurance benefits, mother's insurance benefits payable to a widow, or parent's insurance benefits, such reduced eligibility requirements shall be applicable, in accordance with regulations prescribed by the Board, to individuals, spouses, or survivors, as the case may be, under section 2 of this Act to the extent that such reduced eligibility requirements would provide such individuals, spouses, or survivors with entitlement to annuities under such section 2 to which they would not be entitled except for such reduced eligibility requirements: *Provided, however*, That no annuity shall be paid to any person pursuant to the provisions of this subsection if that person does not satisfy an eligibility requirement imposed by section 2 of this Act of a kind not imposed by the Social Security Act on December 31, 1974, or an eligibility requirement imposed by section 2 of this Act of a kind which was imposed by the Social Security Act on December 31, 1974, but which was not reduced by the amendment to that Act: *Provided further*, That the annuity amounts to which such individuals, spouses, or survivors will be entitled under this Act by reason of the provisions of this subsection shall be only such amounts as are determined under the provisions of section 3(a), 4(a), or 4(f), respectively, of this Act.

42 USC 1305.

“(b) If title II of the Social Security Act is amended at any time after December 31, 1974, to provide monthly insurance benefits under that Act to a class of beneficiaries not entitled to such benefits thereunder prior to January 1, 1975, every person who is a member of such class of beneficiaries shall be entitled to annuities under section 2 of this Act, in accordance with regulations prescribed by the Board, in an amount equal to the amount of the monthly insurance benefit to which such person would have been entitled under the Social Security Act if service as an employee after December 31, 1936, had been included in the term ‘employment’ as defined in that Act.

42 USC 426,
1395.

“(c) If section 226 or title XVIII of the Social Security Act is amended at any time after December 31, 1974, to reduce the conditions of entitlement to, or to expand the nature of, the benefits payable thereunder, or if health care benefits in addition to, or in lieu of, the benefits payable under such section 226 or such title XVIII are provided by any provision of law which becomes effective at any time after December 31, 1974, such reductions in the conditions of entitlement to benefits, such expanded benefits, or such additional, or substituted, health care benefits shall be available to every employee (as defined in this Act), and those deriving from him, in the same manner, and to the same extent, as if his service as an employee after December 31, 1936, had been included in the term ‘employment’ as defined in the Social Security Act. The Board shall have the same authority, in accordance with regulations prescribed by it, to determine the rights of employees who will have completed ten years of service, and of those deriving from such employees, to benefits provided by reason of the provisions of this subsection as the Secretary of Health, Education, and Welfare has with respect to individuals insured under the Social Security Act.

“(d) Notwithstanding the provisions of subsections (a), (b), and (c) of this section—

"(1) No annuity or other benefit shall be payable to any person on the basis of the compensation and years of service of an individual by reason of the provisions of subsection (a), (b), or (c) of this section if, and to the extent that, such annuity or other benefit would duplicate a benefit payable to such person on the basis of such compensation and years of service under a provision of the Social Security Act, or any other Act of Congress, which becomes effective after December 31, 1974.

42 USC 1305.

"(2) No annuity shall be payable to a person by reason of subsection (a) or (b) of this section unless the individual upon whose compensation and years of service such annuity would be based will have (A) completed ten years of service, and (B) in the case of a survivor, had a current connection with the railroad industry at the time of his death.

"(3) If the Social Security Act is amended after December 31, 1974, to remove any, or all, restriction on the receipt of more than one monthly insurance benefit thereunder, annuity amounts provided a person under section 3(h), 4(e), or 4(h) of this Act, or under section 204(a)(3), 204(a)(4), 206(3), or 207(3) of title II of this Act, shall be reduced (but not below zero) by the amount of any annuity provided such person under this Act by reason of such amendment.

"(4) If and to the extent that an annuity or other benefit payable to a person by reason of the provisions of subsection (a), (b), or (c) of this section duplicates an annuity or other benefit then payable to such person under other provisions of this Act, such annuity or other benefit then payable under other provisions of this Act shall be reduced (but not below zero) by the amount of the annuity or other benefit payable by reason of subsection (a), (b), or (c).

"SEPARABILITY

"SEC. 20. If any provision of this Act, or the application thereof to any person or circumstance, should be held invalid, the remainder of such Act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

45 USC 231s.

"SHORT TITLE

"SEC. 21. This Act may be cited as the 'Railroad Retirement Act of 1974'."

Railroad Retirement Act of 1974.

45 USC 231t.

TITLE II—TRANSITIONAL PROVISIONS

SEC. 201. The claims of individuals who, prior to the effective date of title I of this Act, became eligible for annuities, supplemental annuities, or death benefits under section 2, 3(j), or 5 of the Railroad Retirement Act of 1937 shall be adjudicated by the Board under that Act in the same manner and with the same effect as if title I of this Act had not been enacted: *Provided, however*, That no annuity, supplemental annuity, or death benefit shall be awarded under the Railroad Retirement Act of 1937 on the basis of an application therefor filed with the Board on or after the effective date of title I of this Act: *Provided further*, That no annuity under the Railroad Retirement Act of 1935, no annuity or supplemental annuity under the Railroad Retirement Act of 1937, and no pension under section 6 of the Railroad Retirement Act of 1937 shall be payable for any month after December 31, 1974.

45 USC 231 note.

45 USC 228b, 228c, 228e.

45 USC 228a.

45 USC 215-228 notes.

45 USC 228f.

45 USC 231
note.
45 USC 215-228
notes.

Ante, p. 1312.

Ante, p. 1319.

45 USC 228c.

45 USC 228f
note.

42 USC 1305.

SEC. 202. (a) Every individual who would have been entitled to an annuity under the Railroad Retirement Act of 1935 for the month of January 1975, if this Act had not been enacted, shall be entitled to an annuity under paragraph (i) of section 2(a)(1) of the Railroad Retirement Act of 1974, beginning January 1, 1975, in an amount determined under the provisions of section 3(a) of such Act, which amount shall initially be equal to the amount determined under clause (i) of section 3(a)(6) of the Railroad Retirement Act of 1937 for the purpose of computing the last increase in such individual's annuity under the Railroad Retirement Act of 1935 pursuant to the provisions of section 105 of Public Law 93-69, less the amount of any monthly insurance benefit to which such individual is actually entitled (before any deductions on account of work) under the Social Security Act.

(b) The amount of the annuity of an individual under subsection (a) of this section shall be increased by an amount, if any, equal to the amount by which (i) his annuity under the Railroad Retirement Act of 1935 for the month of December 1974 exceeds (ii) his annuity under subsection (a) of this section for the month of January 1975.

Pensions.
45 USC 231
note.
45 USC 228f.

SEC. 203. (a) Every individual who would have been entitled to a pension under section 6 of the Railroad Retirement Act of 1937 for the month of January 1975, if this Act had not been enacted, shall be entitled to an annuity under paragraph (i) of section 2(a)(1) of the Railroad Retirement Act of 1974 in an amount determined under the provisions of section 3(a) of such Act, which amount shall initially be equal to the amount determined under clause (i) of section 3(a)(6) of the Railroad Retirement Act of 1937 for the purpose of computing the last increase in such individual's pension under section 6 of the Railroad Retirement Act of 1937 pursuant to the provisions of section 105 of Public Law 93-69, less the amount of any monthly insurance benefit to which such individual is actually entitled (before any deductions on account of work) under the Social Security Act.

(b) The amount of the annuity of an individual under subsection (a) of this section shall be increased by an amount, if any, equal to the amount by which (i) his pension under section 6 of the Railroad Retirement Act of 1937 for the month of December 1974 exceeds (ii) his annuity under subsection (a) of this section for the month of January 1975.

(c) The annuities of each individual under the preceding subsections of this section shall be paid on January 1, 1975, and on the first day of each calendar month thereafter during his life.

45 USC 231
note.

45 USC 228b.

SEC. 204. (a) Every individual who was entitled to an annuity under section 2(a)1, 2(a)2, 2(a)3, 2(a)4, or 2(a)5 of the Railroad Retirement Act of 1937 for the month of December 1974, or who would have been entitled to such an annuity for such month except for the provisions of section 2(d) of such Act, and who would have been entitled to such an annuity for the month of January 1975, if this Act had not been enacted, shall be entitled to an annuity under paragraph (i), (ii), (iii), (iv), or (v), respectively, of section 2(a)(1) of the Railroad Retirement Act of 1974, beginning January 1, 1975: *Provided, however*, That if an individual who was entitled to an annuity under section 2(a)4 or 2(a)5 of the Railroad Retirement Act of 1974 is age 65 or older, on January 1, 1975, such individual shall be entitled to an annuity under paragraph (i) of section 2(a)(1) of the Railroad Retirement Act of 1974. For purposes of this subsection—

(1) that portion of the individual's annuity as is provided under section 3(a) of the Railroad Retirement Act of 1974 shall initially be in an amount equal to the amount determined under clause (i) of section 3(a)(6) of the Railroad Retirement Act of

1937 for the purpose of computing the last increase in the amount of such individual's annuity as computed under the provisions of section 3(a), and that part of section 3(e) which preceded the first proviso, of the Railroad Retirement Act of 1937, less the amount of any monthly insurance benefit to which such individual is actually entitled (before any deductions on account of work) under the Social Security Act;

45 USC 228c.

(2) that portion of the individual's annuity as is provided under section 3(b)(1) of the Railroad Retirement Act of 1974 shall be in an amount, if any, equal to the amount by which (A) his annuity under section 2(a) of the Railroad Retirement Act of 1937 for the month of December 1974 (before any reduction on account of age and without regard to section 2(d) of such Act) exceeds (B) (i), if such individual is entitled to an annuity amount provided under paragraph (3) of this subsection, the amount of the annuity which would have been provided such individual under paragraph (1) of this subsection (before any reduction due to such individual's entitlement to a monthly insurance benefit under the Social Security Act) for the month of January 1975 if he had no wages or self-employment income under the Social Security Act other than wages derived from service as an employee under the Railroad Retirement Act of 1974 after December 31, 1936, and before January 1, 1975, or (ii), if such individual is not entitled to an annuity amount provided under paragraph (3) of this subsection, the amount of his annuity provided under paragraph (1) of this subsection (before any reduction due to such individual's entitlement to a monthly insurance benefit under the Social Security Act) for the month of January 1975: *Provided, however,* That if the annuity of any individual under the Railroad Retirement Act of 1937 for the month of December 1974 was computed under the first proviso of section 3(e) of such Act, the annuity of such individual for purposes of clause (A) of this paragraph shall be the annuity which such individual would have received under such Act for the month of December 1974, if no other person had been included in the computation of the annuity of such individual; and

42 USC 1305.

Ante, p. 1319.

45 USC 228b.

Ante, p. 1305.

45 USC 228a.

(3) if the individual was entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act on December 31, 1974, or was fully insured under that Act on that date, the annuity amounts provided under paragraphs (1) and (2) of this subsection shall be increased by an amount determined under the provisions of section 3(h)(1) of the Railroad Retirement Act of 1974: *Provided, however,* That, if the individual was entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act on December 31, 1974, such amount shall not be less nor more than an amount which would cause the total of the annuity amounts provided the individual by the provisions of this subsection for the month of January 1975 to equal the total of the annuity under the Railroad Retirement Act of 1937 (prior to any reduction on account of age and without regard to section 2(d) of that Act) plus the old-age or disability insurance benefit under the Social Security Act (before any reduction on account of age and deductions on account of work) which such individual would have received for such month if this Act had not been enacted.

Old-age or disability insurance benefits.

(4) if the individual was entitled to a wife's, husband's, widow's, or widower's insurance benefit under the Social Security Act on December 31, 1974, or is the wife, husband, widow, or widower of a person who was fully insured under that Act on

that date, the annuity amounts provided under paragraphs (1) and (2) of this subsection shall be increased by an amount determined under the provisions of section 3(h)(3) of the Railroad Retirement Act of 1974.

Ante, p. 1319.

45 USC 228b.

(b) An individual who was awarded an annuity under section 2(a) of the Railroad Retirement Act of 1937, but who could not have become eligible for an annuity under paragraph 2 of such section, shall not be eligible for an annuity under paragraph (ii) of section 2(a)(1) of the Railroad Retirement Act of 1974.

Ante, p. 1312.

Supplemental
annuity, eligi-
bility.

45 USC 231
note.

45 USC 228c.

SEC. 205. (a) Every individual who was entitled to a supplemental annuity under section 3(j) of the Railroad Retirement Act of 1937 for the month of December 1974, or who would have been entitled to such a supplemental annuity for such month except for the provisions of section 2(d) of such Act, and who would have been entitled to such a supplemental annuity for the month of January 1975, if this Act had not been enacted, shall be entitled to a supplemental annuity under section 2(b)(1) of the Railroad Retirement Act of 1974, beginning January 1, 1975, in an amount, the provisions of section 3(e) of such Act notwithstanding, equal to the amount of the supplemental annuity to which such individual was entitled under section 3(j) of the Railroad Retirement Act of 1937 for the month of December 1974, or to which such individual would have been entitled for such month under such section 3(j) except for the provisions of section 2(d) of such Act.

(b) An individual who was awarded an annuity under section 2(a) of the Railroad Retirement Act of 1937, but who could not have become eligible for a supplemental annuity under section 3(j) of such Act if this Act had not been enacted, shall not be eligible for a supplemental annuity under section 2(b) of the Railroad Retirement Act of 1974.

SEC. 206. Every spouse who was entitled to an annuity under section 2(e) or 2(h) of the Railroad Retirement Act of 1937 for the month of December 1974, or who would have been entitled to such an annuity for such month except for the provisions of section 2(d) of such Act, and who would have been entitled to such an annuity for the month of January 1975, if this Act had not been enacted, shall be entitled to an annuity under section 2(c) of the Railroad Retirement Act of 1974, beginning January 1, 1975. For purposes of this section—

(1) that portion of the spouse's annuity as is provided under section 4(a) of the Railroad Retirement Act of 1974 shall initially be in an amount equal to the amount determined under clause (i) of section 3(a)(6) of the Railroad Retirement Act of 1937 for the purpose of computing the last increase in the amount of such spouse's annuity as computed under the provisions of section 2 of the Railroad Retirement Act of 1937, less the amount of any wife's insurance benefit or husband's insurance benefit to which such spouse is actually entitled (before any deductions on account of work) under the Social Security Act on the basis of such individual's wages and self-employment income: *Provided, however*, That the amount of such annuity shall be subject to reduction in accordance with the provisions of section 202(k) or 202(q) of the Social Security Act, other than a reduction on account of age, in the same manner as any wife's insurance benefit or husband's insurance benefit payable under section 202 of the Social Security Act and shall also be subject to reduction in accordance with the provisions of section 4(i)(2) of the Railroad Retirement Act of 1974;

(2) that portion of the spouse's annuity as is provided under section 4(b) of the Railroad Retirement Act of 1974 shall be in an amount, if any, equal to 50 per centum of the individual's annuity as computed in accordance with the provisions of para-

Spouse's an-
nuity.
45 USC 231
note.

Ante, p. 1327.

42 USC 1305.

42 USC 402.

graph (2) of section 204(a) of this title: *Provided, however*, That, in case of a spouse who is not entitled to an annuity amount provided under paragraph (3) of this section, if (A) the amounts of the annuity provided a spouse for the month of January 1975 by the provisions of paragraph (1) (before any reduction due to such spouse's entitlement to a wife's or husband's insurance benefit under the Social Security Act) and the preceding provisions of this paragraph exceed (B) the amount of the annuity to which such spouse was entitled (before any reduction on account of age) for the month of December 1974 under section 2(e) or 2(h) of the Railroad Retirement Act of 1937 (deeming, for this purpose, any increase in the amount of such annuity which, had this Act not been enacted, would have become effective January 1, 1975, by reason of an increase in the maximum amount payable as a wife's insurance benefit under the Social Security Act to have been effective for the month of December 1974), or to which such spouse would have been entitled for such month under such section 2(e) or 2(h) except for the provisions of section 2(d) of such Act, the amount of the annuity provided such spouse for the month of January 1975 by the preceding provisions of this paragraph shall be reduced until the total of the amounts described in clause (A) of this proviso equals the amount described in clause (B): *Provided further*, That, if the amount of the annuity of the spouse provided by paragraph (1) of this section is reduced by reason of the provisions of section 4(i) (2) of the Railroad Retirement Act of 1974, the amount of the annuity provided such spouse by the preceding provisions of this paragraph shall not be less than an amount which would cause the total of the annuity amounts provided such spouse under paragraph (1) (before any reduction pursuant to the provisions of section 202(k) or 202(q) of the Social Security Act and before any reduction due to such spouse's entitlement to a wife's or husband's insurance benefit under the Social Security Act) and paragraph (2) of this section for the month of January 1975 to equal the amount of the annuity (before any reduction on account of age) which such spouse would have received for such month under section 2(e) or 2(h) of the Railroad Retirement Act of 1937 (without regard to the provisions of section 2(d) of that Act) if this Act had not been enacted; and

(3) if the spouse was entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act of December 31, 1974, or was fully insured under that Act on that date, or was entitled to a wife's or a husband's insurance benefit under that Act on that date, the annuity amounts provided under paragraphs (1) and (2) of this section shall be increased by an amount determined under the provisions of section 4(e) (1), or, if the spouse was entitled only to a wife's or husband's insurance benefit, 4(e) (3) of the Railroad Retirement Act of 1974: *Provided, however*, That, if the spouse was entitled to a monthly insurance benefit under the Social Security Act of December 31, 1974, such amount shall not be less nor more than an amount which would cause (A) the total of (i) the annuity amounts provided the spouse by the provisions of this section for the month of January 1975 plus (ii) the monthly insurance benefit to which such spouse is entitled for that month under the Social Security Act (before any reductions on account of age and deductions on account of work) to equal (B) the total of (i) the spouse's annuity under the Railroad Retirement Act of 1937 (prior to any reduction on account of age and without regard to

42 USC 1305.

45 USC 228b.

Ante, p. 1327.

42 USC 402.

45 USC 228a.

45 USC 228b.

section 2(d) of that Act) plus (ii) the monthly insurance benefit under the Social Security Act (before any reduction on account of age and deductions on account of work) which such spouse would have received for such month if this Act had not been enacted.

Survivor's annuities,
45 USC 231
note.

45 USC 228e.

Ante, p. 1312.

SEC. 207. Every survivor who was entitled to an annuity under section 5 of the Railroad Retirement Act of 1937 for the month of December 1974, or who would have been entitled to such an annuity for such month except for the provisions of section 5(i) of such Act, and who would have been entitled to such an annuity for the month of January 1975, if this Act had not been enacted, shall be entitled to an annuity under section 2(d) of the Railroad Retirement Act of 1974 beginning January 1, 1975. For purposes of this section—

Ante, p. 1327.

45 USC 228c.

(1) that portion of the survivor's annuity as is provided under section 4(f) of the Railroad Retirement Act of 1974 shall initially be in an amount equal to the amount determined under clause (i) of section 3(a)(6) of the Railroad Retirement Act of 1937 for the purpose of computing the last increase in the amount of such survivor's annuity as computed under the provisions of section 5(q) of the Railroad Retirement Act of 1937: *Provided, however*, That the amount of such annuity shall be subject to reduction in accordance with the provisions of section 202(k) or 202(q) of the Social Security Act in the same manner as any widow's insurance benefit, mother's insurance benefit, widower's insurance benefit, parent's insurance benefit, or child's insurance benefit payable under section 202 of the Social Security Act and shall also be subject to reduction in accordance with the provisions of section 4(i)(2) of the Railroad Retirement Act of 1974;

42 USC 402.

(2) that portion of the survivor's annuity as is provided under section 4(g) of the Railroad Retirement Act of 1974 shall initially be in an amount equal to 30 per centum of the amount computed in accordance with the provisions of paragraph (1) of this section prior to any reductions, other than reductions on account of age, in accordance with the provisions of section 202(k) or 202(q) of the Social Security Act and prior to any reductions in accordance with the provisions of section 4(i)(2) of the Railroad Retirement Act of 1974: *Provided, however*, That, if such survivor is not entitled to an annuity amount provided under paragraph (3) of this section, such amount shall not be less than an amount which would cause (A) the total of the annuity amounts provided the survivor by the provisions of this section for the month of January 1975 to equal (B) the amount of the annuity which the survivor would have received for such month under section 5 of the Railroad Retirement Act of 1937 (without regard to section 5(i) of that Act) if this Act had not been enacted; and

42 USC 1305.

(3) if the survivor is a widow or widower who was entitled to an old-age insurance benefit or a disability insurance benefit under the Social Security Act on December 31, 1974, or was fully insured under that Act on that date, the annuity amounts provided under paragraphs (1) and (2) of this section shall be increased by an amount determined under the provisions of 4(h)(1) of the Railroad Retirement Act of 1974: *Provided, however*, That, if the widow or widower was entitled to a monthly insurance benefit under the Social Security Act on December 31, 1974, such amount shall not be less nor more than an amount which would cause (A) the total of (i) the annuity amounts provided the widow or widower by the provisions of this section for the month of

January 1975 plus (ii) the monthly insurance benefit to which such widow or widower is entitled for that month under the Social Security Act (before any deductions on account of work) to equal (B) the total of (i) the widow's or widower's annuity under the Railroad Retirement Act of 1937 (without regard to section 5(i) of that Act) plus (ii) the monthly insurance benefit under the Social Security Act (before any deductions on account of work) which such widow or widower would have received for such month if this Act had not been enacted.

42 USC 1305.

45 USC 228a.

45 USC 228e.

SEC. 208. For purposes of paragraph (1) of section 204(a), paragraph (1) of section 206, and paragraph (1) of section 207, the fact that the amount of the annuity payable to an individual, spouse, or survivor under the Railroad Retirement Act of 1937 for the month of December 1974 may not (i) in the case of an individual have been computed under the provisions of section 3(a) of such Act or that part of section 3(e) of such Act which precedes the first proviso; (ii) in the case of a spouse, have been computed under the provisions of section 2 of such Act; or (iii) in the case of a survivor, have been computed under the provisions of section 5 of such Act, shall be disregarded, and the amount determined under clause (i) of section 3(a)(6) of such Act with respect to such individual, spouse, or survivor shall, for purposes of such paragraphs, be the amount which would have been determined under such clause (i) if the annuity of such individual had been computed under the provisions of section 3(a), and that part of section 3(e) which preceded the first proviso, of such Act; the annuity of such spouse had been computed under the provisions of section 2 of such Act; or the annuity of such survivor had been computed under the provisions of section 5 of such Act.

45 USC 231
note.

45 USC 228c.

45 USC 228b.

45 USC 228e.

SEC. 209. (a) Whenever monthly insurance benefits under section 202 of the Social Security Act are increased, the amount of each annuity provided by section 202(a), section 203(a), paragraph (1) of section 204(a), paragraph (1) of section 206, and paragraphs (1) and (2) of section 207 shall be increased in the same manner, and effective the same date as other annuities of the same type payable under section 2 of the Railroad Retirement Act of 1974 are increased.

Monthly insurance
benefits, in-
creases.45 USC 231
note.

42 USC 402.

(b) The annuity amounts provided by section 202(b), section 203(b), paragraph (2) of section 204(a), and paragraph (2) of section 206 shall be increased by the same percentage, or percentages, and effective the same date, or dates, as other annuity amounts of the same type are increased pursuant to the provisions of section 3(g) of the Railroad Retirement Act of 1974.

Annuity in-
creases.

Ante, p. 1319.

45 USC 231
note.

SEC. 210. The election of a joint and survivor annuity made before July 31, 1946, by an individual to whom an annuity accrues under the Railroad Retirement Act of 1937 before January 1, 1975, shall be given effect as though the provisions of law under which the election was made had continued to be operative unless such election had been revoked prior to the time the annuity of such individual began to accrue.

TITLE III—AMENDMENTS TO THE SOCIAL SECURITY ACT

SEC. 301. Section 202(1) of the Social Security Act is amended—

42 USC 402.

(1) by striking out "section 5 of the Railroad Retirement Act of 1937" and inserting in lieu thereof "section 2 of the Railroad Retirement Act of 1974"; and

Ante, p. 1312.

(2) by striking out "subsection (f)(1) of such section" and inserting in lieu thereof "section 6(b) of such Act".

Ante, p. 1334.

42 USC 405.

SEC. 302. (a) Section 205(i) of the Social Security Act is amended by inserting immediately before the colon preceding the proviso therein the following: “(except that in the case of (A) an individual who will have completed ten years of service creditable under the Railroad Retirement Act of 1937 or the Railroad Retirement Act of 1974, (B) the wife or husband of such an individual, (C) any survivor of such an individual if such survivor is entitled, or could upon application become entitled, to an annuity under section 2 of the Railroad Retirement Act of 1974, and (D) any other person entitled to benefits under section 202 of this Act on the basis of the wages and self-employment income of such an individual (except a survivor of such an individual where such individual did not have a current connection with the railroad industry, as defined in the Railroad Retirement Act of 1974, at the time of his death), such certification shall be made to the Railroad Retirement Board which shall provide for such payment or payments to such person on behalf of the Managing Trustee in accordance with the provisions of the Railroad Retirement Act of 1974)”.

45 USC 228a.
Ante, p. 1305.*Ante*, p. 1312.42 USC 405
note.

42 USC 401.

42 USC 405.

(b) The amendment made by this section shall apply only with respect to benefits payable to individuals who first become entitled to benefits under title II of the Social Security Act after 1974.

SEC. 303. Section 205(o) of the Social Security Act is amended—

(1) by striking out “section 5 of the Railroad Retirement Act of 1937” and inserting in lieu thereof “section 2 of the Railroad Retirement Act of 1974”;

(2) by striking out “subsection (f) (1) of such section” and inserting in lieu thereof “section 6(b) of such Act”; and

(3) by striking out “section 4 of such Act” and inserting in lieu thereof “section 3(i) of such Act”.

Ante, p. 1312.*Ante*, p. 1334.*Ante*, p. 1319.

42 USC 416.

SEC. 304. Sections 216(b), 216(c), 216(f), and 216(g) of the Social Security Act are each amended by striking out “section 5 of the Railroad Retirement Act of 1937” and inserting in lieu thereof “section 2 of the Railroad Retirement Act of 1974”.

42 USC 426.

SEC. 305. (a) Section 226(b) of the Social Security Act is amended by striking out “section 22 of the Railroad Retirement Act of 1937” from paragraph (2) and inserting in lieu thereof “section 7(d) of the Railroad Retirement Act of 1974”.

Ante, p. 1338.

(b) Section 226(d) of such Act is amended by striking out “section 21 or section 22 of the Railroad Retirement Act of 1937” each time it appears therein and inserting in lieu thereof “section 7(d) of the Railroad Retirement Act of 1974”.

(c) Section 226(e) of such Act is amended by striking out “Railroad Retirement Act of 1937” each time it appears therein and inserting in lieu thereof “Railroad Retirement Act of 1974”.

42 USC 1395s.

SEC. 306. Section 1840(b) of the Social Security Act is amended by striking out “or pension under the Railroad Retirement Act of 1937” from paragraph (1) and inserting in lieu thereof “under the Railroad Retirement Act of 1974”.

42 USC 1395u.

SEC. 307. Section 1842(g) of the Social Security Act is amended by striking out “section 21(b) of the Railroad Retirement Act of 1937” and inserting in lieu thereof “section 7(d) of the Railroad Retirement Act of 1974”.

42 USC 1395v.

SEC. 308. Section 1843(b) of the Social Security Act is amended by striking out “or pension under the Railroad Retirement Act of 1937” and inserting in lieu thereof “under the Railroad Retirement Act of 1974”.

42 USC 1395gg.

SEC. 309. Section 1870(b) of the Social Security Act is amended by striking out “Railroad Retirement Act of 1937” each time it appears therein and inserting in lieu thereof “Railroad Retirement Act of 1974”.

SEC. 310. Section 1874(a) of the Social Security Act is amended by striking out “Railroad Retirement Act of 1937” and inserting in lieu thereof “Railroad Retirement Act of 1974”.

42 USC 1395kk.

SEC. 311. Section 210(1) of the Social Security Act is amended—

42 USC 410.

(1) by striking out “section 4 of the Railroad Retirement Act of 1937” from paragraph 4(A) and inserting in lieu thereof “section 3(i) of the Railroad Retirement Act of 1974”; and

Ante, p. 1319.

(2) by striking out “, as provided in section 4(p) (2) of that Act”, from paragraph (4) (A) thereof.

TITLE IV—AMENDMENTS TO THE RAILROAD UNEMPLOYMENT INSURANCE ACT

SEC. 401. (a) Section 2(c) of the Railroad Unemployment Insurance Act is amended by striking out “Railroad Retirement Act of 1937” and inserting in lieu thereof “Railroad Retirement Act of 1974” and by striking out “and section 10(h)”.

45 USC 352.

Ante, p. 1305.

(b) Section 2(g) of such Act is amended by striking out “section 3(f) (1) of the Railroad Retirement Act of 1937” each time it appears therein and inserting in lieu thereof “section 6(a) (1) of the Railroad Retirement Act of 1974”.

Ante, p. 1334.

SEC. 402. Section 4(a-1) of the Railroad Unemployment Insurance Act is amended by striking out “or pensions under the Railroad Retirement Act of 1935 or the Railroad Retirement Act of 1937” from paragraph (ii) and inserting in lieu thereof “under the Railroad Retirement Act of 1974”.

45 USC 354.

SEC. 403. Section 10 of the Railroad Unemployment Insurance Act is amended by striking out subsection (h) and all that appears therein.

45 USC 360.

SEC. 404. Section 11(c) of the Railroad Unemployment Insurance Act is amended—

45 USC 361.

(a) by striking out “Railroad Retirement Act of 1937 and the Railroad Retirement Act of 1935” and inserting in lieu thereof “Railroad Retirement Act of 1974”; and

(b) by striking out “such Acts” and inserting in lieu thereof “such Act”.

SEC. 405. Section 12(1) of the Railroad Unemployment Insurance Act is amended by striking out “section 10(b) (4) of the Railroad Retirement Act of 1937” and inserting in lieu thereof “subdivisions (5), (6), and (9) of section 7(b) of the Railroad Retirement Act of 1974”.

45 USC 362.

Ante, p. 1338.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

SEC. 501. (a) Section 3221(c) of the Internal Revenue Code of 1954 is amended—

26 USC 3221.

(1) by striking out “for appropriation to the Railroad Retirement Supplemental Account provided for in section 15(b) of the Railroad Retirement Act of 1937”;

(2) by striking out “under section 3(j) of such Act” and inserting in lieu thereof “at the level provided under section 3(j) of the Railroad Retirement Act of 1937 as in effect on December 31, 1974”; and

45 USC 228c.

(3) by inserting after “section 3(j) (2) of the Railroad Retirement Act of 1937” “or section 2(h) (2) of the Railroad Retirement Act of 1974”.

Ante, p. 1312.

(b) Section 3221(d) of such Code is amended—

Ante, p. 1312. (1) by striking out “section 3(j) of the Railroad Retirement Act of 1937” and inserting in lieu thereof “section 2(b) of the Railroad Retirement Act of 1974”; and

(2) by striking out “section 3(j) of such Act” and inserting in lieu thereof “section 2(b) of such Act”.

26 USC 6413. SEC. 502. Section 6413(c) of the Internal Revenue Code of 1954 is amended—

(a) by inserting “or section 3201, or by both such sections,” after “section 3101” in paragraph (1) thereof; and

(b) by adding at the end of paragraph (1) the following new sentence: “The term ‘wages’ as used in this paragraph shall, for purposes of this paragraph, include ‘compensation’ as defined in section 3231(e).”

26 USC 3231.

TITLE VI—MISCELLANEOUS PROVISIONS AND EFFECTIVE DATES

45 USC 228c. SEC. 601. Section 3(a) (6) of the Railroad Retirement Act of 1937 is amended by adding at the end thereof the following new sentences:

42 USC 401. “If the individual entitled to an increase determined under the preceding provisions of this paragraph is also entitled to a benefit for the same month under title II of the Social Security Act, there shall, any provisions to the contrary notwithstanding, be offset against the total of the increase, or increases, of such individual determined under the preceding provisions of this paragraph, any amount by which such individual’s social security benefit was increased during the period July 1, 1974, through December 31, 1974. For purposes of approximating any such offsets, the Railroad Retirement Board is authorized to determine the percentage figure which, when applied against current social security benefits, will produce approximately the amount of the increase, or increases, in social security benefits during the period July 1, 1974, through December 31, 1974. The amount produced by applying such percentage figure to the current social security benefit of an individual shall be the amount utilized in making the offset prescribed by the provisions of this paragraph.”

45 USC 231a
note.

SEC. 602. (a) The provisions of title I of this Act shall become effective on January 1, 1975, except as otherwise provided herein: *Provided, however*, That annuities awarded under section 2 of the Railroad Retirement Act of 1974 on the basis of an application therefor filed with the Board on or after such date may, subject to the limitations prescribed in section 5(a) of such Act, begin prior to such date, except that no annuity under paragraph (ii) of section 2(a) (1) of such Act shall begin to accrue to a man prior to July 1, 1974.

Ante, p. 1305. (b) The provision of section 1(o) of the Railroad Retirement Act of 1974 which provides that a “current connection with the railroad industry” will not be broken by “employment with the Department of Transportation, the Interstate Commerce Commission, the National Mediation Board, or the Railroad Retirement Board” shall not be applicable (A) for purposes of paragraph (iv) of section 2(a) (1) of such Act, to an individual who became disabled, as provided for purposes of such paragraph, prior to January 1, 1975, (B) for purposes of section 2(b) (1) of such Act, to an individual whose annuity under section 2(a) of the Railroad Retirement Act of 1937 or section 2(a) (1) of the Railroad Retirement Act of 1974 first began to accrue prior to January 1, 1975, and (C) for purposes of section 2(d) (1) of such Act, to a survivor of a deceased employee if such employee died prior to January 1, 1975.

45 USC 228b.

(c) The provisions of clause (i) (B) and clause (ii) (B) of section 2(c) (1) of the Railroad Retirement Act of 1974 shall not be applicable to the spouse of an individual if (A) such individual will have completed thirty years of service and will have been awarded an annuity under section 2(a) of the Railroad Retirement Act of 1937 or section 2(a) (1) of the Railroad Retirement Act of 1974 which first began to accrue prior to July 1, 1974, or (B) such individual will have completed less than thirty years of service and will have been awarded an annuity under section 2(a) of the Railroad Retirement Act of 1937 or section 2(a) (1) of the Railroad Retirement Act of 1974 which first began to accrue prior to January 1, 1975. For purposes of the entitlement of the spouse of an individual described in clause (A) or (B) of the preceding sentence to an annuity under such section 2(c) (1), the provisions of clause (i) (B) of such section 2(c) (1) shall be deemed to read: “(B) has attained the age of 65”.

45 USC 231a
note.
Ante, p. 1312.

45 USC 228b.

(d) The provisions of section 2(b) (1) of the Railroad Retirement Act of 1974 which permit an individual to become entitled to a supplemental annuity thereunder if he “has attained age 60 and completed thirty years of service” shall not be applicable to an individual who was awarded an annuity under section 2(a) of the Railroad Retirement Act of 1937 or section 2(a) (1) of the Railroad Retirement Act of 1974 which first began to accrue prior to July 1, 1974.

(e) The provisions of section 7(e) of the Railroad Retirement Act of 1974 shall be effective on the enactment date of this Act and shall apply with respect to all gifts and bequests covered thereunder, regardless of the date on which such gifts or bequests were made.

Ante, p. 1338.
45 USC 231f
note.

SEC. 603. The provisions of title II of this Act and the amendments made by title III and title IV of this Act shall become effective on January 1, 1975.

42 USC 402
note.

SEC. 604. The amendments made by the provisions of title V of this Act shall become effective on January 1, 1975, and shall apply only with respect to compensation paid for services rendered on or after that date.

26 USC 3221
note.

SEC. 605. The amendment made by section 601 of this Act shall be effective on the enactment date of this Act and shall apply with respect to any increase in annuities under the Railroad Retirement Act of 1937 which becomes effective after June 30, 1974.

45 USC 228c
note.
45 USC 228a.

CARL ALBERT

Speaker of the House of Representatives.

JAMES O. EASTLAND

President of the Senate pro Tempore.

IN THE HOUSE OF REPRESENTATIVES, U.S.,

October 15, 1974.

The House of Representatives having proceeded to reconsider the bill (H.R. 15301) entitled “An Act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes”, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest:

W. PAT JENNINGS

Clerk.

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS

Clerk.

IN THE SENATE OF THE UNITED STATES,

October 16, 1974.

The Senate having proceeded to reconsider the bill (H.R. 15301) entitled "An Act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes", returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

FRANCIS R. VALEO

Secretary.

Public Law 93-446

October 17, 1974
[S. J. Res. 123]

JOINT RESOLUTION

Authorizing the procurement of an oil portrait and marble bust of former Chief Justice Earl Warren.

Former Chief
Justice Earl
Warren.
Oil portrait
and marble bust,
procurement.

Appropriation.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Marshal of the Supreme Court of the United States, subject to the direction and approval of Chief Justice of the United States, is authorized and directed to procure an oil portrait and a marble bust, including pedestal, of the former Chief Justice Earl Warren and to cause them to be placed in the United States Supreme Court Building.

(b) There is authorized to be appropriated \$25,000 to carry out the purposes of this joint resolution.

Approved October 17, 1974.

UNITED STATES STATUTES AT LARGE

CONTAINING THE

LAWS AND CONCURRENT RESOLUTIONS
ENACTED DURING THE SECOND SESSION OF THE
NINETY-THIRD CONGRESS
OF THE UNITED STATES OF AMERICA

1974

AND

PROCLAMATIONS

VOLUME 88

IN TWO PARTS

PART 2

PUBLIC LAWS 93-447 THROUGH 93-649,
PRIVATE LAWS, CONCURRENT RESOLUTIONS
AND PROCLAMATIONS



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1976

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Public Law 93-447

AN ACT

To redesignate the Alamogordo Dam and Reservoir, New Mexico, as Sumner Dam and Lake Sumner, respectively.

October 17, 1974
[S. 2001]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Alamogordo Dam and Reservoir, New Mexico, referred to in the Act of August 11, 1939 (53 Stat. 1414), are redesignated as Sumner Dam and Lake Sumner, respectively. Any law, regulation, map, document, record, or other paper of the United States in which such dam or reservoir is referred to shall be held to refer to such dam as Sumner Dam or such reservoir as Lake Sumner.

Alamogordo Dam
and Reservoir,
N. Mex.
Name change.
33 USC 707
note.

Approved October 17, 1974.

Public Law 93-448

JOINT RESOLUTION

Making further continuing appropriations for the fiscal year 1975, and for other purposes.

October 17, 1974
[H. J. Res. 1167]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) clause (c) of section 102 of the joint resolution of June 30, 1974 (Public Law 93-324), is hereby amended by striking out "September 30, 1974" and inserting in lieu thereof "sine die adjournment of the second session of the Ninety-third Congress".

Continuing ap-
propriations, 1975.
Ante, p. 284.

(b) Clause (a) of such section is amended by inserting immediately after "joint resolution" the following: "or, in the case of the United States Information Agency, enactment of authorizations of appropriations for fiscal year 1975 for that Agency".

SEC. 2. Section 101(e) of such joint resolution is amended by striking out "first quarter" and inserting in lieu thereof "quarterly".

Ante, p. 281.

SEC. 3. The fourth unnumbered clause of section 101(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is amended by striking out all that follows "as amended" and inserting in lieu thereof ": *Provided*, That in computing the current rate of operations of military assistance there shall be included the amount of obligations incurred in Department of Defense appropriations during the fiscal year 1974 for military assistance to Laos;".

SEC. 4. Such joint resolution is amended by adding at the end thereof the following new section:

Honduras, Ban-
gladesh, and
Cyprus, relief
funds.

"SEC. 112. Notwithstanding any other provision of this joint resolution or any other Act, the President is authorized to use funds made available for foreign assistance by this joint resolution but not to exceed \$15,000,000, to provide, on such terms and conditions as he may determine, relief, rehabilitation, and reconstruction assistance in connection with the damage caused by floods in Honduras and Bangladesh and by civil strife in Cyprus."

SEC. 5. Such joint resolution is amended by adding at the end thereof the following new section:

South Vietnam,
fertilizer purchase,
restriction.

"SEC. 113. None of the funds made available for foreign assistance by this joint resolution may be used to purchase fertilizer in the United States for export to South Vietnam."

SEC. 6. None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means) or for the transportation of any military equipment or supplies

Turkey, military
assistance, limita-
tions.

22 USC 2151
note.
22 USC 2751
note.
Suspension.

Effective
period.

to Turkey until and unless the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: *Provided*, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until December 10, 1974 and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any U.S. supplied implements of war.

Approved October 17, 1974.

Public Law 93-449

AN ACT

October 18, 1974
[S. 3979]

To increase on an emergency basis the availability of reasonably priced mortgage credit for housing.

Emergency Home
Purchase Assist-
ance Act of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

12 USC 1723e
note.

SECTION 1. This Act may be cited as the "Emergency Home Purchase Assistance Act of 1974".

FINDINGS

12 USC 1723e
note.

SEC. 2. The Congress finds and declares that—

(1) in many parts of the Nation, residential mortgage credit is or is likely soon to become prohibitively expensive or unavailable at any price;

(2) the unavailability of mortgage credit severely restricts housing production, causes hardship for those who wish to purchase or sell new and existing housing, and delays the achievement of the national goal of a decent home for every American family; and

(3) there is an urgent need to provide an alternate source of residential mortgage credit on an emergency basis.

INTERIM AUTHORITY

SEC. 3. (a) Title III of the National Housing Act is amended by adding at the end thereof the following new section:

"INTERIM AUTHORITY TO PURCHASE CERTAIN MORTGAGES

12 USC 1723e.

"SEC. 313. (a) (1) Whenever the Secretary finds inflationary conditions and related governmental actions are having a severely disproportionate effect on the housing industry and the resulting reduction in the volume of home construction or acquisition threatens seriously to affect the economy and to delay the orderly achievement of the national housing goals contained in title XVI of the Housing and Urban Development Act of 1968, the Secretary shall direct the Association to begin making commitments to purchase and to purchase mortgages in accordance with the provisions of this section.

42 USC 1441a.

Termination.

"(2) The Secretary may direct the Association to terminate its activities under this section whenever he determines that the conditions

which gave rise to his determination under paragraph (1) are no longer present.

“(b) Whenever the Secretary issues a directive under subsection (a) (1), the Association shall make commitments to purchase and purchase, and may service, sell (with or without recourse), or otherwise deal in, mortgages (1) which cover more than four-family residences (including cooperatives and condominiums and the individual units therein) and which are insured under the National Housing Act and chapter 37 of title 38 of the United States Code, or (2) which cover one- to four-family residences and which are insured under the National Housing Act or guaranteed under chapter 37 of title 38 of the United States Code or by qualified private insurers as determined by the Association or the outstanding principal balances of which do not exceed 80 per centum of the value of the property securing the mortgages. A mortgage may be purchased under this section only if—

12 USC 1701
and note.
38 USC 1801.

“(A) such mortgage was executed to finance the acquisition of a one- to four-family residence which will be the principal residence of the mortgagor or to finance the purchase of a more than four-family residence and is subject to a mortgage insured under the National Housing Act;

“(B) such mortgage involves an original principal obligation not to exceed \$42,000 per family residence or dwelling unit, and except that the original principal obligation may not exceed \$55,000 in the case of properties in Alaska, Hawaii, and Guam;

12 USC 1701
and note.
Mortgage principal obligation,
limitation.

“(C) such mortgage involves an interest rate or yield not in excess of that which the Secretary may prescribe, taking into account the cost of funds and administrative costs under this section, the importance of making mortgage credit available on reasonable terms, and current conditions in the mortgage market, but in no event shall such rate exceed a rate equal to the average yield during the month preceding the month in which a commitment to purchase such mortgage was issued on all marketable bonds of the United States maturing in more than six but less than twelve years from the date of such commitment (exclusive of bonds with a coupon rate of less than 6 per centum) plus one-half of 1 per centum, adjusted upward to the nearest one-eighth of 1 per centum and taking into account the need to assure that the funds are available in all States pursuant to any maximum mortgage interest rate permitted under the laws or constitutions of the various States and, notwithstanding any State law or constitution to the contrary, discount points and other charges collected in connection with mortgage transactions under this section and recognized by the Association shall not be considered in determining whether the interest rate on any such mortgage exceeds any State usury ceiling.

Interest rate.

“(c) The Association may issue to the Secretary of the Treasury its obligations in an amount outstanding at any one time sufficient to enable the Association to carry out its functions under this section. Each such obligation shall mature at such time and be redeemable at the option of the Association in such manner as may be determined by the Association, and shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligation of the Association. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Association issued under this section, and for such purposes the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter

Interest rate.

31 USC 774.

in force, are extended to include any purchase of the Association's obligations hereunder.

12 USC 1721.

"(d) (1) The Association is authorized to guarantee securities based on pools or trusts of the mortgages purchased by the Association under this section as provided in section 306(g) of this Act with respect to federally insured or guaranteed mortgages and to act as issuer of such guaranteed securities. The Association shall possess with respect to securities under this section all the powers it possesses with respect to securities guaranteed under such section 306(g), and the provisions of such section shall apply to guarantees under this section, except that such section shall not be deemed to prohibit the Secretary from guaranteeing payment of only a part of the principal and interest on securities issued under the provisions of this section.

"(2) The Association may offer and sell any securities guaranteed under this subsection to the Federal Financing Bank, and such Bank is authorized to purchase any securities so offered. The Association may also offer and sell any securities guaranteed under this subsection to any Federal Reserve bank. The proceeds from the sale of such securities when issued by the Association shall be treated in the accounts in the same manner as if such proceeds were from the sale of the underlying mortgages.

"(e) The Secretary may make available a portion of his authority under this section to purchase mortgages covering housing which has been constructed more than twelve months prior to enactment of this section in areas where he determines that there is a serious shortage of mortgage credit to purchase such housing.

"(f) The Association is authorized to—

"(1) sell mortgages purchased under this section of prices which it determines will help promote the objective of assuring that operations under this section are, to the extent feasible, fully self-supporting;

"(2) pay for services performed in carrying out its functions under this section without regard to any limitation on administrative expenses heretofore enacted.

Limitation.

"(g) The total amount of purchases and commitments authorized by the Secretary to be made pursuant to this section shall not exceed \$7,750,000,000 outstanding at any one time."

Effective date.
12 USC 1723e
note.

(b) The amendment made by subsection (a) becomes effective upon the date of enactment of this Act and shall remain in effect for a period of one year following such date of enactment, except that it shall remain in effect after the expiration of such period to the extent necessary (1) to honor commitments to purchase mortgages issued prior to the expiration of such period, and (2) to provide for the liquidation of assets and discharge of liabilities acquired or incurred prior to the expiration of such period.

AMENDMENTS TO OTHER LAWS

12 USC 1703.

SEC. 4. (a) The National Housing Act is amended as follows:

(1) The first sentence of section 2(a) of such Act is amended by inserting before the period at the end thereof the following: "; and for the purpose of financing the preservation of historic structures, and, as used in this section, the term 'historic structures' means residential structures which are registered in the National Register of Historic Places or which are certified by the Secretary of the Interior to conform to National Register criteria; and the term 'preservation' means restoration or rehabilitation undertaken for such purposes as are approved by the Secretary in regulations issued by him, after consulting with the Secretary of the Interior".

"Historic structures."

"Preservation."

(2) Section 2(b) of such Act is amended by adding at the end thereof the following new paragraph:

“A loan financing the preservation of a historic structure shall—

“(1) involve an amount not exceeding \$15,000 per family unit;

and

“(2) have a maturity not exceeding fifteen years and thirty-two days.”

(b) Section 203 of the National Housing Act is amended by adding at the end thereof the following:

“(n)(1) The Secretary is authorized to insure under this section any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection. To be eligible, the mortgage shall involve a dwelling unit in a cooperative housing project which is covered by a blanket mortgage insured under this Act. The mortgage amount as determined under the other provisions of subsection (b) of this section shall be reduced by an amount equal to the portion of the unpaid balance of the blanket mortgage covering the project which is attributable (as of the date the mortgage is accepted for insurance) to such unit.

Cooperative
housing projects,
mortgage insur-
ance.
12 USC 1709.

“(2) For the purpose of this subsection—

Definitions.

“(A) The terms ‘home mortgage’ and ‘mortgage’ include a first lien given (in accordance with the laws of the State where the property is located and accompanied by such security and other undertakings as may be required under regulations of the Secretary) to secure a loan made to finance the purchase of stock or membership in an nonprofit cooperative ownership housing corporation the permanent occupancy of the dwelling units of which is restricted to members of such corporation, where the purchase of such stock or membership will entitle the purchaser to the permanent occupancy of one of such units.

“(B) The terms ‘appraised value of the property’, ‘value of the property’, and ‘value’ include the appraised value of a dwelling unit in a cooperative housing project of the type described in subparagraph (A) where the purchase of the stock or membership involved will entitle the purchaser to the permanent occupancy of that unit; and the term ‘property’ includes a dwelling unit in such a cooperative project.

“(C) The term ‘mortgagor’ includes a person or persons giving a first lien (of the type describe in subparagraph (A)) to secure a loan to finance the purchase of stock or membership in a cooperative housing corporation.”

(c) Section 10(b) of the Federal Home Loan Bank Act (12 U.S.C. 1430(b)), as amended, is amended by striking the dollar figure “\$40,000” and inserting in lieu thereof “\$55,000 (except that with respect to dwellings in Alaska, Guam, and Hawaii the foregoing limitation may, by regulation of the Board, be increased by not to exceed 50 per centum)”.

Home mortgages
used as security.

(d) Section 5(c) of the Home Owners’ Loan Act of 1933 (12 U.S.C. 1464(c)), as amended, is amended by adding in the nineteenth paragraph thereof after the phrase “section 401(d)” the following phrase: “or section 408(a)”.

(e) Section 5 of Public Law 93-387 is amended to read: “The Council shall report to the President, and through him to the Congress, on a quarterly basis and not later than thirty days after the close of each calendar quarter, concerning its activities, findings, and recommendations with respect to the containment of inflation and the maintenance of a vigorous and prosperous peacetime economy.”

Ante, p. 751.
12 USC 1904
note.

FEDERAL RESERVE ACT AMENDMENT

Time notes, ad-
vances.
12 USC 347b.

SEC. 5. Section 10(b) of the Federal Reserve Act is amended by adding the following at the end thereof:

Interest rate.

"Notwithstanding the foregoing, any Federal Reserve bank, under rules and regulations prescribed by the Board of Governors of the Federal Reserve System, may make advances to any member bank on its time notes having such maturities as the Board may prescribe and which are secured by mortgage loans covering a one-to-four family residence. Such advances shall bear interest at a rate equal to the lowest discount rate in effect at such Federal Reserve bank on the date of such note."

Approved October 18, 1974.

Public Law 93-450

JOINT RESOLUTION

October 18, 1974
[S. J. Res. 251]

To extend the authority of the Export-Import Bank of the United States.

Ante, p. 1166.

12 USC 635f
note.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8 of the Export-Import Bank Act of 1945 is amended by striking out "October 15, 1974" and inserting in lieu thereof "November 30, 1974": Provided, however, That the Bank shall not authorize any financial assistance to the Union of Soviet Socialist Republics during the life of this resolution.

Approved October 18, 1974.

Public Law 93-451

AN ACT

October 18, 1974
[S. 283]

To declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, California.

Bridgeport
Indian Colony,
Calif.
Lands in trust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the right, title, and interest of the United States in the following described public domain land located in Mono County, California, are hereby declared to be held by the United States in trust for the Bridgeport Indian Colony:

The southeast quarter of the northeast quarter of section 28, township 5 north, range 25 east, Mount Diablo base and meridian, Mono County, California, containing forty acres more or less.
Provided further, That said parcel shall be subject to the easement to the Bridgeport Public Utility District for a sewer main.

Approved October 18, 1974.

Public Law 93-452

AN ACT

October 18, 1974
[H. R. 11537]

To extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled “An Act to promote effectual planning, development, maintenance, and coordination of wildlife, fish and game conservation and rehabilitation in military reservations”, approved September 15, 1960 (16 U.S.C. 670a-f), is amended—

Conservation and rehabilitation programs on military and public lands.

(1) by inserting immediately after the first sentence of the first section thereof the following new sentence: “Such cooperative plan shall provide for (1) fish and wildlife habitat improvements or modifications, (2) range rehabilitation where necessary for support of wildlife, and (3) control of off-road vehicle traffic.”; and

16 USC 670a.

(2) by amending section 6(b) thereof—

16 USC 670f.

(A) by amending the first sentence thereof by inserting immediately after “July 1, 1971,” the following: “and not to exceed \$1,500,000 for the fiscal year beginning July 1, 1972, and for each of the next five fiscal years thereafter,”; and

(B) by inserting immediately before the last sentence thereof the following new sentence: “There is authorized to be appropriated to the Secretary of the Interior not to exceed \$2,000,000 for the fiscal year beginning July 1, 1973, and for each of the next four fiscal years thereafter to enable the Secretary to carry out such functions and responsibilities as he may have under cooperative plans to which he is a party under this title.”

SEC. 2. Such Act of September 15, 1960, is further amended by adding at the end thereof the following:

“TITLE II—CONSERVATION PROGRAMS ON CERTAIN
PUBLIC LAND

“SEC. 201. (a) The Secretary of the Interior and the Secretary of Agriculture shall each, in cooperation with the State agencies and in accordance with comprehensive plans developed pursuant to section 202 of this title, plan, develop, maintain, and coordinate programs for the conservation and rehabilitation of wildlife, fish, and game. Such conservation and rehabilitation programs shall include, but not be limited to, specific habitat improvement projects and related activities and adequate protection for species considered threatened or endangered.

16 USC 670g.

“(b) The Secretary of the Interior shall implement the conservation and rehabilitation programs required under subsection (a) of this section on public land under his jurisdiction. The Secretary of the Interior shall adopt, modify, and implement the conservation and rehabilitation programs required under such subsection (a) on public land under the jurisdiction of the Chairman, but only with the prior written approval of the Atomic Energy Commission, and on public land under the jurisdiction of the Administrator, but only with the prior written approval of the Administrator. The Secretary of Agriculture shall implement such conservation and rehabilitation programs on public land under his jurisdiction.

“SEC. 202. (a) (1) The Secretary of the Interior shall develop, in consultation with the State agencies, a comprehensive plan for con-

Comprehensive plans.
16 USC 670h.

servation and rehabilitation programs to be implemented on public land under his jurisdiction and the Secretary of Agriculture shall do the same in connection with public land under his jurisdiction.

“(2) The Secretary of the Interior shall develop, with the prior written approval of the Atomic Energy Commission, a comprehensive plan for conservation and rehabilitation programs to be implemented on public land under the jurisdiction of the Chairman and develop, with the prior written approval of the Administrator, a comprehensive plan for such programs to be implemented on public land under the jurisdiction of the Administrator. Each such plan shall be developed after the Secretary of the Interior makes, with the prior written approval of the Chairman or the Administrator, as the case may be, and in consultation with the State agencies, necessary studies and surveys of the land concerned to determine where conservation and rehabilitation programs are most needed.

“(b) Each comprehensive plan developed pursuant to this section shall be consistent with any overall land use and management plans for the lands involved. In any case in which hunting, trapping, or fishing (or any combination thereof) of resident fish and wildlife is to be permitted on public land under a comprehensive plan, such hunting, trapping, and fishing shall be conducted in accordance with applicable laws and regulations of the State in which such land is located.

Cooperative
agreements.

“(c) (1) Each State agency may enter into a cooperative agreement with—

“(A) the Secretary of the Interior with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land which is under his jurisdiction;

“(B) the Secretary of Agriculture with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land which is under his jurisdiction; and

“(C) the Secretary of the Interior and the Chairman or the Administrator, as the case may be, with respect to those conservation and rehabilitation programs to be implemented under this title within the State on public land under the jurisdiction of the Chairman or the Administrator; except that before entering into any cooperative agreement which affects public land under the jurisdiction of the Chairman, the Secretary of the Interior shall obtain the prior written approval of the Atomic Energy Commission and before entering into any cooperative agreement which affects public lands under the jurisdiction of the Administrator, the Secretary of the Interior shall obtain the prior written approval of the Administrator.

Conservation and rehabilitation programs developed and implemented pursuant to this title shall be deemed as supplemental to wildlife, fish, and game-related programs conducted by the Secretary of the Interior and the Secretary of Agriculture pursuant to other provisions of law. Nothing in this title shall be construed as limiting the authority of the Secretary of the Interior or the Secretary of Agriculture, as the case may be, to manage the national forests or other public lands for wildlife and fish and other purposes in accordance with the Multiple-Use Sustained-Yield Act of 1960 (74 Stat. 215; 16 U.S.C. 528-531) or other applicable authority.

“(2) Any conservation and rehabilitation program included within a cooperative agreement entered into under this subsection may be modified in a manner mutually agreeable to the State agency and the

Secretary concerned (and the Chairman or the Administrator, as the case may be, if public land under his jurisdiction is involved). Before modifying any cooperative agreement which affects public land under the jurisdiction of the Chairman, the Secretary of the Interior shall obtain the prior written approval of the Atomic Energy Commission and before modifying any cooperative agreement which affects public land under the jurisdiction of the Administrator, the Secretary of the Interior shall obtain the prior written approval of the Administrator.

“(3) Each cooperative agreement entered into under this subsection shall—

“(A) specify those areas of public land within the State on which conservation and rehabilitation programs will be implemented;

“(B) provide for fish and wildlife habitat improvements or modifications, or both;

“(C) provide for range rehabilitation where necessary for support of wildlife;

“(D) provide adequate protection for fish and wildlife officially classified as threatened or endangered pursuant to section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533) or considered to be threatened, rare, or endangered by the State agency;

“(E) require the control of off-road vehicle traffic;

“(F) if the issuance of public land area management stamps is agreed to pursuant to section 203(a) of this title—

“(i) contain such terms and conditions as are required under section 203(b) of this title;

“(ii) require the maintenance of accurate records and the filing of annual reports by the State agency to the Secretary of the Interior or the Secretary of Agriculture, or both, as the case may be, setting forth the amount and disposition of the fees collected for such stamps; and

Recordkeeping;
annual reports.

“(iii) authorize the Secretary concerned and the Comptroller General of the United States, or their authorized representatives, to have access to such records for purposes of audit and examination; and

Audit.

“(G) contain such other terms and conditions as the Secretary concerned and the State agency deem necessary and appropriate to carry out the purposes of this title.

A cooperative agreement may also provide for arrangements under which the Secretary concerned may authorize officers and employees of the State agency to enforce, or to assist in the enforcement of, section 204(a) of this title.

“(4) Except where limited under a comprehensive plan or pursuant to cooperative agreement, hunting, fishing, and trapping shall be permitted with respect to resident fish and wildlife in accordance with applicable laws and regulations of the State in which such land is located on public land which is the subject of a conservation and rehabilitation program implemented under this title.

Hunting and
fishing.

“(5) The Secretary of the Interior and the Secretary of Agriculture, as the case may be, shall prescribe such regulations as are deemed necessary to control, in a manner consistent with the applicable comprehensive plan and cooperative agreement, the public use of public land which is the subject of any conservation and rehabilitation program implemented by him under this title.

Regulations.

“SEC. 203. (a) Any State agency may agree with the Secretary of the Interior and the Secretary of Agriculture (or with the Secretary of the Interior or the Secretary of Agriculture, as the case may be, if within the State concerned all conservation and rehabilitation pro-

Public land
management area
stamps.
16 USC 670i.

grams under this title will be implemented by him) that no individual will be permitted to hunt, trap, or fish on any public land within the State which is subject to a conservation and rehabilitation program implemented under this title unless at the time such individual is engaged in such activity he has on his person a valid public land management area stamp issued pursuant to this section.

Conditions.

“(b) Any agreement made pursuant to subsection (a) of this section to require the issuance of public land management area stamps shall be subject to the following conditions:

“(1) Such stamps shall be issued, sold, and the fees therefor collected, by the State agency or by the authorized agents of such agency.

Notice.

“(2) Notice of the requirement to possess such stamps shall be displayed prominently in all places where State hunting, trapping, or fishing licenses are sold. To the maximum extent practicable, the sale of such stamps shall be combined with the sale of such State hunting, trapping, and fishing licenses.

“(3) Except for expenses incurred in the printing, issuing, or selling of such stamps, the fees collected for such stamps by the State agency shall be utilized in carrying out conservation and rehabilitation programs implemented under this title in the State concerned and for no other purpose. If such programs are implemented by both the Secretary of the Interior and the Secretary of Agriculture in the State, the Secretaries shall mutually agree, on such basis as they deem reasonable, on the proportion of such fees that shall be applied by the State agency to their respective programs.

“(4) The purchase of any such stamp shall entitle the purchaser thereof to hunt, trap, and fish on any public land within such State which is the subject of a conservation or rehabilitation program implemented under this title except to the extent that the public use of such land is limited pursuant to a comprehensive plan or cooperative agreement; but the purchase of any such stamp shall not be construed as (A) eliminating the requirement for the purchase of a migratory bird hunting stamp as set forth in the first section of the Act of March 16, 1934, commonly referred to as the Migratory Bird Hunting Stamp Act (16 U.S.C. 718a), or (B) relieving the purchaser from compliance with any applicable State game and fish laws and regulations.

“(5) The amount of the fee to be charged for such stamps, the age at which the individual is required to acquire such a stamp, and the expiration date for such stamps shall be mutually agreed upon by the State agency and the Secretary or Secretaries concerned; except that each such stamp shall be void not later than one year after the date of issuance.

“(6) Each such stamp must be validated by the purchaser thereof by signing his name across the face of the stamp.

“(7) Any individual to whom a stamp is sold pursuant to this section shall upon request exhibit such stamp for inspection to any officer or employee of the Department of the Interior or the Department of Agriculture, or to any other person who is authorized to enforce section 204(a) of this title.

Penalties.
16 USC 670j.

“SEC. 204. (a) (1) Any person who hunts, traps, or fishes on any public land which is subject to a conservation and rehabilitation program implemented under this title without having on his person a valid public land management area stamp, if the possession of such a stamp is required, shall be fined not more than \$1,000, or imprisoned for not more than six months, or both.

“(2) Any person who knowingly violates or fails to comply with any regulations prescribed under section 202(c) (5) of this title shall be fined not more than \$500, or imprisoned not more than six months, or both.

Penalties.

“(b) (1) For the purpose of enforcing subsection (a) of this section, the Secretary of the Interior and the Secretary of Agriculture may designate any employee of their respective departments, and any State officer or employee authorized under a cooperative agreement to enforce such subsection (a), to (i) carry firearms; (ii) execute and serve any warrant or other process issued by a court or officer of competent jurisdiction; (iii) make arrests without warrant or process for a misdemeanor he has reasonable grounds to believe is being committed in his presence or view; (iv) search without warrant or process any person, place, or conveyance as provided by law; and (v) seize without warrant or process any evidentiary item as provided by law.

Enforcement.

“(2) Upon the sworn information by a competent person, any United States magistrate or court of competent jurisdiction may issue process for the arrest of any person charged with committing any offense under subsection (a) of this section.

“(3) Any person charged with committing any offense under subsection (a) of this section may be tried and sentenced by any United States magistrate designated for that purpose by the court by which he was appointed, in the same manner and subject to the same conditions as provided for in section 3401 of title 18, United States Code.

“(c) All guns, traps, nets, and other equipment, vessels, vehicles, and other means of transportation used by any person when engaged in committing an offense under subsection (a) of this section shall be subject to forfeiture to the United States and may be seized and held pending the prosecution of any person arrested for committing such offense. Upon conviction for such offense, such forfeiture may be adjudicated as a penalty in addition to any other provided for committing such offense.

Equipment and
vessels, seizure.

“(d) All provisions of law relating to the seizure, forfeiture, and condemnation of a vessel for violation of the customs laws, the disposition of such vessel or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures, shall apply to the seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as such provisions of law are applicable and not inconsistent with the provisions of this section; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Department of the Treasury shall, for the purposes of this section, be exercised or performed by the Secretary of the Interior or the Secretary of Agriculture, as the case may be, or by such persons as he may designate.

“SEC. 205. As used in this title—

Definitions.
16 USC 670k.

“(1) The term ‘Administrator’ means the Administrator of the National Aeronautics and Space Administration.

“(2) The term ‘Chairman’ means the Chairman of the Atomic Energy Commission.

“(3) The term ‘off-road vehicle’ means any motorized vehicle designed for, or capable of, cross-country travel on or immediately over land, water, sand, snow, ice, marsh, swampland, or other natural terrain; but such term does not include—

“(A) any registered motorboat at the option of each State;

“(B) any military, fire, emergency, or law enforcement vehicle when used for emergency purposes; and

“(C) any vehicle the use of which is expressly authorized by the Secretary of the Interior or the Secretary of Agriculture under a permit, lease, license, or contract.

“(4) The term ‘public land’ means all lands under the respective jurisdiction of the Secretary of the Interior, the Secretary of Agriculture, the Chairman, and the Administrator, except land which is, or hereafter may be, within or designated as—

“(A) a military reservation;

“(B) a unit of the National Park System;

“(C) an area within the national wildlife refuge system;

“(D) an Indian reservation; or

“(E) an area within an Indian reservation or land held in trust by the United States for an Indian or Indian tribe.

“(5) The term ‘State agency’ means the agency or agencies of a State responsible for the administration of the fish and game laws of the State.

“(6) The term ‘conservation and rehabilitation programs’ means to utilize those methods and procedures which are necessary to protect, conserve, and enhance wildlife, fish, and game resources to the maximum extent practicable on public lands subject to this title consistent with any overall land use and management plans for the lands involved. Such methods and procedures shall include, but shall not be limited to, all activities associated with scientific resources management such as protection, research, census, law enforcement, habitat management, propagation, live trapping and transplantation, and regulated taking in conformance with the provisions of this title. Nothing in this term shall be construed as diminishing the authority or jurisdiction of the States with respect to the management of resident species of fish, wildlife, or game, except as otherwise provided by law.

16 USC 670L.

“SEC. 206. Notwithstanding any other provision in this title, section 203 of this title shall not apply to land which is, or hereafter may be, within or designated as Forest Service land or as Bureau of Land Management land of any State in which all Federal lands therein comprise 60 percent or more of the total area of such State; except that in any such State, any appropriate State agency may agree with the Secretary of Agriculture or the Secretary of the Interior, or both, as the case may be, to collect a fee as specified in such agreement at the point of sale of regular licenses to hunt, trap, or fish in such State, the proceeds of which shall be utilized in carrying out conservation and rehabilitation programs implemented under this title in the State concerned and for no other purpose.

Indian rights.
16 USC 670m.

“SEC. 207. Nothing in this title shall enlarge or diminish or in any way affect (1) the rights of Indians or Indian tribes to the use of water or natural resources or their rights to fish, trap, or hunt wildlife as secured by statute, agreement, treaty, Executive order, or court decree; or (2) existing State or Federal jurisdiction to regulate those rights either on or off reservations.

Alaska, plans
and programs,
submittal to Joint
Federal-State
Land Use Plan-
ning Commission.
16 USC 670n.
43 USC 1616.

“SEC. 208. Nothing in this Act shall in any way affect the jurisdiction, authority, duties, or activities of the Joint Federal-State Land Use Planning Commission established pursuant to section 17 of the Alaska Native Claims Settlement Act (85 Stat. 688). During the development of any cooperative plan for Alaska which may be agreed to under title I after the effective date of this section and of any comprehensive program for Alaska under title II, such Commission shall be given an opportunity to submit its comments on such plan or program.

Appropriation.
16 USC 670o.

“SEC. 209. (a) There is authorized to be appropriated the sum of \$10,000,000 for the fiscal year ending June 30, 1974, and for each of the

next four fiscal years thereafter to enable the Department of the Interior to carry out its functions and responsibilities under this title.

“(b) There is authorized to be appropriated the sum of \$10,000,000 for the fiscal year ending June 30, 1974, and for each of the next four fiscal years thereafter to enable the Department of Agriculture to carry out its functions and responsibilities under this title.”

Appropriation.

SEC. 3. Such Act of September 15, 1960, is further amended—

(1) by redesignating the first section and sections 2 through 6 as sections 101 through 106, respectively;

16 USC 670a-670f.

(2) by striking out “That the Secretary of Defense” in section 101 (as so redesignated) and inserting in lieu thereof the following:

“TITLE I—CONSERVATION PROGRAMS ON MILITARY RESERVATIONS

“SEC. 101. The Secretary of Defense”;

(3) by striking out “Act” the first time it appears in the proviso to section 102 (as so redesignated) and inserting in lieu thereof “title”;

(4) by striking out “Act” each place it appears in sections 104 and 106 (as so redesignated) and inserting in lieu thereof “title”;

and

(5) by striking out “sections 1 and 2” in section 106 (as so redesignated) and inserting in lieu thereof “sections 101 and 102”.

Approved October 18, 1974.

Public Law 93-453

AN ACT

October 18, 1974
[H. R. 5641]

To authorize the conveyance of certain lands to the New Mexico State University, Las Cruces, New Mexico.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the acreage limitation in the Act of June 14, 1926, as amended (43 U.S.C. 869-4), the Secretary of the Interior may convey to the New Mexico State University at Las Cruces, New Mexico, in accordance with the provisions of that Act, all or any part of the following described lands:

New Mexico
State University.
Land convey-
ance.

(1) Those lands described in Public Land Order Numbered 2051, containing 1,393.19 acres;

(2) Those lands described in Public Land Order Numbered 3685, containing 2,789.07 acres; and

(3) Southwest quarter, section 14, township 23 south, range 2 east, New Mexico principal meridian, consisting of 160 acres.

All of the above-described lands lie in sections 13, 14, 15, 22, 23, 24, 25, 26, and 35, township 23 south, range 2 east, New Mexico principal meridian.

Approved October 18, 1974.

Public Law 93-454

October 18, 1974
[S. 3362]

AN ACT

To enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes.

Federal Colum-
bia River Trans-
mission System
Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

16 USC 838
note.

SECTION 1. This Act may be cited as the "Federal Columbia River Transmission System Act".

FINDINGS

16 USC 838.
16 USC 837.

16 USC 835j-
835m.

SEC. 2. (a) Congress finds that in order to enable the Secretary of the Interior to carry out the policies of Public Law 88-552 relating to the marketing of electric power from hydroelectric projects in the Pacific Northwest, Public Laws 89-448 and 89-561 relating to use of revenues of the Federal Columbia River Power System to provide financial assistance to reclamation projects in the Pacific Northwest, the treaty between the United States and Canada relating to the cooperative development of the resources of the Columbia River Basin, and other applicable law, it is desirable and appropriate that the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds be used to further the operation, maintenance, and further construction of the Federal transmission system in the Pacific Northwest.

(b) Other than as specifically provided herein, the present authority and duties of the Secretary of the Interior relating to the Federal Columbia River Power System shall not be affected by this Act. The authority and duties of the Administrator referred to herein are subject to the supervision and direction of the Secretary.

DEFINITIONS

16 USC 838a.

SEC. 3. As used in this Act—

(a) The term "Administrator" means the Administrator, Bonneville Power Administration.

(b) The term "electric power" means electric peaking capacity or electric energy, or both.

(c) The term "major transmission facilities" means transmission facilities intended to be used to provide services not previously provided by the Bonneville Power Administration with its own facilities.

THE FEDERAL COLUMBIA RIVER TRANSMISSION SYSTEM

16 USC 838b.

SEC. 4. The Secretary of the Interior, acting by and through the Administrator, shall operate and maintain the Federal transmission system within the Pacific Northwest and shall construct improvements, betterments, and additions to and replacements of such system within the Pacific Northwest as he determines are appropriate and required to:

(a) integrate and transmit the electric power from existing or additional Federal or non-Federal generating units;

(b) provide service to the Administrator's customers;

(c) provide interregional transmission facilities; or

(d) maintain the electrical stability and electrical reliability of the Federal system: *Provided, however,* That the Administrator shall not construct any transmission facilities outside the Pacific Northwest, excepting customer service facilities within any contiguous areas, not in excess of seventy-five airline miles from said region, which are a part of the service area of a distribution cooperative which has (i) no generating facilities, and (ii) a distribution system from which it serves both within and without said region, nor shall he commence construction of any major transmission facility within the Pacific Northwest, unless the expenditure of the funds for the initiation of such construction is specifically approved by Act of Congress.

CONGRESSIONAL APPROVAL OF EXPENDITURES

SEC. 5. (a) Unless specifically authorized by Act of Congress, the Administrator shall not expend funds made available under this Act, other than funds specifically appropriated by the Congress for such purpose, to acquire any operating transmission facility by condemnation: *Provided,* That this provision shall not restrict the acquisition of the right to cross such a facility by condemnation.

16 USC 838c.

(b) At least sixty days prior to the time a request for approval or authority under section 4 or 5 of this Act is sent to Congress, the Administrator shall give notice of such request to entities in the Pacific Northwest with which the Administrator has power sales or exchange contracts or transmission contracts or which have a transmission interconnection with the Federal transmission system.

TRANSMISSION OF NON-FEDERAL POWER

SEC. 6. The Administrator shall make available to all utilities on a fair and nondiscriminatory basis, any capacity in the Federal transmission system which he determines to be in excess of the capacity required to transmit electric power generated or acquired by the United States.

16 USC 838d.

ACQUISITION OF PROPERTY

SEC. 7. Subject to the provisions of section 5 of this Act the Administrator may purchase or lease or otherwise acquire and hold such real and personal property in the name of the United States as he deems necessary or appropriate to carry out his duties pursuant to law.

16 USC 838e.

MARKETING AUTHORITY

SEC. 8. The Administrator is hereby designated as the marketing agent for all electric power generated by Federal generating plants in the Pacific Northwest, constructed by, under construction by, or presently authorized for construction by the Bureau of Reclamation or the United States Corps of Engineers except electric power required for the operation of each Federal project and except electric power from the Green Springs project of the Bureau of Reclamation.

16 USC 838f.

RATES AND CHARGES

SEC. 9. Schedules of rates and charges for the sale, including dispositions to Federal agencies, of all electric power made available to the Administrator pursuant to section 8 of this Act or otherwise acquired, and for the transmission of non-Federal electric power over

16 USC 838g.

the Federal transmission system, shall become effective upon confirmation and approval thereof by the Federal Power Commission. Such rate schedules may be modified from time to time by the Secretary of the Interior, acting by and through the Administrator, subject to confirmation and approval by the Federal Power Commission, and shall be fixed and established (1) with a view to encouraging the widest possible diversified use of electric power at the lowest possible rates to consumers consistent with sound business principles, (2) having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric power, including the amortization of the capital investment allocated to power over a reasonable period of years and payments provided for in section 11(b)(9), and (3) at levels to produce such additional revenues as may be required, in the aggregate with all other revenues of the Administrator, to pay when due the principal of, premiums, discounts, and expenses in connection with the issuance of and interest on all bonds issued and outstanding pursuant to this Act, and amounts required to establish and maintain reserve and other funds and accounts established in connection therewith.

UNIFORM RATES

16 USC 838h.

SEC. 10. The said schedules of rates and charges for transmission, the said schedules of rates and charges for the sale of electric power, or both such schedules, may provide, among other things, for uniform rates or rates uniform throughout prescribed transmission areas. The recovery of the cost of the Federal transmission system shall be equitably allocated between Federal and non-Federal power utilizing such system.

BONNEVILLE POWER ADMINISTRATION FUND

Establishment.
16 USC 838i.

SEC. 11. (a) There is hereby established in the Treasury of the United States a Bonneville Power Administration fund (hereinafter referred to as the "fund"). The fund shall consist of (1) all receipts, collections, and recoveries of the Administrator in cash from all sources, including trust funds, (2) all proceeds derived from the sale of bonds by the Administrator, (3) any appropriations made by the Congress for the fund, and (4) the following funds which are hereby transferred to the Administrator: (i) all moneys in the special account in the Treasury established pursuant to Executive Order Numbered 8526 dated August 26, 1940, (ii) the unexpended balances in the continuing fund established by the provisions of section 11 of the Bonneville Project Act of August 20, 1937 (16 U.S.C. 831 et seq.), and (iii) the unexpended balances of funds appropriated or otherwise made available for the Bonneville Power Administration. All funds transferred hereunder shall be available for expenditure by the Secretary of the Interior, acting by and through the Administrator, as authorized in this Act and any other Act relating to the Federal Columbia River transmission system, subject to such limitations as may be prescribed by any applicable appropriation act effective during such period as may elapse between their transfer and the approval by the Congress of the first subsequent annual budget program of the Administrator.

(b) The Administrator may make expenditures from the fund, which shall have been included in his annual budget submitted to Congress, without further appropriation and without fiscal year limi-

3 CFR, 1938-
1943 Comp., p. 704.

16 USC 832j.

tation, but within such specific directives or limitations as may be included in appropriation acts, for any purpose necessary or appropriate to carry out the duties imposed upon the Administrator pursuant to law, including but not limited to—

(1) construction, acquisition, and replacement of (i) the transmission system, including facilities and structures appurtenant thereto, and (ii) additions, improvements, and betterments thereto (hereinafter in this Act referred to as “transmission system”);

(2) operation, maintenance, repair, and relocation, to the extent such relocation is not provided for under subsection (1) above, of the transmission system;

(3) electrical research, development, experimentation, test, and investigation related to construction, operation, and maintenance of transmission systems and facilities;

(4) marketing of electric power;

(5) transmission over facilities of others and rental, lease, or lease-purchase of facilities;

(6) purchase of electric power (including the entitlement of electric plant capability) (i) on a short-term basis to meet temporary deficiencies in electric power which the Administrator is obligated by contract to supply, or (ii) if such purchase has been heretofore authorized or is made with funds expressly appropriated for such purchase by the Congress, or (iii) if to be paid for with funds provided by other entities for such purpose under a trust or agency arrangement;

(7) defraying emergency expenses or insuring continuous operation;

(8) paying the interest on, premiums, discounts, and expenses, if any, in connection with the issuance of, and principal of all bonds issued under section 13(a) of this Act, including provision for and maintenance of reserve and other funds established in connection therewith;

(9) making such payments to the credit of the reclamation fund or other funds as are required by or pursuant to law to be made into such funds in connection with reclamation projects in the Pacific Northwest: *Provided*, That this clause shall not be construed as permitting the use of revenues for repayment of costs allocated to irrigation at any project except as otherwise expressly authorized by law;

(10) making payments to the credit of miscellaneous receipts of the Treasury for all unpaid costs required by or pursuant to law to be charged to and returned to the general fund of the Treasury for the repayment of the Federal investment in the Federal Columbia River Power System from electric power marketed by the Administrator; and

(11) acquiring such goods and services, and paying dues and membership fees in such professional, utility, industry, and other societies, associations, and institutes, together with expenses related to such memberships, including but not limited to the acquisitions and payments set forth in the general provisions of the annual appropriations Act for the Department of Interior, as the Administrator determines to be necessary or appropriate in carrying out the purposes of this Act.

(c) Moneys heretofore or hereafter appropriated shall be used only for the purposes for which appropriated, and moneys received by the Administrator in trust shall be used only for carrying out such trust.

Ante, p. 822.

The provisions of the Government Corporation Control Act (31 U.S.C. 841 et seq.) shall be applicable to the Administrator in the same manner as they are applied to the wholly owned Government corporations named in section 101 of such Act (31 U.S.C. 846), but nothing in the proviso of section 850 of title 31, United States Code, shall be construed as affecting the powers granted in subsection (b) (11) of this section and in sections 2(f), 10(b), and 12(a) of the Bonneville Project Act (16 U.S.C. 832 et seq.).

16 USC 832a,
832i, 832k.
Audit, report to
Congress.
31 USC 850,
851.

(d) Notwithstanding the provisions of sections 105 and 106 of the Government Corporation Control Act, the financial transactions of the Administrator shall be audited by the Comptroller General at such times and to such extent as the Comptroller General deems necessary, and reports of the results of each such audit shall be made to the Congress within 6½ months following the end of the fiscal year covered by the audit.

INVESTMENT OF EXCESS FUNDS

16 USC 838j.

SEC. 12. (a) If the Administrator determines that moneys in the fund are in excess of current needs he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States of America.

(b) With the approval of the Secretary of the Treasury, the Administrator may deposit moneys of the fund in any Federal Reserve bank or other depository for funds of the United States of America, or in such other banks and financial institutions and under such terms and conditions as the Administrator and the Secretary of the Treasury may mutually agree.

REVENUE BONDS

Sale and issuance.
16 USC 838k.

Terms and conditions.

Interest rate, determination.

Limitation.

SEC. 13. (a) The Administrator is authorized to issue and sell to the Secretary of the Treasury from time to time in the name and for and on behalf of the Bonneville Power Administration bonds, notes, and other evidences of indebtedness (in this Act collectively referred to as "bonds") to assist in financing the construction, acquisition, and replacement of the transmission system, and to issue and sell bonds to refund such bonds. Such bonds shall be in such forms and denominations, bear such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued, and financing practices of the utility industry. Refunding provisions may be prescribed by the Administrator. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds. The aggregate principal amount of any such bonds outstanding at any one time shall not exceed \$1,250,000,000.

(b) The principal of, premiums, if any, and interest on such bonds shall be payable solely from the Administrator's net proceeds as hereinafter defined. "Net proceeds" shall mean for the purposes of this section the remainder of the Administrator's gross receipts from all sources after first deducting trust funds and the costs listed in section 11(b) (2) through 11(b) (7) and 11(b) (11), and shall include reserve or other funds created from such receipts.

"Net proceeds."

(c) The Secretary of the Treasury shall purchase forthwith any bonds issued by the Administrator under this Act and for that purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the bonds issued by the Administrator under this Act. The Secretary of the Treasury may, at any time, sell any of the bonds acquired by him under this Act. All redemptions, purchases, and sales by the Secretary of the Treasury of such bonds shall be treated as public debt transactions of the United States.

Bonds, purchase.

31 USC 774.

Approved October 18, 1974.

Public Law 93-455

AN ACT

October 18, 1974
[H. R. 7135]

To amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damage to, or loss of, personal property incident to their service.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3(a)(1) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (78 Stat. 767, as amended; 31 U.S.C. 241 (a)(1)), is amended by striking out "\$10,000" and inserting in place thereof "\$15,000", and

Uniformed services.
Claims settlement.

(b) Section 3(b)(1) of the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (78 Stat. 767, as amended; 31 U.S.C. 241 (b)(1)), is amended to read as follows:

"(b)(1) Subject to any policies the President may prescribe to effectuate the purposes of this subsection and under such regulations as the head of an agency, other than a military department, the Secretary of Transportation with respect to the Coast Guard, or the Department of Defense, may prescribe, he or his designee may settle and pay a claim arising after the effective date of this Act against the United States for not more than \$15,000 made by a member of the uniformed services under the jurisdiction of that agency or by a civilian officer or employee of that agency, for damage to, or loss of, personal property incident to his service. If the claim is substantiated and the possession of that property is determined to be reasonable, useful, or proper under the circumstances, the claim may be paid or the property replaced in kind. This subsection does not apply to claims settled before its enactment."

Non-military departments.

SEC. 2. The amendments provided in this Act shall apply to claims based upon losses of personal property which occur after the effective date of this Act.

31 USC 241
note.

Approved October 18, 1974.

Public Law 93-456

AN ACT

October 18, 1974
[H. R. 7954]

To direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the State of New York and to provide for the conveyance of certain interests in such lands so as to permit such State, subject to certain conditions, to sell such land.

State of New
York.
Land convey-
ance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 32(c) of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(c)), the Secretary of Agriculture is authorized and directed to release, on behalf of the United States, with respect to the following described land, the condition in a deed dated January 28, 1961, between the United States and the State of New York, conveying certain lands in Allegany County in the State of New York to the State of New York, of which such described land is a part, which requires that the lands so conveyed be used for public purposes and provides for a reversion of such land to the United States if at any time it ceases to be so used:

Description.

A parcel or tract of land consisting of approximately .42 acre, being a portion of the lands conveyed by such deed dated January 28, 1961, being in the town of New Hudson, county of Allegany, State of New York, being part of lot 47 in such town which begins at the southwest corner of the existing cemetery lot; thence south on a line that is the continuation of the west line of said existing cemetery lot a distance of 100 feet to a point; thence east and parallel to the south line of said existing cemetery lot a distance of 185 feet to a point on the continuation of the east line of said existing cemetery lot; thence north along the said continuation of said east line a distance of 100 feet to the southeast corner of said existing cemetery lot; thence west along the south line of said existing cemetery lot a distance of 185 feet to the place of beginning.

Release of
conditions.

SEC. 2. The Secretary shall release the condition referred to in the first section of this Act only with respect to land covered by and described in any agreement or agreements entered into between the Secretary of Agriculture and the State of New York in which such State in consideration of the release of such conditions as to such land, agrees to convey the land with respect to which such condition is released to the Bellville Cemetery Association for a fair and equitable consideration.

Mineral inter-
ests.

SEC. 3. Upon application all the undivided mineral interests of the United States in any parcel or tract of land, released pursuant to this Act from the condition as to such lands, shall be conveyed to the State of New York for the use and benefit of the State by the Secretary of the Interior. In areas where the Secretary of the Interior determines that there is no active mineral development or leasing, and that the lands have no mineral value, the mineral interests covered by a single application shall be sold for a consideration of \$1. In other areas the mineral interests shall be sold at the fair market value thereof as determined by the Secretary of the Interior after taking into consideration such appraisals as he deems necessary or appropriate.

Fair market
value.

Deposit.

SEC. 4. The Secretary of the Interior shall require the deposit of a sum of money which he deems sufficient to cover estimated administrative costs of this Act. If a conveyance is, or is not made pursuant to this Act, and the administrative costs exceed the deposit, the Secretary shall bill the applicant for the outstanding amount, but if the amount of the deposit exceeds the actual administrative costs, the Secretary shall refund the excess.

SEC. 5. The term “administrative costs” as used in this Act includes, in addition to other items, all costs which the Secretary of the Interior determines are included in a determination of (1) the mineral character of the land in question, and (2) the fair market value of the mineral interest.

“Administrative costs.”

SEC. 6. Amounts paid to the Secretary of the Interior under the provisions of this Act shall be paid into the Treasury of the United States as miscellaneous receipts.

Approved October 18, 1974.

Public Law 93-457

AN ACT

October 18, 1974
[H. R. 9054]

To amend the Act entitled “An Act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, South Carolina”.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled “An Act to authorize and direct the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, South Carolina”, approved November 6, 1969 (83 Stat. 183), is amended—

Board of Education, Lee County, S.C. Lands.

(1) by striking out “an agreement subordinating” and inserting in lieu thereof “a quitclaim deed conveying and releasing”;

(2) by striking out “is” and inserting in lieu thereof “and the Secretary of the Interior are”;

(3) by striking out “288” and inserting in lieu thereof “228”; and

(4) by adding a new sentence at the end thereof as follows: “The Secretary of Agriculture and the Secretary of the Interior are further authorized, in their discretion, to execute and deliver to the Board of Education of Lee County, South Carolina, its successors and assigns, a quitclaim deed or deeds conveying and releasing all right, title, and interest of the United States of America in and to one or more parcels numbered 1, more particularly described in the above-mentioned deed dated December 14, 1945, and numbered 7, 9, and 11, more particularly described in the above-mentioned deed dated July 15, 1946, upon documentation satisfactory to said Secretaries that buildings, facilities, or improvements for educational or other related community purposes are planned for the parcels involved.”.

Approved October 18, 1974.

Public Law 93-458

AN ACT

October 18, 1974
[S. 634]

To declare that certain federally owned lands shall be held by the United States in trust for the Kootenai Tribe of Idaho, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to valid existing rights, all of the right, title, and interest of the United States in the following described tracts of land, and the improvements thereon, that were acquired and that are now administered by the Secretary of the Interior for the benefit of the Kootenai Tribe of Idaho,

Indians, Kootenai Tribe of Idaho, Lands in trust.

are hereby declared to be held by the United States in trust for said tribe:

TRACT NUMBERED 1. Part of lot 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south and 20 rods west of the northeast corner of lot 3, section 20, thence west 20 rods, thence south 20 rods, thence east 20 rods, thence north 20 rods to place of beginning, containing 2.50 acres, more or less.

TRACT NUMBERED 2. That part of lot numbered 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south of the northeast corner of lot 3, thence west 20 rods, thence south 20 rods, thence west 10 rods, thence south 40 rods, thence east 30 rods, thence north 60 rods, to place of beginning, containing 10.00 acres, more or less.

Administration.

SEC. 2. The above-described property shall be administered in accordance with the laws and regulations applicable to Indian tribal trust property.

Claims offset
against U.S.

25 USC 70a.

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which value of the title conveyed should or should not be set off against any claim against the United States determined by the Commission.

Approved October 18, 1974.

Public Law 93-459

AN ACT

October 20, 1974
[S. 1794]

To amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office.

Government
Printing Office.

44 USC 308.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 308 of title 44, United States Code, is amended to read as follows:

“§ 308. Disbursing officer; deputy disbursing officer; certifying officers and employees

“(a) The Public Printer shall appoint from time to time a disbursing officer of the Government Printing Office (including the Office of the Superintendent of Documents) who shall be under the direction of the Public Printer. The disbursing officer shall (1) disburse moneys of the Government Printing Office only upon, and in strict accordance with, vouchers certified by the Public Printer or by an officer or employee of the Government Printing Office authorized in writing by the Public Printer to certify such vouchers, (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, certified, and approved, and (3) be held accountable accordingly. However, the disbursing officer shall not be held accountable or responsible for any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate, the responsibility for which, under subsection (c) of this section, is imposed upon a certifying officer or employee of the Government Printing Office.

“(b) (1) Upon the death, resignation, or separation from office of the disbursing officer, his accounts may be continued, and payments and collection may be made in his name, by any individual designated as a deputy disbursing officer by the Public Printer, for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation occurred. Accounts and payments shall be allowed, audited, and settled, and checks signed in the name of the former disbursing officer by a deputy disbursing officer shall be honored in the same manner as if the former disbursing officer had continued in office.

“(2) A former disbursing officer of the Government Printing Office or his estate may not be subject to any legal liability or penalty for the official accounts or defaults of the deputy disbursing officer acting in the name or in the place of the former disbursing officer. Each deputy disbursing officer is responsible for accounts entrusted to him under paragraph (1) of this subsection, and the deputy disbursing officer is liable for any default occurring during his service under such paragraph.

“(c) (1) The Public Printer may designate in writing officers and employees of the Government Printing Office to certify vouchers for payment from appropriations and funds. Such officers and employees shall (A) be responsible for the existence and correctness of the facts recited in the certificate or other voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved, (B) be responsible and accountable for the correctness of the computations of certified vouchers, and (C) be accountable for, and required to make restitution to, the United States for the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved. However, the Comptroller General of the United States, may, at his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds that (i) the certification was based on the official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (ii) when the obligation was incurred in good faith, the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and the United States has received value for such payment. The Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by section 66 of title 49, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land grant deductions.

Liability.

“(2) The liability of such certifying officers or employees shall be enforced in the same manner and to the same extent as provided by law with respect to the enforcement of the liability of disbursing and other accountable officers. Such certifying officers and employees shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.”

(b) Item 308 contained in the analysis of chapter 3 of such title 44 is amended to read as follows:

“308. Disbursing officer; deputy disbursing officer; certifying officers and employees.”

Approved October 20, 1974.

Public Law 93-460

AN ACT

October 20, 1974
[H. R. 13261]

To amend the International Claims Settlement Act of 1949, as amended, to provide for the timely determination of certain claims of American nationals settled by the United States-Hungarian Claims Agreement of March 6, 1973, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Claims Settlement Act of 1949, as amended, is further amended as follows:

International
Claims Settle-
ment Act of 1949,
amendments.

22 USC 1621
note.
Claims funds.
22 USC 1641a.

24 UST 522.

22 USC 1641b.

Claims of U.S.
nationals.

(1) Section 302, title III, is amended by adding a new subsection (c) as follows:

“(c) The Secretary of the Treasury shall cover into the Hungarian Claims Fund, such sums as may be paid to the United States by the Government of Hungary pursuant to the terms of the United States-Hungarian Claims Agreement of March 6, 1973.”

(2) Section 303, title III, is further amended by striking out the word “and” at the end of paragraph (3), and by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and the word “and”.

(3) Section 303, title III, is further amended by adding a new paragraph (5) as follows:

“(5) pay effective compensation for the nationalization, compulsory liquidation, or other taking of property of nationals of the United States in Hungary, between August 9, 1955, and the date the United States-Hungarian Claims Agreement of March 6, 1973, enters into force.”

(4) Section 306, title III, is further amended—

(A) by inserting in subsection (a), immediately before “this title”, the following: “paragraph (1), (2), or (3) of section 303 of”; and

(B) by adding at the end thereof the following:

“(c) Within thirty days after enactment of this subsection, or thirty days after enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under paragraph (5) of section 303, whichever date is later, the Commission shall publish in the Federal Register the time when, and the limit of time within which, claims may be filed with the Commission under paragraph (5) of section 303, which limit shall not be more than six months after such publication.

“(d) Notwithstanding any other provision of this section, any national of the United States who was mailed notice by any department or agency of the Government of the United States with respect to filing a claim against the Government of Hungary arising out of any of the failures referred to in paragraph (1), (2), or (3) of section 303 of this title, and who did not receive the notice as the result of administrative error in placing a nonexistent address on the notice, may file with the Commission a claim under any such paragraph. The Commission shall publish in the Federal Register, within thirty days after enactment of this paragraph, when the limit of time within which any such claim may be filed with the Commission, which limit shall not be more than six months after such publication.”

(5) Section 310, title III, is further amended by adding at the end of subsection (a) thereof a new paragraph (7), as follows:

“(7) (A) Except as otherwise provided in subparagraph (D), whenever the Commission is authorized to settle claims by enactment of paragraph (5) of section 303 of this title with respect to Hungary, no further payments shall be authorized by the Secretary of the

Filing of
claims, time
limit; notice.
22 USC 1641e.

Publication in
Federal Register.

Publication in
Federal Register.

Payment of
awards.
22 USC 1641i.

Treasury on account of awards certified by the Commission under paragraphs (2) and (3) of section 303 out of the Hungarian Claims Fund until payments on account of awards certified under paragraph (5) of section 303 with respect to such fund have been authorized in equal proportions to payments previously authorized on existing awards certified under paragraphs (2) and (3) of section 303.

22 USC 1641b.

“(B) Except as otherwise provided in subparagraph (D), with respect to awards previously certified under paragraph (1) of section 303, the Secretary of the Treasury shall not authorize any further payments until payments on account of awards certified under paragraphs (2), (3), and (5) of section 303 have been authorized in equal proportions to payments previously authorized on existing awards certified under paragraph (1) of section 303.

“(C) Except as otherwise provided in subparagraph (D), the Secretary of the Treasury shall not authorize any further payments on account of awards certified under paragraph (3) of section 303 based on Kingdom of Hungary bonds expressed in United States dollars or upon awards to Standstill creditors of Hungary that were the subject matter of the agreement of December 5, 1969, between the Government of Hungary and the American Committee for Standstill creditors of Hungary.

“(D) No payments shall be authorized by the Secretary of the Treasury on account of awards certified by the Commission under paragraph (5) of section 303 of this title, and no further payments shall be so authorized under paragraphs (1), (2), or (3) of section 303 (except payments certified as the result of claims filed under subsection (d) of section 306), until payments on account of awards certified under such paragraphs (1), (2), and (3) as the result of a claims filed under subsection (d) of section 306 have been authorized in equal proportions to payments previously authorized on existing awards certified under such paragraphs and arising out of claims filed other than under such subsection (d).

22 USC 1641e.

“(E) The Secretary of the Treasury is authorized and directed to deduct the sum of \$125,000 from the Hungarian Claims Fund and cover such amount into the Treasury to the credit of miscellaneous receipts in satisfaction of the claim of the United States referred to in article 2, paragraph 4 of the United States-Hungarian Claims Agreement of March 6, 1973. Such amount shall be deducted in annual installments over the period during which the Government of Hungary makes payments to the Government of the United States as provided in article 4 of the agreement.”

Payment of U.S. claim.

24 UST 522.

(6) Section 316, title III, is amended by adding a new subsection (c) as follows:

22 USC 1641o.

“(c) The Commission shall complete its affairs in connection with the settlement of claims pursuant to paragraph (5) of section 303 of this title not later than two years following the deadline established under subsection (c) of section 306 of this title.”

Approved October 20, 1974.

Public Law 93-461

AN ACT

To repeal the “coolly trade” laws.

October 20, 1974
[S. 2229]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 2158–2163, Revised Statutes, and sections 1, 2, and 4 of the Act of March 3, 1875 (ch. 141, 18 Stat. 477) (8 U.S.C. 331–339), are hereby repealed.

“Coolly trade” laws, repeal.

Approved October 20, 1974.

Public Law 93-462

October 20, 1974
[H. R. 9075]

AN ACT

To authorize the disposition of certain office equipment and furnishings, and for other purposes.

Members of
Congress.
District office
equipment, pur-
chase.
2 USC 59a.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, a Member may purchase, upon leaving office or otherwise ceasing to be a Member (except by expulsion), any item or items of office equipment or office furnishings provided by the General Services Administration and then currently located and in use in an office of such Member in the district then represented by such Member.

(b) Each purchase of equipment or furnishings under subsection (a) of this section shall be—

(1) in accordance with regulations which shall be prescribed by the Committee on House Administration, after consultation with the General Services Administration; and

(2) at a price equal to the acquisition cost to the Federal Government of the equipment or furnishings so purchased, less allowance for depreciation determined under such regulations, but in no instance less than the fair market value of such items.

(c) Amounts received by the Federal Government from the sale of items of office equipment or office furnishings under this section shall be remitted to the General Services Administration and credited to the appropriate account or accounts.

(d) For the purposes of this section—

“Member.”

(1) “Member” means a Member of, Delegate to, or Resident Commissioner in, the House of Representatives; and

“District.”

(2) “district” means a congressional district, the District of Columbia (with respect to any office of the Delegate from the District of Columbia situated at any place in the District other than at the United States Capitol), the Virgin Islands, Guam, Puerto Rico, and, in the case of a Representative at Large, a State.

2 USC 59b.

SEC. 2. (a) Notwithstanding any other provision of law, a United States Senator may purchase, upon leaving office or otherwise ceasing to be a Senator (except by expulsion), any item or items of office equipment or office furnishings provided by the General Services Administration and then currently located and in use in an office of such Senator in the State then represented by such Senator.

(b) At the request of any United States Senator, the Sergeant at Arms of the Senate shall arrange for and make the purchase of equipment and furnishings under subsection (a) of this section on behalf of such Senator. Each such purchase shall be—

(1) in accordance with regulations which shall be prescribed by the Committee on Rules and Administration of the Senate, after consultation with the General Services Administration; and

(2) at a price equal to the acquisition cost to the Federal Government of the equipment or furnishings so purchased, less allowance for depreciation determined under such regulations, but in no instance less than the fair market value of such items.

(c) Amounts received by the Federal Government from the sale of items of office equipment or office furnishings under this section shall be remitted to the General Services Administration and credited to the appropriate account or accounts.

Approved October 20, 1974.

Public Law 93-463

AN ACT

To amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes.

October 23, 1974
[H. R. 13113]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commodity Futures Trading Commission Act of 1974".

Commodity
Futures Trading
Commission Act
of 1974.
7 USC 4a note.

TITLE I—COMMODITY FUTURES TRADING COMMISSION

SEC. 101. (a) Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended—

(1) By inserting "(1)" after the subsection designation.

(2) By striking the last sentence of section 2(a) and inserting in lieu thereof the following new sentence: "The words 'the Commission' shall mean the Commodity Futures Trading Commission established under paragraph (2) of this subsection."

(3) By adding at the end thereof the following new paragraphs:

"(2) There is hereby established, as an independent agency of the United States Government, a Commodity Futures Trading Commission. The Commission shall be composed of a Chairman and four other Commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. In nominating persons for appointment, the President shall seek to establish and maintain a balanced Commission, including, but not limited to, persons of demonstrated knowledge in futures trading or its regulation and persons of demonstrated knowledge in the production, merchandising, processing or distribution of one or more of the commodities or other goods and articles, services, rights and interests covered by this Act. Not more than three of the members of the Commission shall be members of the same political party. Each Commissioner shall hold office for a term of five years and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except (A) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (B) the terms of office of the Commissioners first taking office after the enactment of this paragraph shall expire as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years.

"(3) A vacancy in the Commission shall not impair the right of the remaining Commissioners to exercise all the powers of the Commission.

"(4) The Commission shall have a General Counsel, who shall be appointed by the Commission and serve at the pleasure of the Commission. The General Counsel shall report directly to the Commission and serve as its legal advisor. The Commission shall appoint such other attorneys as may be necessary, in the opinion of the Commission, to assist the General Counsel, represent the Commission in all disciplinary proceedings pending before it, represent the Commission in courts of law whenever appropriate, assist the Department of Justice in handling litigation concerning the Commission in

Commodity
Futures Trading
Commission.
Establishment,
Chairman and
Commissioners.
7 USC 4a.

General Counsel.

courts of law, and perform such other legal duties and functions as the Commission may direct.

Executive Director.

“(5) The Commission shall have an Executive Director, who shall be appointed by the Commission, by and with the advice and consent of the Senate, and serve at the pleasure of the Commission. The Executive Director shall report directly to the Commission and perform such functions and duties as the Commission may prescribe.

Exercise of functions.

“(6) (A) Except as otherwise provided in this paragraph and in paragraphs (4) and (5) of this subsection, the executive and administrative functions of the Commission, including functions of the Commission with respect to the appointment and supervision of personnel employed under the Commission, the distribution of business among such personnel and among administrative units of the Commission, and the use and expenditure of funds, shall be exercised solely by the Chairman.

“(B) In carrying out any of his functions under the provisions of this paragraph, the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

“(C) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

“(D) Personnel employed regularly and full time in the immediate offices of Commissioners other than the Chairman shall not be affected by the provisions of this paragraph.

“(E) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining the distribution of appropriated funds according to major programs and purposes.

“(F) The Chairman may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, or administrative unit under his jurisdiction of any functions of the Chairman under this paragraph.

Conflict of interests.

“(7) No Commissioner or employee of the Commission shall accept employment or compensation from any person, exchange, or clearinghouse subject to regulation by the Commission under this Act during his term of office, nor shall he participate, directly or indirectly, in any contract market operations or transactions of a character subject to regulation by the Commission.

Liaison with Agriculture Department.

“(8) The Commission shall, in cooperation with the Secretary of Agriculture, establish a separate office within the Department of Agriculture to be staffed with employees of the Commission for the purpose of maintaining a liaison between the Commission and the Department of Agriculture. The Secretary shall take such steps as may be necessary to enable the Commission to obtain information and utilize such services and facilities of the Department of Agriculture as may be necessary in order to maintain effectively such liaison. In addition, the Secretary shall appoint a liaison officer, who shall be an employee of the Office of the Secretary, for the purpose of maintaining a liaison between the Department of Agriculture and the Commission. The Commission shall furnish such liaison officer appropriate office space within the offices of the Commission and shall allow such liaison officer to attend and observe all deliberations and proceedings of the Commission.

Transmittal of budget requests and legislative recommendations to congressional committees.

“(9) (A) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit copies of that estimate or request to the House and Senate Appropriations Committees and the House Com-

mittee on Agriculture and the Senate Committee on Agriculture and Forestry.

“(B) Whenever the Commission transmits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit copies thereof to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress. In instances in which the Commission voluntarily seeks to obtain the comments or review of any officer or agency of the United States, the Commission shall include a description of such actions in its legislative recommendations, testimony, or comments on legislation which it transmits to the Congress.

“(10) The Commission shall have an official seal, which shall be judicially noticed.

“(11) The Commission is authorized to promulgate such rules and regulations as it deems necessary to govern the operating procedures and conduct of the business of the Commission.”

(b) Section 12 of the Commodity Exchange Act, as amended (7 U.S.C. 16), is amended by striking such section and inserting in lieu thereof the following:

“SEC. 12. (a) The Commission may cooperate with any Department or agency of the Government, any State, territory, district, or possession, or department, agency, or political subdivision thereof, or any person.

“(b) The Commission shall have the authority to employ such investigators, special experts, Administrative Law Judges, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties and as may be from time to time appropriated for by Congress. The Commission may employ experts and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5 of the United States Code. The Commission shall also have authority to make and enter into contracts with respect to all matters which in the judgment of the Commission are necessary and appropriate to effectuate the purposes and provisions of this Act, including, but not limited to, the rental of necessary space at the seat of Government and elsewhere.

“(c) All of the expenses of the Commissioners, including all necessary expenses for transportation incurred by them while on official business of the Commission, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Commission.

“(d) There are hereby authorized to be appropriated to carry out the provisions of this Act such sums as may be required for the fiscal year ending June 30, 1975, for the fiscal year ending June 30, 1976, for the fiscal year ending June 30, 1977, and for the fiscal year ending June 30, 1978.”

SEC. 102. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

“(60) Chairman, Commodity Futures Trading Commission.”

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

Seal.

Rules and regulations.

Cooperation with other agencies.

Experts and consultants.

Contracts.

Expenses.

Appropriation.

Salaries.

Chairman.

Commissioners.

“(100) Members, Commodity Futures Trading Commission.”
(c) Section 5316 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraphs:

General Counsel,

“(135) General Counsel, Commodity Futures Trading Commission.

Executive Director.

“(136) Executive Director, Commodity Futures Trading Commission.”

SEC. 103. The Commodity Exchange Act, as amended, is amended—

7 USC 6, 6a,
6c-6g, 6i, 7, 7a,
8, 9, 11, 12, 12-1,
12a, 12b, 13b, 16.

(a) By striking the word “Secretary” and the words “Secretary of Agriculture” wherever such words appear therein (except where the words “Secretary of Agriculture” first appear in section 5(a) (7 U.S.C. 7) or where said words would be stricken by subsection (b), (c), or (d) of this section) and by inserting in lieu thereof the word “Commission”.

7 USC 7b, 8, 9,
12a, 13a-13c.

(b) By striking the words “the Secretary of Agriculture or” wherever they appear in the phrase “the Secretary of Agriculture or the Commission”.

(c) By striking the words “the Secretary of Agriculture, who shall thereupon notify the other members of” from section 6(a) thereof (7 U.S.C. 8).

(d) By striking “the Secretary of Agriculture (or any person designated by him),” from section 6(b) thereof (7 U.S.C. 15).

7 USC 7a, 12,
12-1, 12a.

(e) By striking the word “he”, “his”, or “He” wherever such word is used therein to refer to the Secretary of Agriculture, and by inserting in lieu thereof the word “it”, “its”, or “It”, respectively.

7 USC 6, 6g,
6i, 7, 7a, 12-1.

(f) By striking the words “United States Department of Agriculture” and “Department of Agriculture” wherever they appear therein and by inserting in lieu thereof the word “Commission”.

(g) By inserting in section 5(a) (7 U.S.C. 7) after the words “Secretary of Agriculture” where the same first appear therein the words “or the Commission”.

Transfer of
personnel, prop-
erty, etc.

7 USC 4a note.

SEC. 104. All of the personnel of the Commodity Exchange Authority, property, records, and unexpended balance of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with administration of the Commodity Exchange Act shall be transferred to the Commodity Futures Trading Commission upon the effective date of this Act.

SEC. 105. Section 8 of the Commodity Exchange Act, as amended (7 U.S.C. 12, 12-1), is amended by adding at the end thereof the following new paragraphs:

Report to Con-
gress.

7 USC 12-2.

“The Commission shall submit to the Congress a written report within one hundred and twenty days after the end of each fiscal year detailing the operations of the Commission during such fiscal year. The Commission shall include in such report such information, data, and recommendations for further legislation as it may deem advisable with respect to the administration of this Act and its powers and functions under this Act.

Reviews and
audits.

7 USC 12-3.

“The Comptroller General of the United States shall conduct reviews and audits of the Commission and make reports thereon. For the purpose of conducting such reviews and audits the Comptroller General shall be furnished such information regarding the powers, duties, organizations, transactions, operations, and activities of the Commission as he may require and he and his duly authorized representatives shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of the Commission except that in his reports the Comptroller General shall not include data and information which would separately disclose the business transactions of any person and trade secrets

or names of customers, although such data shall be provided upon request by any committee of either House of Congress acting within the scope of its jurisdiction."

SEC. 106. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

"SEC. 14. (a) Any person complaining of any violation of any provision of this Act or any rule, regulation, or order thereunder by any person registered under section 4d, 4e, 4k, or 4m of this Act may, at any time within two years after the cause of action accrues, apply to the Commission by petition, which shall briefly state the facts, whereupon, if, in the opinion of the Commission, the facts therein contained warrant such action, a copy of the complaint thus made shall be forwarded by the Commission to the respondent, who shall be called upon to satisfy the complaint, or to answer it in writing, within a reasonable time to be prescribed by the Commission.

"(b) If there appear to be, in the opinion of the Commission, any reasonable grounds for investigating any complaint made under this section, the Commission shall investigate such complaint and may, if in its opinion the facts warrant such action, have said complaint served by registered mail or by certified mail or otherwise on the respondent and afford such person an opportunity for a hearing thereon before an Administrative Law Judge designated by the Commission in any place in which the said person is engaged in business: *Provided*, That in complaints wherein the amount claimed as damages does not exceed the sum of \$2,500, a hearing need not be held and proof in support of the complaint and in support of the respondent's answer may be supplied in the form of depositions or verified statements of fact.

"(c) After opportunity for hearing on complaints where the damages claimed exceed the sum of \$2,500 has been provided or waived and on complaints where damages claimed do not exceed the sum of \$2,500 not requiring hearing as provided herein, the Commission shall determine whether or not the respondent has violated any provision of this Act or any rule, regulation, or order thereunder.

"(d) In case a complaint is made by a nonresident of the United States, the complainant shall be required, before any formal action is taken on his complaint, to furnish a bond in double the amount of the claim conditioned upon the payment of costs, including a reasonable attorney's fee for the respondent if the respondent shall prevail, and any reparation award that may be issued by the Commission against the complainant on any counterclaim by respondent: *Provided*, That the Commission shall have authority to waive the furnishing of a bond by a complainant who is a resident of a country which permits the filing of a complaint by a resident of the United States without the furnishing of a bond.

"(e) If after a hearing on a complaint made by any person under subsection (a) of this section, or without hearing as provided in subsections (b) and (c) of this section, or upon failure of the party complained against to answer a complaint duly served within the time prescribed, or to appear at a hearing after being duly notified, the Commission determines that the respondent has violated any provision of this Act, or any rule, regulation, or order thereunder, the Commission shall, unless the offender has already made reparation to the person complaining, determine the amount of damage, if any, to which such person is entitled as a result of such violation and shall make an order directing the offender to pay to such person complaining such amount on or before the date fixed in the order. If, after the respondent has filed his answer to the complaint, it appears therein that the respondent has admitted liability for a portion of the amount claimed in the complaint as damages, the Commission under such

Complaints.

7 USC 18.

7 USC 6d, 6e,
Post, pp. 1397,
1398.

Investigation
and hearing.

Nonresidents
of U.S., bonds.

Reparation.

rules and regulations as it shall prescribe, unless the respondent has already made reparation to the person complaining, may issue an order directing the respondent to pay to the complainant the undisputed amount on or before the date fixed in the order, leaving the respondent's liability for the disputed amount for subsequent determination. The remaining disputed amount shall be determined in the same manner and under the same procedure as it would have been determined if no order had been issued by the Commission with respect to the undisputed sum.

Enforcement of
reparation award.

"(f) If any person against whom an award has been made does not pay the reparation award within the time specified in the Commission's order, the complainant, or any person for whose benefit such order was made, within three years of the date of the order, may file a certified copy of the order of the Commission, in the district court of the United States for the district in which he resides or in which is located the principal place of business of the respondent, for enforcement of such reparation award by appropriate orders. The orders, writs, and processes of such district court may in such case run, be served, and be returnable anywhere in the United States. The petitioner shall not be liable for costs in the district court, nor for costs at any subsequent state of the proceedings, unless they accrue upon his appeal. If the petitioner finally prevails, he shall be allowed a reasonable attorney's fee, to be taxed and collected as a part of the costs of the suit. Subject to the right of appeal under subsection (g) of this section, an order of the Commission awarding reparations shall be final and conclusive.

Appeals.

"(g) Any order of the Commission entered hereunder shall be reviewable on petition of any party aggrieved thereby, by the United States Court of Appeals for any circuit in which a hearing was held, or if no hearing was held, any circuit in which the appellee is located, under the procedure provided in paragraph (b) of section 6 of this Act. Such appeal shall not be effective unless within 30 days from and after the date of the reparation order the appellant also files with the clerk of the court a bond in double the amount of the reparation awarded against the appellant conditioned upon the payment of the judgment entered by the court, plus interest and costs, including a reasonable attorney's fee for the appellee, if the appellee shall prevail. Such bond shall be in the form of cash, negotiable securities having a market value at least equivalent to the amount of bond prescribed, or the undertaking of a surety company on the approved list of sureties issued by the Treasury Department of the United States. The appellee shall not be liable for costs in said court. If the appellee prevails, he shall be allowed a reasonable attorney's fee to be taxed and collected as a part of his costs.

Penalty.

"(h) Unless the registrant against whom a reparation order has been issued shows to the satisfaction of the Commission within fifteen days from the expiration of the period allowed for compliance with such order that he has either taken an appeal as herein authorized or has made payment in full as required by such order, he shall be prohibited from trading on all contract markets and his registration shall be suspended automatically at the expiration of such fifteen-day period until he shows to the satisfaction of the Commission that he has paid the amount therein specified with interest thereon to date of payment: *Provided*, That if on appeal the appellee prevails or if the appeal is dismissed the automatic prohibition against trading and suspension of registration shall become effective at the expiration of thirty days from the date of judgment on the appeal, but if the judgment is stayed by a court of competent jurisdiction the suspension shall become effective ten days after the expiration of such stay, unless prior thereto the judgment of the court has been satisfied.

“(i) The provisions of this section shall not become effective until one year after the date of its enactment: *Provided*, That claims which arise within nine months immediately prior to the effective date of this section may be heard by the Commission after such one year period.”

Effective date.

SEC. 107. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

“SEC. 15. The Commission shall take into consideration the public interest to be protected by the antitrust laws and endeavor to take the least anticompetitive means of achieving the objectives of this Act, as well as the policies and purposes of this Act, in issuing any order or adopting any Commission rule or regulation, or in requiring or approving any bylaw, rule, or regulation of a contract market or registered futures association established pursuant to section 17 of this Act.”

7 USC 19.

Post, p. 1406.

TITLE II—REGULATION OF TRADING AND EXCHANGE ACTIVITIES

SEC. 201. Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended—

(a) By striking after the word “eggs,” the word “onions.”

(b) By striking the period at the end of the third sentence of the section and substituting therefor the following: “, and all other goods and articles, except onions as provided in Public Law 85-839, and all services, rights, and interests in which contracts for future delivery are presently or in the future dealt in: *Provided*, That the Commission shall have exclusive jurisdiction with respect to accounts, agreements (including any transaction which is of the character of, or is commonly known to the trade as, an ‘option’, ‘privilege’, ‘indemnity’, ‘bid’, ‘offer’, ‘put’, ‘call’, ‘advance guaranty’, or ‘decline guaranty’), and transactions involving contracts of sale of a commodity for future delivery, traded or executed on a contract market designated pursuant to section 5 of this Act or any other board of trade, exchange, or market, and transactions subject to regulation by the Commission pursuant to section 217 of the Commodity Futures Trading Commission Act of 1974: *And provided further*, That, except as hereinabove provided, nothing contained in this section shall (i) supersede or limit the jurisdiction at any time conferred on the Securities and Exchange Commission or other regulatory authorities under the laws of the United States or of any State, or (ii) restrict the Securities and Exchange Commission and such other authorities from carrying out their duties and responsibilities in accordance with such laws. Nothing in this section shall supersede or limit the jurisdiction conferred on courts of the United States or any State. Nothing in this Act shall be deemed to govern or in any way be applicable to transactions in foreign currency, security warrants, security rights, resales of installment loan contracts, repurchase options, government securities, or mortgages and mortgage purchase commitments, unless such transactions involve the sale thereof for future delivery conducted on a board of trade.”

7 USC 13-1.

Jurisdiction of Commission.

7 USC 7.

Post, p. 1405.

SEC and other authorities.

Courts.

Nonapplicability.

SEC. 202. Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended by adding at the end of paragraph (1) the following new sentences: “The term ‘commodity trading advisor’ shall mean any person who, for compensation or profit, engages in the business of advising others, either directly or through publications or writings, as to the value of commodities or as to the advisability of trading in any commodity for future delivery on or subject to the rules of any contract market, or who for compensation

“Commodity trading advisor.”

or profit, and as part of a regular business, issues or promulgates analyses or reports concerning commodities; but does not include (i) any bank or trust company, (ii) any newspaper reporter, newspaper columnist, newspaper editor, lawyer, accountant, or teacher, (iii) any floor broker or futures commission merchant, (iv) the publisher of any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation including their employees, (v) any contract market, and (vi) such other persons not within the intent of this definition as the Commission may specify by rule, regulation, or order: *Provided*, That the furnishing of such services by the foregoing persons is solely incidental to the conduct of their business or profession. The term 'commodity pool operator' shall mean any person engaged in a business which is of the nature of an investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds, securities, or property, either directly or through capital contributions, the sale of stock or other forms of securities, or otherwise, for the purpose of trading in any commodity for future delivery on or subject to the rules of any contract market, but does not include such persons not within the intent of this definition as the Commission may specify by rule or regulation or by order."

"Commodity
pool operator."

SEC. 203. The Commodity Exchange Act, as amended, is amended by inserting after section 4i (7 U.S.C. 6i), the following new section:

"SEC. 4j. (1) The Commission shall within six months after the effective date of the Commodity Futures Trading Commission Act of 1974, and subsequently when it determines that changes are required, make a determination, after notice and opportunity for hearing, whether or not a floor broker may trade for his own account or any account in which such broker has trading discretion, and also execute a customer's order for future delivery and, if the Commission determines that such trades and such executions shall be permitted, the Commission shall further determine the terms, conditions, and circumstances under which such trades and such executions shall be conducted: *Provided*, That any such determination shall, at a minimum, take into account the effect upon the liquidity of trading of each market: *And provided further*, That nothing herein shall be construed to prohibit the Commission from making separate determinations for different contract markets when such are warranted in the judgment of the Commission, or to prohibit contract markets from setting terms and conditions more restrictive than those set by the Commission.

Trades and ex-
ecutions by floor
brokers.

7 USC 6j.

Notice and
hearing.

"(2) The Commission shall within six months after the effective date of the Commodity Futures Trading Commission Act of 1974, and subsequently when it determines that changes are required, make a determination, after notice and opportunity for hearing, whether or not a futures commission merchant may trade for its own account or any proprietary account, as defined by the Commission, and if the Commission determines that such trades shall be permitted, the Commission shall further determine the terms, conditions, and circumstances under which such trades shall be conducted: *Provided*, That any such determination, at a minimum, shall take into account the effect upon the liquidity of trading of each market: *And provided further*, That nothing herein shall be construed to prohibit the Commission from making separate determinations for different contract markets when such are warranted in the judgment of the Commission, or to prohibit contract markets from setting terms and conditions more restrictive than those set by the Commission."

Trades by
futures commis-
sion merchants.

Notice and
hearing.

SEC. 204. (a) The Commodity Exchange Act, as amended, is amended by adding the following new section:

"Sec. 4k. (1) It shall be unlawful for any person to be associated with any futures commission merchant or with any agent of a futures commission merchant as a partner, officer, or employee (or any person occupying a similar status or performing similar functions), in any capacity which involves (i) the solicitation or acceptance of customers' orders (other than in a clerical capacity) or (ii) the supervision of any person or persons so engaged, unless such person shall have registered, under this Act, with the Commission and such registration shall not have expired nor been suspended (and the period of suspension has not expired) or revoked, and it shall be unlawful for any futures commission merchant or any agent of a futures commission merchant to permit such a person to become or remain associated with him in any such capacity if such futures commission merchant or agent knew or should have known that such person was not so registered or that such registration had expired, been suspended (and the period of suspension has not expired) or revoked: *Provided*, That any individual who is registered as a floor broker or futures commission merchant (and such registration is not suspended or revoked) need not also register under these provisions.

Associates of
futures commis-
sion merchants.
Registration.
7 USC 6k.

"(2) Any such person desiring to be registered shall make application to the Commission in the form and manner prescribed by the Commission, giving such information and facts as the Commission may deem necessary concerning the applicant. Such person, when registered hereunder, shall likewise continue to report and furnish to the Commission such information as the Commission may require. Such registration shall expire two years after the effective date thereof, and shall be renewed upon application therefor unless the registration has been suspended (and the period of such suspension has not expired) or revoked after notice and hearing as prescribed in section 6(b) of this Act: *Provided*, That upon initial registration, the effective period of such registration shall be set by the Commission, not to exceed two years from the effective date thereof and not to be less than one year from the effective date thereof."

Application.

(b) Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended by inserting after the words "futures commission merchant" each time those words appear, the following: "or any person associated therewith as described in section 4k of this Act,".

(c) Section 8a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 12a(1)), is amended by inserting after the words "futures commission merchants" the following: "and persons associated therewith as described in section 4k of this Act,".

SEC. 205. (a) The Commodity Exchange Act, as amended, is amended by adding the following new sections:

Commodity trad-
ing advisors and
commodity pool
operators.
7 USC 6l.

"SEC. 4l. It is hereby found that the activities of commodity trading advisors and commodity pool operators are affected with a national public interest in that, among other things—

"(1) their advice, counsel, publications, writings, analyses, and reports are furnished and distributed, and their contracts, solicitations, subscriptions, agreements, and other arrangements with clients take place and are negotiated and performed by the use of the mails and other means and instrumentalities of interstate commerce;

"(2) their advice, counsel, publications, writings, analyses, and reports customarily relate to and their operations are directed toward and cause the purchase and sale of commodities for future delivery on or subject to the rules of contract markets; and

"(3) the foregoing transactions occur in such volume as to affect substantially transactions on contract markets.

Use of mails
and interstate
commerce.
7 USC 6m.

"SEC. 4m. It shall be unlawful for any commodity trading advisor or commodity pool operator, unless registered under this Act, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such commodity trading advisor or commodity pool operator: *Provided*, That the provisions of this section shall not apply to any commodity trading advisor who, during the course of the preceding twelve months, has not furnished commodity trading advice to more than fifteen persons and who does not hold himself out generally to the public as a commodity trading advisor.

Registration.
7 USC 6n.

"SEC. 4n. (1) Any commodity trading advisor or commodity pool operator, or any person who contemplates becoming a commodity trading advisor or commodity pool operator, may register under this Act by filing an application with the Commission. Such application shall contain such information, in such form and detail, as the Commission may, by rules and regulations, prescribe as necessary or appropriate in the public interest, including the following:

"(A) the name and form of organization, including capital structure, under which the applicant engages or intends to engage in business; the name of the State under the laws of which he is organized; the location of his principal business office and branch offices, if any; the names and addresses of all partners, officers, directors, and persons performing similar functions or, if the applicant be an individual, of such individual; and the number of employees;

"(B) the education, the business affiliations for the past ten years, and the present business affiliations of the applicant and of his partners, officers, directors, and persons performing similar functions and of any controlling person thereof;

"(C) the nature of the business of the applicant, including the manner of giving advice and rendering of analyses or reports;

"(D) the nature and scope of the authority of the applicant with respect to clients' funds and accounts;

"(E) the basis upon which the applicant is or will be compensated; and

"(F) such other information as the Commission may require to determine whether the applicant is qualified for registration.

"(2) Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission, or within such shorter period of time as the Commission may determine.

"(3) All registrations under this section shall expire on the 30th day of June of each year, and shall be renewed upon application therefor subject to the same requirements as in the case of an original application.

Recordkeeping
and reports.

"(4) (A) Every commodity trading advisor and commodity pool operator registered under this Act shall maintain books and records and file such reports in such form and manner as may be prescribed by the Commission. All such books and records shall be kept for a period of at least three years, or longer if the Commission so directs, and shall be open to inspection by any representative of the Commission or the Department of Justice. Upon the request of the Commission, a registered commodity trading advisor or commodity pool operator shall furnish the name and address of each client, subscriber, or participant, and submit samples or copies of all reports, letters, circulars, memorandums, publications, writings, or other literature or advice distributed to clients, subscribers, or participants, or prospective clients, subscribers, or participants.

“(B) Unless otherwise authorized by the Commission by rule or regulation, all commodity trading advisors and commodity pool operators shall make a full and complete disclosure to their subscribers, clients, or participants of all futures market positions taken or held by the individual principals of their organization.

Disclosure.

“(5) Every commodity pool operator shall regularly furnish statements of account to each participant in his operations. Such statements shall be in such form and manner as may be prescribed by the Commission and shall include complete information as to the current status of all trading accounts in which such participant has an interest.

Statements of account.

“(6) The Commission is authorized, without hearing, to deny registration to any person as a commodity trading advisor or commodity pool operator if such person is subject to an outstanding order under this Act denying to such person trading privileges on any contract market, or suspending or revoking the registration of such person as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or suspending or expelling such person from membership on any contract market.

Denial of registration.

“(7) The Commission after hearing may by order deny registration, revoke or suspend the registration of any commodity trading advisor or commodity pool operator if the Commission finds that such denial, revocation, or suspension is in the public interest and that—

“(A) the operations of such person disrupt or tend to disrupt orderly marketing conditions, or cause or tend to cause sudden or unreasonable fluctuations or unwarranted changes in the prices of commodities;

“(B) such commodity trading advisor or commodity pool operator, or any partner, officer, director, person performing similar function or controlling person thereof—

“(i) has within ten years of the issuance of such order been convicted of any felony or misdemeanor involving the purchase or sale of any commodity or security, or arising out of any conduct or practice of such commodity trading advisor or commodity pool operator or affiliated person as a commodity trading advisor or commodity pool operator; or

“(ii) at the time of the issuance of such order, is permanently or temporarily enjoined by order, judgment or decree of any court of competent jurisdiction from acting as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or as an affiliated person or employee of any of the foregoing, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of commodities or securities; or

“(C) any partner, officer, or director of such commodity trading advisor or commodity pool operator, or any person performing a similar function or any controlling person thereof is subject to an outstanding order of the Commission denying trading privileges on any contract market to such person, or suspending or revoking the registration of such person as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or suspending or expelling such person from membership on any contract market.

“SEC. 40. (1) It shall be unlawful for any commodity trading advisor or commodity pool operator registered under this Act, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly—

7 USC 60.

“(A) to employ any device, scheme, or artifice to defraud any client or participant or prospective client or participant; or

“(B) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.

“(2) It shall be unlawful for any commodity trading advisor or commodity pool operator registered under this Act to represent or imply in any manner whatsoever that he has been sponsored, recommended, or approved, or that his abilities or qualifications have in any respect been passed upon by the United States or any agency or officer thereof: *Provided*, That this section shall not be construed to prohibit a statement that a person is registered under this Act as a commodity trading advisor or commodity pool operator, if such statement is true in fact and if the effect of such registration is not misrepresented.”

(b) Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended by inserting immediately before the words “or as floor broker” each time those words appear, the following: “commodity trading advisor, commodity pool operator,”.

(c) Section 8a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 12a(1)), is amended by inserting immediately before the words “and floor brokers” the following: “commodity trading advisors, commodity pool operators.”.

SEC. 206. The Commodity Exchange Act, as amended, is amended by adding the following new section:

“SEC. 4p. The Commission may specify by rules and regulations appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable to insure the fitness of futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers. In connection therewith, the Commission may prescribe by rules and regulations the adoption of written proficiency examinations to be given to applicants for registration as futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers, and the establishment of reasonable fees to be charged to such applicants to cover the administration of such examinations. The Commission may further prescribe by rules and regulations that, in lieu of examinations administered by the Commission, futures associations registered under section 17 of this Act or contract markets may adopt written proficiency examinations to be given to applicants for registration as futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers, and charge reasonable fees to such applicants to cover the administration of such examinations. Notwithstanding any other provision of this section, the Commission may specify by rules and regulations such terms and conditions as it deems appropriate to protect the public interest wherein exception to any written proficiency examination shall be made with respect to individuals who have demonstrated, through training and experience, the degree of proficiency and skill necessary to protect the interests of the customers of futures commission merchants and floor brokers.”

SEC. 207. Section 5 of the Commodity Exchange Act, as amended (7 U.S.C. 7), is amended by adding after subsection (f) thereof the following new subsection:

“(g) When such board of trade demonstrates that transactions for future delivery in the commodity for which designation as a contract market is sought will not be contrary to the public interest.”

SEC. 208. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended—

Standards and
examinations.

7 USC 6p.

Post, p. 1406.

Contract mar-
kets.

(a) By inserting after the word “purposes” in subsection (7) the following: “: *And provided further*, That this subsection shall apply only to futures contracts for those commodities which may be delivered from a warehouse subject to the United States Warehouse Act”.

7 USC 241.

(b) By striking out “and” at the end of subsection (8).

(c) By striking out the period at the end of subsection (9) and inserting in lieu thereof a semicolon.

(d) By adding at the end of subsection (9) thereof the following new subsection:

Delivery points.

“(10) permit the delivery of any commodity, on contracts of sale thereof for future delivery, of such grade or grades, at such point or points and at such quality and locational price differentials as will tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce. If the Commission after investigation finds that the rules and regulations adopted by a contract market permitting delivery of any commodity on contracts of sale thereof for future delivery, do not accomplish the objectives of this subsection, then the Commission shall notify the contract market of its finding and afford the contract market an opportunity to make appropriate changes in such rules and regulations. If the contract market within seventy-five days of such notification fails to make the changes which in the opinion of the Commission are necessary to accomplish the objectives of this subsection, then the Commission after granting the contract market an opportunity to be heard, may change or supplement such rules and regulations of the contract market to achieve the above objectives: *Provided*, That any order issued under this paragraph shall not apply to contracts of sale for future delivery in any months in which contracts are currently outstanding and open: *And provided further*, That no requirement for an additional delivery point or points shall be promulgated following hearings until the contract market affected has had notice and opportunity to file exceptions to the proposed order determining the location and number of such delivery point or points;”.

SEC. 209. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by adding a new subsection (11) as follows:

Customers' claims, arbitration.

“(11) provide a fair and equitable procedure through arbitration or otherwise for the settlement of customers' claims and grievances against any member or employee thereof: *Provided*, That (i) the use of such procedure by a customer shall be voluntary, (ii) the procedure shall not be applicable to any claim in excess of \$15,000, (iii) the procedure shall not result in any compulsory payment except as agreed upon between the parties, and (iv) the term ‘customer’ as used in this subsection shall not include a futures commission merchant or a floor broker; and”.

SEC. 210. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by inserting the following new subsection (12) as follows:

Commission approval of bylaws, rules, regulations, and resolutions.

“(12) except as otherwise provided in this subsection, submit to the Commission for its approval all bylaws, rules, regulations, and resolutions made or issued by such contract market, or by the governing board thereof or any committee thereof which relate to terms and conditions in contracts of sale to be executed on or subject to the rules of such contract market or relate to other trading requirements except those relating to the setting of levels of margin. The Commission shall approve, within thirty days of their receipt unless the Commission notifies the contract

market of its inability to make such determination within such period of time, such bylaws, rules, regulations, and resolutions upon a determination that such bylaws, rules, regulations, and resolutions are not in violation of the provisions of this Act or the regulations of the Commission and thereafter the Commission shall disapprove, after appropriate notice and opportunity for hearing, any bylaw, rule, regulation, or resolution which the Commission finds at any time is in violation of the provisions of this Act or the regulations of the Commission. The Commission shall specify the terms and conditions under which a contract market may, in an emergency, as defined by the Commission, adopt a temporary rule dealing with trading requirements without prior Commission approval. In the event of such an emergency, as defined by the Commission, requiring immediate action, the contract market by a two-thirds vote of its governing board may place into immediate effect without prior Commission approval a temporary rule dealing with such emergency if it notifies the Commission of such action with a complete explanation of the emergency involved. The Commission may adopt a regulation exempting enumerated types of contract market operational and administrative rules from the requirement that they be submitted to the Commission for its approval."

Court action.

SEC. 211. The Commodity Exchange Act, as amended, is amended by inserting the following new section immediately after section 6b (7 U.S.C. 13a):

7 USC 13a-1.

"SEC. 6c. Whenever it shall appear to the Commission that any contract market or other person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of this Act or any rule, regulation, or order thereunder, or is restraining trading in any commodity for future delivery, the Commission may bring an action in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such act or practice, or to enforce compliance with this Act, or any rule, regulation or order thereunder, and said courts shall have jurisdiction to entertain such actions: *Provided*, That no restraining order or injunction for violation of the provisions of this Act shall be issued ex parte by said court. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Commission, the district courts of the United States and the United States courts of any territory or other place subject to the jurisdiction of the United States shall also have jurisdiction to issue writs of mandamus, or orders affording like relief, commanding any person to comply with the provisions of this Act or any rule, regulation, or order of the Commission thereunder, including the requirement that such person take such action as is necessary to remove the danger of violation of this Act or any such rule, regulation, or order: *Provided*, That no such writ of mandamus, or order affording like relief, shall be issued ex parte. Any action under this section may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or in the district where the act or practice occurred, is occurring, or is about to occur, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found. In lieu of bringing actions itself pursuant to this section, the Commission may request the Attorney General to bring the action. Where the Commission elects to bring the action, it shall inform the Attorney General of such suit and advise him of subsequent developments."

SEC. 212. (a) Section 6 of the Commodity Exchange Act, as amended (7 U.S.C. 8, 9, 13b, 15), is amended—

Penalties.

(1) By substituting a comma for the period at the end of the fourth sentence in paragraph (b) and adding thereafter the following: “and may assess such person a civil penalty of not more than \$100,000 for each such violation.”

(2) By adding in the sixth sentence in paragraph (b), a comma after the word “petition” and inserting thereafter and before the word “praying” the following phrase: “within fifteen days after the notice of such order is given to the offending person.”

(3) By adding after paragraph (c) thereof the following new paragraph:

“(d) In determining the amount of the money penalty assessed under paragraph (b) of this section, the Commission shall consider, in the case of a person whose primary business involves the use of the commodity futures market—the appropriateness of such penalty to the size of the business of the person charged, the extent of such person’s ability to continue in business, and the gravity of the violation; and in the case of a person whose primary business does not involve the use of the commodity futures market—the appropriateness of such penalty to the net worth of the person charged, and the gravity of the violation. If the offending person upon whom such penalty is imposed, after the lapse of the period allowed for appeal or after the affirmance of such penalty, shall fail to pay such penalty the Commission shall refer the matter to the Attorney General who shall recover such penalty by action in the appropriate United States district court.”

7 USC 9a.

(b) Section 6b of the Commodity Exchange Act, as amended (7 U.S.C. 13a), is amended to read as follows:

“SEC. 6b. If any contract market is not enforcing or has not enforced its rules of government made a condition of its designation as set forth in section 5 of this Act, or if any contract market, or any director, officer, agent, or employee of any contract market otherwise is violating or has violated any of the provisions of this Act or any of the rules, regulations, or orders of the Commission thereunder, the Commission may, upon notice and hearing and subject to appeal as in other cases provided for in paragraph (a) of section 6 of this Act, make and enter an order directing that such contract market, director, officer, agent, or employee shall cease and desist from such violation, and assess a civil penalty of not more than \$100,000 for each such violation. If such contract market, director, officer, agent, or employee, after the entry of such a cease and desist order and the lapse of the period allowed for appeal of such order or after the affirmance of such order, shall fail or refuse to obey or comply with such order, such contract market, director, officer, agent, or employee shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$100,000 or imprisoned for not less than six months nor more than one year, or both. Each day during which such failure or refusal to obey such cease and desist order continues shall be deemed a separate offense. If the offending contract market or other person upon whom such penalty is imposed, after the lapse of the period allowed for appeal or after the affirmance of such penalty, shall fail to pay such penalty, the Commission shall refer the matter to the Attorney General who shall recover such penalty by action in the appropriate United States district court. In determining the amount of the money penalty assessed under this section, the Commission shall consider the appropriateness of such penalty to the net worth of the offending person and the gravity of the offense, and in the case of a contract market shall further consider whether the amount of the penalty will mate-

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rially impair the contract market's ability to carry on its operations and duties."

(c) Section 6(c) of the Commodity Exchange Act, as amended (7 U.S.C. 13b), is amended by deleting the words "not less than \$500 nor more than \$10,000" and substituting therefor the words "not more than \$100,000".

(d) Section 9 of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended as follows:

(1) Subsection (a) is amended by striking "\$10,000" and substituting therefor "\$100,000".

(2) Subsection (b) is amended by striking "\$10,000" and substituting therefor "\$100,000".

(3) Subsection (c) is amended by striking "\$10,000" and substituting therefor "\$100,000".

Changes in
rules of contract
market.

SEC. 213. Section 8a of the Commodity Exchange Act, as amended (7 U.S.C. 12a), is amended by striking subsection (7) and inserting in lieu thereof the following new subsection:

"(7) to alter or supplement the rules of a contract market insofar as necessary or appropriate by rule or regulation or by order, if after making the appropriate request in writing to a contract market that such contract market effect on its own behalf specified changes in its rules and practices, and after appropriate notice and opportunity for hearing, the Commission determines that such contract market has not made the changes so required, and that such changes are necessary or appropriate for the protection of persons producing, handling, processing, or consuming any commodity traded for future delivery on such contract market, or the product or byproduct thereof, or for the protection of traders or to insure fair dealing in commodities traded for future delivery on such contract market. Such rules, regulations, or orders may specify changes with respect to such matters as:

"(A) terms or conditions in contracts of sale to be executed on or subject to the rules of such contract market;

"(B) the form or manner of execution of purchases and sales for future delivery;

"(C) other trading requirements, excepting the setting of levels of margin;

"(D) safeguards with respect to the financial responsibility of members;

"(E) the manner, method, and place of soliciting business, including the content of such solicitations; and

"(F) the form and manner of handling, recording, and accounting for customers' orders, transactions, and accounts; and".

Rules for persons not members
of a contract market.

SEC. 214. Section 8a of the Commodity Exchange Act, as amended (7 U.S.C. 12a), is amended by adding the following new subsection (8):

"(8) to make and promulgate such rules and regulations with respect to those persons registered under this Act, who are not members of a contract market, as in the judgment of the Commission are reasonably necessary to protect the public interest and promote just and equitable principles of trade, including but not limited to the manner, method, and place of soliciting business, including the content of such solicitation; and".

Emergencies.

SEC. 215. Section 8a of the Commodity Exchange Act, as amended (7 U.S.C. 12a), is amended by adding the following new subsection (9):

"(9) to direct the contract market whenever it has reason to believe that an emergency exists, to take such action as, in the Commission's judgment, is necessary to maintain or restore orderly trading in, or liquidation of, any futures contract. The term 'emergency' as used herein shall mean, in addition to threatened or actual market manipulations and corners, any act of the United States or a foreign government affecting a commodity or any other major market disturbance which prevents the market from accurately reflecting the forces of supply and demand for such commodity: *Provided*, That nothing herein shall be deemed to limit the meaning or interpretation given by a contract market to the terms 'market emergency', 'emergency', or equivalent language in its own bylaws, rules, regulations, or resolutions."

"Emergency."

SEC. 216. The Commodity Exchange Act, as amended, is amended by inserting the following new section immediately after section 8b (7 U.S.C. 12b) :

Disciplinary
action.

"SEC. 8c. (1) (A) Any exchange or the Commission if the exchange fails to act, may suspend, expel, or otherwise discipline any person who is a member of that exchange, or deny any person access to the exchange. Any such action shall be taken solely in accordance with the rules of that exchange.

7 USC 12c.

"(B) Any suspension, expulsion, disciplinary, or access denial procedure established by an exchange rule shall provide for written notice to the Commission and to the person who is suspended, expelled, or disciplined, or denied access, within thirty days, which includes the reasons for the exchange action in the form and manner the Commission prescribes. Otherwise the notice and reasons shall be kept confidential.

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"(2) The Commission may, in its discretion and in accordance with such standards and procedures as it deems appropriate, review any decision by an exchange whereby a person is suspended, expelled, otherwise disciplined, or denied access to the exchange. In addition, the Commission may, in its discretion and upon application of any person who is adversely affected by any other exchange action, review such action.

"(3) The Commission may affirm, modify, set aside, or remand any exchange decision it reviews pursuant to subsection (2), after a determination on the record whether the action of the exchange was in accordance with the policies of this Act. Subject to judicial review, any order of the Commission entered pursuant to subsection (2) shall govern the exchange in its further treatment of the matter.

"(4) The Commission, in its discretion, may order a stay of any action taken pursuant to subsection (1) pending review thereof."

SEC. 217. (a) No person shall offer to enter into, enter into, or confirm the execution of any transaction for the delivery of silver bullion, gold bullion, or bulk silver coins or bulk gold coins, pursuant to a standardized contract commonly known to the trade as a margin account, margin contract, leverage account, or leverage contract contrary to any rule, regulation, or order of the Commodity Futures Trading Commission designed to insure the financial solvency of the transaction or prevent manipulation or fraud: *Provided*, That such rule, regulation, or order may be made only after notice and opportunity for hearing. If the Commission determines that any such transaction is a contract for future delivery within the meaning of the Commodity Exchange Act, as amended, such transaction shall be regulated in accordance with the provisions of such Act.

Leverage con-
tracts for gold and
silver.

7 USC 15a.

(b) The provisions of section 9(c) of the Commodity Exchange Act, as amended, shall be applicable with respect to persons who violate the provisions of this section.

Penalty.
7 USC 13.

TITLE III—ENABLING AUTHORITY FOR CREATION OF NATIONAL FUTURES ASSOCIATIONS

SEC. 301. The Commodity Exchange Act, as amended, is amended by adding the following new section:

7 USC 21.

“SEC. 17. (a) Any association of persons may be registered with the Commission as a registered futures association pursuant to subsection (b) of this section, under the terms and conditions hereinafter provided in this section, by filing with the Commission for review and approval a registration statement in such form as the Commission may prescribe, setting forth the information, and accompanied by the documents, below specified:

“(1) Data as to its organization, membership, and rules of procedure, and such other information as the Commission may by rules and regulations require as necessary or appropriate in the public interest; and

“(2) Copies of its constitution, charter, or articles of incorporation or association, with all amendments thereto, and of its bylaws, and of any rules or instruments corresponding to the foregoing, whatever the name, hereinafter in this section collectively referred to as the ‘rules of the association’.

“(b) An applicant association shall not be registered as a futures association unless the Commission finds, under standards established by the Commission, that—

“(1) such association is in the public interest and that it will be able to comply with the provisions of this section and the rules and regulations thereunder and to carry out the purposes of this section;

“(2) the rules of the association provide that any person registered under this Act, contract market, or any other person designated pursuant to the rules of the Commission as eligible for membership may become a member of such association, except such as are excluded pursuant to paragraph (3) or (4) of this subsection, or a rule of the association permitted under this paragraph. The rules of the association may restrict membership in such association on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest and to carry out the purpose of this section. Rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds it appropriate in the public interest so to direct, deny admission to, or refuse to continue in such association any person if (i) such person, whether prior or subsequent to becoming registered as such, or (ii) any person associated with in the meaning of ‘associated person’ as set forth in section 4k of this Act, whether prior or subsequent to becoming so associated, has been and is suspended or expelled from a contract market or has been and is barred or suspended from being associated with all members of such contract market, for violation of any rule of such contract market;

Ante, p. 1397.

“(3) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall be admitted to or continued in membership in such association, if such person—

“(A) has been and is suspended or expelled from a registered futures association or from a contract market or has

been and is barred or suspended from being associated with all members of such association or from being associated with all members of such contract market, for violation of any rule of such association or contract market which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade; or

“(B) is subject to an order of the Commission denying, suspending, or revoking his registration pursuant to section 6(b) of this Act (7 U.S.C. 9), or expelling or suspending him from membership in a registered futures association or a contract market, or barring or suspending him from being associated with a futures commission merchant; or

“(C) whether prior or subsequent to becoming a member, by his conduct while associated with a member, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such member, and in entering such a suspension, expulsion, or order, the Commission or any such contract market or association shall have jurisdiction to determine whether or not any person was a cause thereof; or

“(D) has associated with him any person who is known, or in the exercise of reasonable care should be known, to him to be a person who would be ineligible for admission to or continuance in membership under clause (A), (B), or (C) of this paragraph.

“(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become a person associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member, the financial responsibility of such a member. For the purpose of defining such standards and the application thereof, such rules may—

“(A) appropriately classify prospective members (taking into account relevant matters, including type or nature of business done) and persons proposed to be associated with members.

“(B) specify that all or any portion of such standard shall be applicable to any such class.

“(C) require persons in any such class to pass examinations prescribed in accordance with such rules.

“(D) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate.

“(E) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, and other qualifications (including, in the case of an applicant for membership, financial responsibility) of the appli-

cant and that the association shall adopt procedures for verification of qualifications of the applicant.

“(F) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (and any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (b) of section 6 of the Act, be deemed an application required to be filed under this section).

“(5) the rules of the association assure a fair representation of its members in the adoption of any rule of the association or amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs.

“(6) the rules of the association provide for the equitable allocation of dues among its members, to defray reasonable expenses of administration.

“(7) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, in general, to protect the public interest, and to remove impediments to and perfect the mechanism of free and open futures trading.

“(8) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules.

“(9) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any person seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

“(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted.

“(B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation.

“(C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade.

“(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether a person shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based.

“(10) the rules of the association provide for a fair and equitable procedure through arbitration or otherwise for the settlement of a customer's claims and grievances against any member

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and record.

or employee thereof: *Provided*, That (i) the use of such procedure by a customer shall be voluntary, (ii) the procedure shall not be applicable to any claim in excess of \$5,000, (iii) the procedure shall not result in any compulsory payment except as agreed upon between the parties, and (iv) the term 'customer' as used in this subsection shall not include a futures commission merchant or a floor broker.

"(c) The Commission may, after notice and opportunity for hearing, suspend the registration of any futures association if it finds that the rules thereof do not conform to the requirements of the Commission, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements.

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"(d) In addition to the fees and charges authorized by section 8a (4) of this Act, each person registered under this Act, who is not a member of a futures association registered pursuant to this section, shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such person is not a member of a registered futures association. The Commission shall establish such additional fees and charges by rules and regulations.

7 USC 12a.

"(e) Any person registered under this Act, who is not a member of a futures association registered pursuant to this section, in addition to the other requirements and obligations of this Act and the regulations thereunder shall be subject to such other rules and regulations as the Commission may find necessary to protect the public interest and promote just and equitable principles of trade.

"(f) Upon filing of an application for registration pursuant to subsection (a), the Commission may by order grant such registration if the requirements of this section are satisfied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration.

"(g) A registered futures association may, upon such reasonable notice as the Commission may deem necessary in the public interest, withdraw from registration by filing with the Commission a written notice of withdrawal in such form as the Commission may by rules and regulations prescribe.

"(h) If any registered futures association takes any disciplinary action against any member thereof or any person associated with such a member or denies admission to any person seeking membership therein, or bars any person from being associated with a member, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (k) of this section unless the Commission otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments).

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"(i) (1) In a proceeding to review disciplinary action taken by a registered futures association against a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant—

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hearing.

“(A) finds that such member or person has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and

“(B) determines that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association, the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

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hearing.

“(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member or person associated with a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

“(3) In any proceeding to review the denial of membership in a registered futures association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, determines that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant to membership therein, or to permit such person to be associated with a member.

“(j) Every registered futures association shall file with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest, copies of any changes in or additions to the rules of the association, and such other information and documents as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (a) of this section. Any change in or addition to the rules of a registered futures association shall be submitted to the Commission for approval and shall take effect upon the thirtieth day after such approval by the Commission, or upon such earlier date as the Commission may determine, unless the Commission shall enter an order disapproving such change or addition; and the Commission shall enter such an order unless such change or addition appears to the Commission to be consistent with the requirements of this section and the provisions of this Act.

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hearing.

“(k) (1) The Commission is authorized by order to abrogate any rule of a registered futures association, if after appropriate notice and opportunity for hearing, it appears to the Commission that such abrogation is necessary or appropriate to assure fair dealing by the members of such association, to assure a fair representation of its members in the administration of its affairs or effectuate the purposes of this title.

“(2) The Commission may in writing request any registered futures association to adopt any specified alteration or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested, or with such modifications of such alteration or supplement as it deems necessary if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or to effectuate the purposes of this section, with respect to—

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hearing.

“(A) the basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or natural persons associated with members or any class thereof;

“(B) the method for adoption of any change in or addition to the rules of the association;

“(C) the method of choosing officers and directors.

“(1) The Commission is authorized, if such action appears to it to be necessary or appropriate in the public interest or to carry out the purposes of this section—

“(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to revoke the registration of a registered futures association, if the Commission finds that such association has violated any provisions of this title or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this Act;

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hearing.

“(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered futures association any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person—

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hearing.

“(A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder; or

“(B) has willfully violated any provision of the Commodity Exchange Act, as amended, or of any rule, regulation, or order thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule, regulation, or order.

7 USC 1.

“(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer or director of a registered futures association who, the Commission finds, has willfully failed to enforce the rules of the association, or has willfully abused his authority.

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hearing.

“(m) The Commission shall include in its annual reports to Congress information concerning any futures associations registered pursuant to this section and the effectiveness of such associations in regulating the practices of the members.”

Reports to
Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

Commissioners
or employees,
prohibition on
transactions or
use of informa-
tion.

SEC. 401. Section 9 of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended by adding the following new subsections:

“(d) It shall be a felony punishable by a fine of not more than \$10,000 or imprisonment for not more than five years, or both, together with the costs of prosecution, for any Commissioner of the Commission or any employee or agent thereof, to participate, directly or indirectly, in any transaction in commodity futures or any transaction of the character of or which is commonly known to the trade as an ‘option’, ‘privilege’, ‘indemnity’, ‘bid’, ‘offer’, ‘put’, ‘call’, ‘advance guaranty’, or ‘decline guaranty’, or for any such person to participate, directly or indirectly, in any investment transaction in an actual commodity: *Provided*, That such prohibition against any investment transaction in an actual commodity shall not apply to a transaction in which such person buys an agricultural commodity or livestock for use in his own farming or ranching operations or sells an agricultural commodity which he has produced in connection with his own farming or ranching operations nor to any transaction in which he sells livestock which he has owned at least three months. With respect to such excepted transactions, the Commission shall require any Commissioner of the Commission or any employee or agent thereof who participates in any such transaction to notify the Commission thereof in accordance with such regulations as the Commission shall prescribe and the Commission shall make such information available to the public.

“(e) It shall be a felony punishable by a fine of not more than \$10,000 or imprisonment for not more than five years, or both, together with the costs of prosecution—(1) for any Commissioner of the Commission or any employee or agent thereof who, by virtue of his employment or position, acquires information which may affect or tend to affect the price of any commodity futures or commodity and which information has not been made public to impart such information with intent to assist another person, directly or indirectly, to participate in any transaction in commodity futures, any transaction in an actual commodity, or in any transaction of the character of or which is commonly known to the trade as an ‘option’, ‘privilege’, ‘indemnity’, ‘bid’, ‘offer’, ‘put’, ‘call’, ‘advance guaranty’, or ‘decline guaranty’; and (2) for any person to acquire such information from any Commissioner of the Commission or any employee or agent thereof and to use such information in any transaction in commodity futures, any transaction in an actual commodity, or in any transaction of the character of or which is commonly known to the trade as an ‘option’, ‘privilege’, ‘indemnity’, ‘bid’, ‘offer’, ‘put’, ‘call’, ‘advance guaranty’, or ‘decline guaranty’.”

SEC. 402. Section 4c of the Commodity Exchange Act, as amended (7 U.S.C. 6c), is amended—

(a) By inserting “(a)” after “Sec. 4c.”

(b) By striking paragraph (B) in its entirety and inserting in lieu thereof the following:

“(B) if such transaction involves any commodity specifically set forth in section 2(a) of this Act, prior to the enactment of the Commodity Futures Trading Commission Act of 1974, and if such transaction is of the character of, or is commonly known to the trade as, an ‘option’, ‘privilege’, ‘indemnity’, ‘bid’, ‘offer’, ‘put’, ‘call’, ‘advance guaranty’, or ‘decline guaranty’, or”

(c) By adding at the end thereof the following new subsection:

“(b) No person shall offer to enter into, enter into, or confirm the execution of, any transaction subject to the provisions of subsection (a) of this section involving any commodity regulated under this Act,

but not specifically set forth in section 2(a) of this Act, prior to the enactment of the Commodity Futures Trading Commission Act of 1974, which is of the character of, or is commonly known to the trade as, an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', or 'decline guaranty', contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe within one year after the effective date of the Commodity Futures Trading Commission Act of 1974 unless the Commission determines and notifies the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture that it is unable to prescribe such terms and conditions within such period of time: *Provided*, That any such order, rule, or regulation may be made only after notice and opportunity for hearing: *And provided further*, That the Commission may set different terms and conditions for different markets."

7 USC 2.

Notification of congressional committees.

(d) By striking the last sentence of subsection (a) as designated by this section.

SEC. 403. Section 4a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 6a), is amended by inserting, following the word "straddles" in the last sentence of such paragraph the words "or 'arbitrage'" and by adding the following new sentences at the end of such paragraph: "The word 'arbitrage' in domestic markets shall be defined to mean the same as a 'spread' or 'straddle'. The Commission is authorized to define the term 'international arbitrage'."

"Arbitrage."

SEC. 404. Section 4a(3) of the Commodity Exchange Act, as amended (7 U.S.C. 6a), is amended by deleting the period at the end of the first sentence and adding "as such terms shall be defined by the Commission within ninety days after the effective date of the Commodity Futures Trading Commission Act of 1974 by order consistent with the purposes of this Act."; and by deleting, effective immediately on enactment of this Act, the remainder of paragraph (3): *Provided*, That notwithstanding any other provision of law, the Secretary of Agriculture, immediately upon the enactment of the Commodity Futures Trading Commission Act of 1974, is authorized and directed to promulgate regulations defining bona fide hedging transactions and positions: *And provided further*, That until the Secretary issues such regulations defining bona fide hedging transactions and positions and such regulations are in full force and effect, such terms shall continue to be defined as set forth in the Commodity Exchange Act prior to its amendment by the Commodity Futures Trading Commission Act of 1974.

Hedging transactions.

Regulations.

SEC. 405. Section 4b of the Commodity Exchange Act, as amended (7 U.S.C. 6b), is amended—

7 USC 1.

Simultaneous buying and selling orders.

(a) By deleting the word "cotton" where it appears in the last full paragraph of such section, and inserting in lieu thereof the words "a commodity".

(b) By striking the period at the end of such section and adding the following: " : *And provided further*, That such transactions shall be made in accordance with such rules and regulations as the Commission may promulgate regarding the manner of the execution of such transactions."

SEC. 406. Section 5a(6) of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by deleting the semicolon at the end of said subsection and inserting in lieu thereof the following: "and adopted by the Commission;"

Conformity to U.S. standards.

SEC. 407. Section 5a(8) of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended—

(a) By deleting the words “not been disapproved by the Secretary of Agriculture pursuant to paragraph (7) of section 8a” and inserting in lieu thereof the words “been approved by the Commission pursuant to paragraph (12) of section 5a”.

(b) By deleting the word “so”, and inserting the words “by the Commission” immediately before the semicolon at the end of such subsection.

Administrative
Law Judge.

SEC. 408. Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended—

(a) By striking in the second sentence “a referee” and inserting in lieu thereof “an Administrative Law Judge”.

(b) By striking the word “referee” each other place it appears and inserting in lieu thereof “Administrative Law Judge”.

Violations.

SEC. 409. Section 9(c) of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended by inserting after “section 4i” the following: “section 4k, section 4m, section 4o.”

Ante, pp. 1397-
1399.

Position classi-
fication.

SEC. 410. Section 5108(c) of title 5 of the United States Code is amended by adding after paragraph (11) thereof the following new paragraph:

“(12) The Commodity Futures Trading Commission, subject to the standards and procedures prescribed by this chapter, may place an additional twenty positions in GS-16, GS-17, and GS-18 for purposes of carrying out its functions.”

Transfer of op-
erations and pro-
ceedings.

7 USC 4a note.

SEC. 411. All operations of the Commodity Exchange Commission and of the Secretary of Agriculture under the Commodity Exchange Act, including all pending administrative proceedings, shall be transferred to the Commodity Futures Trading Commission as of the effective date of this Act and continue to completion. All rules, regulations, and orders heretofore issued by the Commodity Exchange Commission and by the Secretary of Agriculture under the Commodity Exchange Act to the extent not inconsistent with the provisions of this Act shall continue in full force and effect unless and until terminated, modified, or suspended by the Commodity Futures Trading Commission.

7 USC 4a note.

SEC. 412. Pending proceedings under existing law shall not be abated by reason of any provision of this Act but shall be disposed of pursuant to the applicable provisions of the Commodity Exchange Act, as amended, in effect prior to the effective date of this Act.

Separability.

7 USC 4a note.

SEC. 413. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Market reports.

SEC. 414. The Commodity Exchange Act, as amended, is amended by adding the following new section at the end thereof:

7 USC 20.

“SEC. 16. (a) The Commission may conduct regular investigations of the markets for goods, articles, services, rights, and interests which are the subject of futures contracts, and furnish reports of the findings of these investigations to the public on a regular basis. These market reports shall, where appropriate, include information on the supply, demand, prices, and other conditions in the United States and other countries with respect to such goods, articles, services, rights, interests, and information respecting the futures markets.

“(b) The Commission shall cooperate with the Department of Agriculture and any other Department or Federal agency which makes market investigations to avoid unnecessary duplication of information-gathering activities.

“(c) The Department of Agriculture and any other Department or Federal agency which has market information sought by the Commis-

sion shall furnish it to the Commission upon the request of any authorized employee of the Commission. The Commission shall abide by any rules of confidentiality applying to such information.

“(d) The Commission shall not disclose in such reports data and information which would separately disclose the business transactions of any person and trade secrets or names of customers except as provided in section 8 of this Act.”

SEC. 415. Section 4g of the Commodity Exchange Act, as amended, is amended by inserting “(1)” after the section designation and by adding the following new subsections:

“(2) Every clearinghouse and contract market shall maintain daily trading records. The daily trading records shall include such information as the Commission shall prescribe by rule.

“(3) Brokers and futures commission merchants shall maintain daily trading records for each customer in such manner and form as to be identifiable with the trades referred to in subsection (2).

“(4) Daily trading records shall be maintained in a form suitable to the Commission for such period as may be required by the Commission. Reports shall be made from the records maintained at such times and at such places and in such form as the Commission may prescribe by rule, order, or regulation in order to protect the public interest and the interest of persons trading in commodity futures.

“(5) Before the beginning of trading each day, the exchange shall, insofar as is practicable and under terms and conditions specified by the Commission, make public the volume of trading on each type of contract for the previous day and such other information as the Commission deems necessary in the public interest and prescribes by rule, order, or regulation.

“(6) Nothing contained in this section shall be construed to prohibit the Commission from making separate determinations for different clearinghouses, contract markets, and exchanges when such determinations are warranted in the judgment of the Commission.”

SEC. 416. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

“SEC. 18. (a) The Commission shall establish and maintain, as part of its ongoing operations, research and information programs to (1) determine the feasibility of trading by computer, and the expanded use of modern information system technology, electronic data processing, and modern communication systems by commodity exchanges, boards of trade, and by the Commission itself for purposes of improving, strengthening, facilitating, or regulating futures trading operations; (2) assist in the development of educational and other informational materials regarding futures trading for dissemination and use among producers, market users, and the general public; and (3) carry out the general purposes of this Act.

“(b) The Commission shall include in its annual reports to Congress plans and findings with respect to implementing this section.”

SEC. 417. The Commodity Futures Trading Commission shall submit to the Congress, not later than June 30, 1976, a report respecting the need for legislation insuring owners of commodity futures accounts and persons handling or clearing trades in such accounts against loss by reason of the insolvency or financial failure of a futures commission merchant carrying such accounts. The report shall contain the recommendations of the Commission concerning the form and nature of any such legislation.

SEC. 418. (a) Except as otherwise provided specifically in this Act, the effective date of this Act shall be the 180th day after enactment. The Commission referred to in section 101 is hereby established effective immediately on enactment of this Act. Sections 102 and 410 shall

7 USC 12, 12-1.

Daily trading records.

7 USC 6g.

Research and information programs.

7 USC 22.

Reports to Congress.

Insurance legislation.

7 USC 4a note.

Effective date.
7 USC 2 note.

be effective immediately on enactment of this Act. Activities necessary to implement the changes effected by this Act may be carried out after the date of enactment and before as well as after the 180th day thereafter. Activities to be carried out after the date of enactment and before the 180th day thereafter may include, but are not limited to the following: designation of boards of trade as contract markets, registration of futures commission merchants, floor brokers, and other persons required to be registered under the Act, approval or modification of bylaws, rules, regulations, and resolutions of contract markets, and issuance of regulations, effective on or after the 180th day after enactment; appointment and compensation of the members of the Commission; hiring and compensation of staff; and conducting of investigations and hearings. Nothing in this Act shall limit the authority of the Secretary of Agriculture or the Commodity Exchange Commission under the Commodity Exchange Act, as amended, prior to the 180th day after enactment of this Act.

Funds.

(b) Funds appropriated for the administration of the Commodity Exchange Act, as amended, may be used to implement this Act immediately after the date of enactment of this Act.

Approved October 23, 1974.

Public Law 93-464

AN ACT

October 24, 1974
[H. R. 16857]

To provide for emergency allotment lease and transfer of tobacco allotments or quotas for 1974 in certain disaster areas in North Carolina.

Tobacco.
Acreage allot-
ments or quotas,
N.C., lease and
transfer.
7 USC 1314b.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 316 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following new subsection (h) :

“(h) Notwithstanding any provision of this section, when as a result of drought, flood, damage due to excessive rain, hail, wind, tornado, or other natural disaster, the Secretary determines (1) that one of the counties hereinafter listed has suffered a loss of 10 per centum or more in the number of acres of tobacco planted, and (2) that a lease of such tobacco allotment or quota will not impair the effective operation of the tobacco marketing quota or price support program, he may permit the owner and operator of any farm within Craven, Carteret and Jones Counties, North Carolina, which has suffered a loss of 10 per centum or more in the number of acres of tobacco planted of such crop to lease all or any part of such allotment or quota to any other owners or operators in the same county, or nearby counties within the same State, for use in such counties for the year 1974 on a farm or farms having a current tobacco allotment or quota of the same kind. In the case of a lease and transfer to an owner or operator in another county pursuant to this subsection, the lease and transfer shall not be effective until a copy of the lease is filed with and determined by the county committee of the county to which the transfer is made to be in compliance with the provisions of this subsection.”.

Approved October 24, 1974.

Public Law 93-465

AN ACT

October 24, 1974
[S. 2348]

To amend the Canal Zone Code to transfer the functions of the Clerk of the United States District Court for the District of the Canal Zone with respect to the issuance and recording of marriage licenses, and related activities, to the civil affairs director of the Canal Zone Government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of title 8, Canal Zone Code (76A Stat. 672), is amended to read as follows:

Canal Zone
Government.
Marriage li-
censes, issuance
and recording.

“§ 4. Marriage license; application; waiting period; medical certificate or court order; fee; record; period of validity

“(a) A marriage may not be celebrated in the Canal Zone unless a license to marry has first been secured from the Governor, or his designee. If both parties to a proposed marriage are residents of the Republic of Panama and neither is a United States citizen, a license may not be issued in the Canal Zone unless the parties have previously obtained a license to marry from the proper authorities in the Republic of Panama. A marriage license may not be issued to a leper except upon a certificate of approval by the health director of the Canal Zone Government. A license when issued shall be accompanied by a marriage certificate to be executed by the person celebrating the marriage.

“(b) The application for a marriage license shall state—

“(1) the name, address, legal residence, age, and date of birth of each of the persons to be married;

“(2) the relationship, if any, of the persons, by consanguinity or affinity; and

“(3) if either person has been previously married, the date and place of each previous marriage, the name of each former spouse, and the manner in which each previous marriage has been terminated.

“(c) Except as provided by subsection (d) of this section, the Governor, or his designee, shall issue a marriage license, after application therefor, if—

“(1) the application for the license is in accordance with subsection (b) of this section, and is accompanied by the written consent when required by section 2 of this title; and

“(2) it appears to the satisfaction of the Governor, or his designee, from the sworn statements of the persons desiring to marry, or, if required by the Governor, or his designee, from the sworn statement of another person, that no legal impediment to the marriage is known to exist.

“(d) The Governor, or his designee, may not issue a marriage license until—

“(1) the application therefor remains on file, open to the public, in his office, for three days before license is issued; and

“(2) each of the persons desiring to be married has presented and filed with him either a medical certificate indicating that the examination required by subchapter II of this chapter has been made, or an order from the district court, as provided by that subchapter, directing him to issue the license.

“(e) The Governor shall prescribe the form of the application for a marriage license, of the marriage license, and of the marriage certificate.

“(f) The Governor, or his designee, shall collect a fee of \$2 upon the issuance of a marriage license, and shall keep a record of all licenses issued and of all applications for licenses, together with any written

Fee.
Recordkeeping.

consent of parents or a parent or guardian or the health director accompanying the same.

“(g) A marriage license is valid for only thirty days, including the date it is issued.”.

SEC. 2. Section 5 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

“§ 5. Who may celebrate a marriage; license to celebrate

“(a) A marriage may be celebrated in the Canal Zone only by a—

“(1) magistrate of the Canal Zone;

“(2) minister in good standing in any religious society or denomination who resides in the Canal Zone; or

“(3) minister in good standing in any religious society or denomination who resides in the Republic of Panama, if he has procured from the Governor, or his designee, a license authorizing the minister to celebrate marriages in the Canal Zone.

“(b) The Governor, or his designee, shall issue the license provided for by paragraph (3) of subsection (a) of this section upon the submission, by a minister referred to therein, of a written application, together with a duly authenticated copy of his authority to celebrate marriages in the Republic of Panama. The Governor, or his designee, shall be paid a fee of \$5 for issuing and recording the license.”.

Fee.

SEC. 3. Section 6 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

“§ 6. Certifying, signing, return, and recording of license; marriage certificate

“(a) The judicial officer or minister celebrating a marriage shall—

“(1) certify upon the marriage license that he celebrated the marriage, giving his official title and the time when and place where the marriage was celebrated;

“(2) cause two persons who witnessed the marriage to sign their names on the marriage license as witnesses, each giving his place of residence;

“(3) at the time of the marriage, fill out and sign the marriage certificate accompanying the license and deliver it to one of the parties to the marriage; and

“(4) within thirty days after the date of the marriage, return the license, so certified and witnessed, to the office of the Governor, or his designee.

“(b) Upon return of a license as required by subsection (a) of this section, the Governor, or his designee, shall file it after making registry thereof in a book to be kept in his office for that purpose only. The registry must contain the Christian and surnames of the parties, the time of their marriage, and the name and title of the person who celebrated the marriage.”.

SEC. 4. Section 8 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

“§ 8. Acknowledgment and recording of declaration

“Declarations of marriage shall be acknowledged and recorded in the office of the Governor, or his designee.”.

SEC. 5. Section 11 of title 8, Canal Zone Code (76A Stat. 674), is amended to read as follows:

“§ 11. Offenses and penalties

“(a) Whoever, being a judicial officer, minister qualified to celebrate marriages in the Canal Zone, or an officer or employee of the United States, violates section 4, 5, or 6 of this title, shall be fined not more than \$100 or imprisoned in jail not more than thirty days, or both.

Ante, pp. 1417, 1418.

“(b) Whoever knowingly makes a false oath as to a material matter for the purpose of procuring or aiding another to procure a marriage license is guilty of perjury and shall be imprisoned in the penitentiary not more than 10 years.

“(c) Whoever knowingly files with the Governor, or his designee, a written consent, any signature to which is a forgery, is guilty of uttering a forged instrument and shall be imprisoned in the penitentiary not more than fourteen years.

“(d) Whoever, not being qualified to celebrate marriages in the Canal Zone pursuant to this subchapter, celebrates what purports to be a marriage ceremony shall be imprisoned in the penitentiary not more than three years.”

SEC. 6. Section 34 of title 8, Canal Zone Code (76A Stat. 675), is amended to read as follows:

“§ 34. Marriage license, without medical certificate, because of pregnancy

“If a female applicant for a marriage license makes an affidavit to the effect that marriage is necessary because she is with child and that the marriage will confer legitimacy on the unborn child, the district court may hear and determine on medical testimony the question of pregnancy and, on adjudging that pregnancy exists, shall order the Governor, or his designee, to issue the marriage license if all other requirements of the law regarding the issuance of marriage licenses are complied with, even though the clinical examination and laboratory tests reveal that one or both applicants have syphilis infection. In its order, the court shall provide that the applicant or applicants having syphilis infection shall be treated for the infection as provided by the regulations referred to in section 33 of this title. A copy of the order shall be filed with the Governor, or his designee, in lieu of the medical certificate.”

SEC. 7. Subsection (a) of section 36 of title 8, Canal Zone Code (76A Stat. 675), is amended to read as follows:

“(a) If an applicant has been refused a marriage license by the Governor, or his designee, because of failure to obtain a medical certificate, the applicant may elect to file a protest and take the procedure authorized by this section or to take any other procedure.”

Protest.

SEC. 8. Item (4) of section 344 of title 3, Canal Zone Code (76A Stat. 62), is repealed, and items (5), (6), (7), and (8) shall be redesignated (4), (5), (6), and (7) respectively.

Repeal.

SEC. 9. The analysis of chapter 1 of title 8, Canal Zone Code (76A Stat. 671), is amended by striking out in the item relating to section 5 “marriages;” and inserting in lieu thereof “a marriage;”.

SEC. 10. All records of marriages in the custody of the clerk of the United States District Court for the District of the Canal Zone shall be transferred to the Governor, or his designee, within ninety days after the date of enactment of this Act.

Records, transfer to Governor.

Effective dates.

SEC. 11. The amendments and repeals made by this Act shall become effective upon the expiration of ninety days after the date of enactment, except that section 10 shall become effective on the date of enactment.

Approved October 24, 1974.

Public Law 93-466

AN ACT

October 24, 1974
[S. 605]

To amend the Act of June 30, 1944, an Act "To provide for the establishment of the Harpers Ferry National Monument", and for other purposes.

Harpers Ferry
National Historical
Park, W. Va.
Additional
lands authorized.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 30, 1944 (58 Stat. 645; 16 U.S.C. 450bb), an Act "To provide for the establishment of the Harpers Ferry National Monument", is amended as follows:

Publication in
Federal Register.

(1) In section 1, the first sentence is amended to read: "That, in order to carry out the purposes of this Act, the Secretary of the Interior is authorized to acquire lands or interests in lands, by donation, purchase with donated or appropriated funds, or exchange, within the boundaries as generally depicted on the drawing entitled 'Boundary Map, Harpers Ferry National Historical Park', numbered 385-40,000D and dated April 1974, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior: *Provided*, That after advising the Committees on Interior and Insular Affairs of the Congress of the United States, in writing, the Secretary may make minor revisions in the boundary, when necessary, by publication of a revised drawing or other boundary description in the Federal Register, but the total acreage shall not exceed two thousand acres: *Provided further*, That nothing herein shall be deemed to authorize the acquisition, without consent of the owner, of a fee simple interest in lands within the boundaries in which a less than fee interest has previously been acquired by the Secretary of the Interior."

16 USC 450bb-2.

(2) In section 3, delete the word "and" at the end of paragraph (1); change the period at the end of paragraph (2) to a semicolon and add "and"; and add the following new paragraph:

Interpretive
shuttle transportation
service.

"(3) Provide, directly or by contract, subject to the provisions of the Act of June 7, 1974 (88 Stat. 192; 16 U.S.C. 460l-6a) an interpretive shuttle transportation service within, between, and among lands acquired for the purpose of this Act for such times and upon such terms as in his judgment will best accomplish the purposes of this Act."

16 USC 450bb
note.
Appropriation.

(3) Revise section 4 to read as follows:

"In addition to such sums as have heretofore been appropriated, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not more than \$1,300,000 for the acquisition of lands and interests in lands, and not more than \$8,690,000 for development."

Approved October 24, 1974.

Public Law 93-467

AN ACT

Granting the consent of Congress to the Cumbres and Toltec Scenic Railroad Compact.

October 24, 1974
[S. 2362]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the Cumbres and Toltec Railroad Compact as agreed to by the States of Colorado and New Mexico, which compact is as follows:

Cumbres and
Toltec Scenic
Railroad Com-
pact.
Consent of Con-
gress.

“CUMBRES AND TOLTEC SCENIC RAILROAD COMPACT

“The State of New Mexico and the State of Colorado, desiring to provide for the joint acquisition, ownership, and control of an interstate narrow gauge scenic railroad, known as the Cumbres and Toltec Scenic Railroad, within Rio Arriba County in New Mexico and Archuleta and Conejos Counties in Colorado, to promote the public welfare by encouraging and facilitating recreation and by preserving, as a living museum for future generations, a mode of transportation that helped in the development and promotion of the territories and States, and to remove all clauses of present and future controversy between them with respect thereto, and being moved by considerations of interstate comity, have agreed upon the following articles:

“ARTICLE I

“The States of New Mexico and Colorado agree jointly to acquire, own and make provision for the operation of the Cumbres and Toltec Scenic Railroad.

“ARTICLE II

“The States of New Mexico and Colorado hereby ratify and affirm the agreement of July 1, 1970, entered between the railroad authorities of the States.

“ARTICLE III

“The States of New Mexico and Colorado agree to make such amendments to the July 1, 1970, agreement and such other contracts, leases, franchises, concessions, or other agreements as may hereafter appear to both States to be necessary and proper for the control, operation, or disposition of the said railroad.

“ARTICLE IV

“The States of New Mexico and Colorado agree to the consideration of the enactment of such laws or constitutional amendments exempting the said railroad or its operations from various laws of both States as both States shall hereafter mutually find necessary and proper.

“ARTICLE V

“Nothing contained herein shall be construed so as to limit, abridge, or affect the jurisdiction or authority, if any, of the Interstate Commerce Commission over the said railroad, or the applicability, if any, of the tax laws of the United States to the said railroad or its operation.”

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Approved October 24, 1974.

Public Law 93-468

October 24, 1974
[H. R. 14597]

AN ACT

To increase the limit on dues for United States membership in the International Criminal Police Organization

International
Criminal Police
Organization.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 10, 1938, as amended (22 U.S.C. 263a), is further amended by deleting "\$80,000" and inserting in lieu thereof "\$120,000".

SEC. 2. The Secretary of the Treasury is authorized to pay to the International Criminal Police Organization the unpaid balance of the dues for the calendar year 1973. There is authorized to be appropriated not to exceed \$30,000 to carry out the provisions of this section.

Approved October 24, 1974.

Public Law 93-469

October 24, 1974
[H. R. 15148]

AN ACT

To extend the time limit for the award of certain military decorations.

Military deco-
rations.
10 USC prec.
3741 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, a decoration or device in lieu of decoration which, prior to the date of enactment of this Act, has been authorized by Congress to be awarded to any person for an act, achievement, or service performed while on active duty in the Armed Forces of the United States, or while serving with such forces, may be awarded at any time not later than two years after the date of enactment of this Act for any such act or service performed in direct support of military operations in Southeast Asia between July 1, 1958, and March 28, 1973, inclusive, if written recommendation for the award of the decoration, or device in lieu of decoration, is made not later than one year subsequent to the date of enactment of this Act.

Approved October 24, 1974.

Public Law 93-470

October 26, 1974
[H. R. 11830]

AN ACT

To suspend the duty on synthetic rutile until the close of June 30, 1977.

Synthetic rutile.
Duty suspen-
sion, extension.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting after item 911.16 the following new item:

"	911.25	Synthetic rutile (provided for in item 608.70, pt. 1, schedule 6).....	Free	No Change	On or before 6/30/77	"
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Effective date.
19 USC 1202
note.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Approved October 26, 1974.

Public Law 93-471

AN ACT

October 26, 1974
[H. R. 15643]

To reorganize public postsecondary education in the District of Columbia, establish a Board of Trustees, authorize and direct the Board of Trustees to consolidate the existing local institutions of public postsecondary education into a single Land-Grant University of the District of Columbia, direct the Board of Trustees to administer the University of the District of Columbia, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

District of Co-
lumbia Public
Postsecondary
Education Reor-
ganization Act.

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TITLE I—SHORT TITLE, PURPOSES, AND DEFINITIONS

SHORT TITLE

SEC. 101. This Act may be cited as the “District of Columbia Public Postsecondary Education Reorganization Act”.

D.C. Code 31-
1701 note.

STATEMENT OF PURPOSE

SEC. 102. It is the intent of Congress to authorize a public land-grant university through the reorganization of the existing local institutions of public postsecondary education in the District of Columbia. It is the clear and specific intent of the Congress that vocational and technological education, as well as liberal arts, sciences, teacher education, and graduate and postgraduate studies, within the University be given at all times its proper priority in terms of funding with other units within the University, and that the land-grant funds be utilized by the University in accordance with the provisions of the Act of July 2, 1862 (7 U.S.C. 301–305, 307, 308) (known as the First Morrill Act).

D.C. Code 31-
1701.

DEFINITIONS

D.C. Code 31-1702.

SEC. 103. For the purposes of this Act—

(a) The term "Trustees" means the Board of Trustees established under title II of this Act.

(b) The term "President" means the chief executive and administrative officer of the University.

(c) The term "University" means the University of the District of Columbia authorized and directed to be established under title II of this Act.

(d) The term "Provost" means the academic and administrative head of each of the several colleges of the University.

D.C. Code 1-121 note.

(e) The term "Mayor" means the Mayor of the District of Columbia established by section 421 of the District of Columbia Self-Government and Governmental Reorganization Act.

(f) The term "Council" means the Council of the District of Columbia established by section 401 of the District of Columbia Self-Government and Governmental Reorganization Act.

(g) The term "Board of Higher Education" means the Board of Higher Education established under section 102 of the District of Columbia Public Education Act (D.C. Code, sec. 31-1602).

(h) The term "Vocational Board" means the Board of Vocational Education established under section 202 of the District of Columbia Public Education Act (D.C. Code, sec. 31-1622).

82 Stat. 101.

(i) The term "Board" means the District of Columbia Board of Education established under section 303 of the Elected-Board of Education Act (D.C. Code, sec. 31-101).

12 USC 1813.

(j) The term "financial institution" means an insured bank as defined in section 3 of the Federal Deposit Insurance Act, or a savings and loan association as defined in section 401 of the National Housing Act.

12 USC 1724.

TITLE II—BOARD OF TRUSTEES

MEMBERSHIP

University of the District of Columbia, Establishment.
D.C. Code 31-1711.

SEC. 201. (a) There is hereby authorized to be established a University of the District of Columbia, which shall be an independent agency of the District of Columbia government, and which shall be governed by a Board of Trustees consisting of fifteen members selected according to the provisions of this section:

(1) Twelve members nominated by the Mayor, one of whom shall be a full-time student at the District of Columbia Teachers College, or the Federal City College, or the Washington Technical Institute. Except for the student member, the nominees under this subsection shall be subject to Council confirmation.

(2) One member of the Trustees appointed by the Alumni Association of the District of Columbia Teachers College, with notice thereof to the Mayor within forty-five days after the effective date of this Act.

(3) One member of the Trustees appointed by the Alumni Association of the Federal City College, with notice thereof to the Mayor within forty-five days after the effective date of this Act.

(4) One member of the Trustees appointed by the Alumni Association of the Washington Technical Institute, with notice thereof to the Mayor within forty-five days after the effective date of this Act.

(5) In the event the alumni associations referred to in subsections (2), (3), and (4) of this section fail to submit an appointee within the time specified, the Mayor shall make the appointment.

(6) As the initial terms of the alumni members expire, the three alumni trustees shall be appointed by the Alumni Association of the University or the Mayor if no alumni association of such University exists.

Terms.

(b) All nominations and appointments under this section shall be made not later than August 2, 1975. The terms of the members of existing Boards shall terminate on the day that the Trustees announce the consolidation has been effectuated, but in no event shall the terms terminate later than June 30, 1976.

(c) The Trustees shall hold the first meeting no later than September 2, 1975. The first meeting of the Trustees shall be convened by a member of the Trustees designated by the Mayor.

(d) The student member of the Trustees shall serve a one-year term of office; all other Trustees may be selected to serve one successive term.

(e) The terms of nonstudent Trustees shall be determined by lots cast at the first meeting of the Trustees, with the initial lots to provide:

- (1) three shall serve terms of two years;
- (2) three shall serve terms of three years;
- (3) three shall serve terms of four years; and
- (4) five shall serve terms of five years.

(f) Any Trustee selected to fill a vacancy shall be selected only for the remainder of the term for which his predecessor was selected and in the same manner as the original selection. A Trustee may serve after the expiration of his term until his successor has qualified to take office.

Vacancies.

(g) A Chairman and Vice Chairman (1) shall be selected by the Trustees from among the District of Columbia resident members, (2) shall serve a one-year term as Chairman or Vice Chairman, (3) may be reappointed, and (4) cannot serve in such capacity beyond their term as member.

(h) All members selected to the Trustees shall have been residents of the District of Columbia for the twelve consecutive months preceding the date of their selection except that the Mayor may nominate not more than four persons to the Trustees who are not residents of the District of Columbia if, in his judgment, their nominations would enhance the Trustees.

Residency.

(i) Members of the Trustees may be employees of the United States or of the District of Columbia government, unless they hold positions in clear conflict of interest.

(j) The president of the University shall be an ex officio member of the Trustees.

SUSPENSION AND REMOVAL

SEC. 202. Any Trustee shall be automatically suspended from serving as such member after he has been found guilty of a felony by a court of competent jurisdiction. Upon a final determination of his guilt or innocence, the term of such member shall automatically terminate or be reinstated.

D.C. Code 31-1712.

COMPENSATION

SEC. 203. Trustees shall serve without compensation, but may be reimbursed for their expenses, including per diem in lieu of subsistence, at the maximum rate equal to the daily equivalent provided for by grade 18 of the General Schedule established under section 5332 of title 5 of the United States Code, with a limit of \$4,000 per annum, while actually engaged in service for the Trustees.

D.C. Code 31-1713.

5 USC 5332 note.

THE UNIVERSITY OF THE DISTRICT OF COLUMBIA

D.C. Code 31-
1714.

SEC. 204. The Trustees shall, by June 30, 1976, consolidate the existing public institutions of postsecondary education in the District of Columbia into a single institution to be called the University of the District of Columbia, with several schools, colleges, institutes, campuses, and units that offer a comprehensive program of public postsecondary education. The institutions of public postsecondary education in the District of Columbia existing immediately prior to such consolidation shall be deemed abolished on the effective date of the consolidation. Thereafter, any reference in any law, rule, regulation, or other document of the United States or of the District of Columbia to such institutions shall be deemed to be a reference to the University of the District of Columbia.

DUTIES OF THE BOARD OF TRUSTEES

D.C. Code 31-
1715.

SEC. 205. It shall be the duty of the Trustees to—

(a) Review the existing public institutions of postsecondary education with respect to (1) accreditation, (2) present programs and functions, and (3) actual and potential capabilities. Those institutions and programs within such institutions that are determined to be sound and valid shall be used as a basis for the several schools, colleges, institutes, campuses, and units of the University, which shall include but not be limited to programs of science and technology, including but not limited to environmental sciences, liberal and fine arts, vocational and technical education and professional studies, including graduate programs, and postgraduate programs.

(b) Establish or approve policies and procedures governing admissions, curriculums, programs, graduation, the awarding of degrees, and general policymaking for the units of the University.

Budget.

(c) Prepare and submit to the Mayor, on a date fixed by the Mayor, an annual budget for the fiscal year beginning July 1, 1977. Such budget shall include a proposed financial operating plan for such fiscal year, and a capital and educational improvements plan for such fiscal year and the succeeding four fiscal years for the University. The Mayor and the Council shall establish the maximum amount of funds which will be allocated to the Trustees for Higher Education, but may not specify the purposes for which such funds may be expended or the amount of such funds which may be expended for the various programs under the jurisdiction of the Trustees.

Transfer of ap-
propriations.

(d) The Trustees may transfer, during the fiscal year, any appropriation balance available for one item of appropriation to another item of appropriation or to a new program, in an amount not to exceed \$50,000.

(e) Enter into negotiations and binding contracts pursuant to Council regulations regarding contracting with the governments of the United States and District of Columbia and other public and private agencies to render and receive services.

(f) Enter into negotiations and binding contracts pursuant to Council regulations to perform organized research, training, and demonstrations on a reimbursable basis for the United States and the government of the District of Columbia and other public and private agencies.

Tuition.

(g) Fix tuition for students attending the University with tuition charges to nonresidents being fixed as far as is feasible in amounts comparable to nonresident charges made by similar institutions.

(h) Fix fees, in addition to tuition, to be paid by resident and nonresident students attending the University. Receipts from these fees shall be deposited in a revolving fund in one or more financial institutions in the District of Columbia, and shall be available, when appropriated, for such purposes as the Trustees shall approve, without fiscal year limitation.

Fees.

(i) Select, appoint, and fix the compensation for a President of the University and Provosts of the units of the University, and approve the appointment and compensation of such other officers as it deems necessary, including legal counsel, except that in no case shall any such compensation be fixed in an amount in excess of that provided for the Mayor unless specifically authorized by legislative act of the Council.

Compensation.

(j) Procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at daily rates for individuals not in excess of the maximum daily rate for GS-18 of the General Schedule under section 5332 of such title.

5 USC 5332
note.

(k) Develop and define a policy governing academic freedom for the University and establish mechanisms to ensure its enforcement.

(l) Perform such other duties as may be necessary to carry out the purposes of this Act.

PERSONNEL SYSTEM

SEC. 206. (a) Notwithstanding any other provision of law, the Trustees are hereby authorized to establish, not earlier than one year and not later than five years after the effective date of this section, a personnel system (setting forth minimum standards) for all employees of units, facilities, and programs of the University, including, but not limited to, pay, contract terms, leave, residence, retirement, health and life insurance, employee disability, and death benefits, all at least equal to those provided by legislation enacted by Congress, or regulations adopted pursuant thereto, and applicable to such officers and employees immediately prior to the effective date of the system established pursuant to this section. Any provision in the personnel system established by the Trustees under this section requiring employees to be residents of the District of Columbia shall apply only to employees hired after the effective date of such system.

D.C. Code 31-
1716.

(b) The personnel policies of the Trustees shall incorporate Executive Order Numbered 70-229 of the Commissioner of the District of Columbia, as implemented by chapter 25A of the District Personnel Manual, or similar policies developed by the Trustees to guarantee collective-bargaining rights of employees subject to this section.

(c) Personnel legislation in effect prior to the establishment by the Trustees of such system, including without limitation, legislation relating to appointments, promotions, discipline, separation pay, unemployment compensation, health disability and death benefits, leave, retirement, insurance, and veterans preference applicable to such employees, shall continue to be applicable until such time as the Trustees shall, pursuant to this section, provide for coverage under a new personnel system.

(d) All actions affecting such personnel and such members shall, until such time as a personnel system is established by the Trustees superseding such laws and establishing a permanent personnel system for all employees of the University continue to be subject to the provisions of Acts of Congress relating to the appointment, promotion, discipline, separation, and other conditions of employment applicable to officers and employees of the District government, and where appli-

cable, to the provisions of the joint agreement between the Commissioners and the Civil Service Commission authorized by Executive Order Numbered 5491 of November 18, 1930, relating to the appointment of District personnel.

TRANSFER OF FUNCTIONS, ASSETS, AND LIABILITIES

D.C. Code 31-1717.

SEC. 207. The Board of Higher Education and the Vocational Board shall be abolished on the day the Trustees announce that the consolidation has been effectuated, but in no event shall the Boards be abolished later than June 30, 1976. Except as provided by this Act all functions, powers, and duties of the Board of Higher Education and the Vocational Board under the District of Columbia Public Education Act of 1966 (D.C. Code, sec. 31-1601) shall be vested in and exercised by the Trustees. All employees, property (real and personal), and unexpended balances (available or to be made available) of appropriations, allocations, and all other funds and assets and liabilities of the Board of Higher Education and Vocational Board are authorized to be transferred to the Trustees, except the functions of licensing institutions to confer degrees as authorized by Public Law 89-791 (D.C. Code, sec. 29-415).

ESTABLISHMENT OF LAND-GRANT UNIVERSITY

D.C. Code 31-1718.

SEC. 208. (a) In the administration of—

(1) the Act of August 30, 1890 (7 U.S.C. 321-326, 328) (known as the Second Morrill Act),

(2) the tenth paragraph under the heading "Emergency Appropriations" in the Act of March 4, 1907 (7 U.S.C. 322) (known as the Nelsen amendment),

(3) section 22 of the Act of June 29, 1935 (7 U.S.C. 329) (known as the Bankhead-Jones Act),

(4) the Act of March 4, 1940 (7 U.S.C. 331), and

(5) the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), the University shall be considered to be a university established for the benefit of agriculture and the mechanic arts in accordance with the provisions of the Act of July 2, 1862 (7 U.S.C. 301-305, 307, 308) (known as the First Morrill Act); and the term "State" as used in the laws and provisions of law listed in the preceding paragraphs of this section shall include the District of Columbia.

(b) In the administration of the Act of May 8, 1914 (7 U.S.C. 341-346, 347a-349) (known as the Smith-Lever Act)—

(1) the University shall be considered to be a university established for the benefit of agriculture and the mechanic arts in accordance with the provisions of the Act of July 2, 1862 (7 U.S.C. 301-305, 307, 308); and

(2) the term "State" as used in such Act of May 8, 1914, shall include the District of Columbia, except that the District of Columbia shall not be eligible to receive any sums appropriated under section 3 of such Act.

(c) In lieu of an authorization of appropriations for the District of Columbia under section 3 of such Act of May 8, 1914, there is authorized to be appropriated such sums as may be necessary to provide cooperative agricultural extension work in the District of Columbia under such Act. Such sums may be used to pay no more than one-half of the total cost of providing such extension work. Any reference in such Act (other than section 3 thereof) to funds appropriated under such Act shall in the case of the District of Columbia be considered a reference to funds appropriated under this subsection.

(d) Four per centum of the sums appropriated under subsection (c) for each fiscal year shall be allotted to the Federal Extension Service of the Department of Agriculture for administrative, technical, and other services provided by the Service in carrying out the purposes of this section.

(e) The second sentence of the first section of the Act of March 2, 1887 (7 U.S.C. 361a-361i) is amended by inserting "(including the District of Columbia)" immediately after "the several States".

STATE CONSENT

SEC. 209. The enactment of this Act shall, as respects the District of Columbia, be deemed to satisfy any requirement of State consent contained in any of the laws or provisions of law referred to in section 208. D.C. Code 31-1719.

TITLE III—AUTHORIZATIONS

SEC. 301. (a) There are authorized to be appropriated out of any money in the Treasury to the credit of the District of Columbia such sums as may be necessary for carrying out the purpose of this Act. D.C. Code 31-1721.

(b) The President is authorized to provide for the expenditure in amounts not to exceed \$2,000 of funds for such purposes as may be deemed necessary within limits that may be specified in annual appropriations. The President shall be personally responsible for the expenditure of appropriations made pursuant to this section, and such expenditures shall be supported by vouchers and shall be audited by the District of Columbia Auditor.

TITLE IV—MISCELLANEOUS

MEETINGS

SEC. 401. Meetings may be called by the Chairman or a majority of the members of the Trustees. No official action may be taken by the Trustees except at a meeting of the Trustees at which a quorum is present. Eight members shall constitute a quorum but a lesser number may hold hearings. Each meeting of the Trustees shall be open to the public and held in the District of Columbia with appropriate notice of each such meeting given to the general public, except a majority of the Trustees may elect to go into executive session to take action on personnel matters. D.C. Code 31-1731.

ADVISORY COMMITTEES

SEC. 402. The Trustees shall appoint such advisory committees as necessary to advise on educational policy. Such advisory committees may consist of members of the Trustees, students, faculty members, parents, governmental, educational, business, industrial, labor, and community representatives. D.C. Code 31-1732.

GIFTS AND CONTRIBUTIONS

SEC. 403. The Trustees may accept services and moneys, including gifts or endowments, from any source whatsoever, for use in carrying out the purposes of this Act. Such moneys, including income derived from any such gift or endowment, shall be deposited in the Treasury of the United States to the credit of a trust fund account which is hereby authorized and may be invested and reinvested as trust funds of the District of Columbia. The disbursement of the moneys from such trust funds, when appropriated, shall be in such amounts, to such D.C. Code 31-1733.

extent, and in such manner as the Trustees, in their judgment, may determine necessary to carry out the purposes of this Act.

ANNUAL REPORT

D.C. Code 31-1734.

SEC. 404. The Trustees shall make an annual report to the Congress, Mayor, Council, and the general public, on November 1 of each year, on the operation of programs and the expenditure of all funds for public higher education in the District of Columbia.

NEW AUTHORITY GRANTED BOARD OF EDUCATION

D.C. Code 31-1735.

SEC. 405. (a) The Board may transfer, during the fiscal year, any appropriation balance available for one item of appropriation to another item of appropriation or to a new program, in an amount not to exceed \$50,000.

(b) The Board may enter into negotiations and binding contracts pursuant to Council regulations regarding contracting with the governments of the United States and District of Columbia and other public and private agencies to render and receive services.

AUTHORITY OF COUNCIL

D.C. Code 31-1736.

SEC. 406. Notwithstanding any other provision of law, or any rule of law, nothing in this Act shall be construed as limiting the authority of the Council to enact any act or resolution, after January 2, 1975, pursuant to the District of Columbia Self-Government and Governmental Reorganization Act with respect to any matter covered by this Act.

EFFECTIVE DATE

D.C. Code 31-1701 note.

D.C. Code 1-121 note.

SEC. 407. This Act shall take effect July 1, 1975, unless the Council, after January 2, 1975, adopts legislation, in accordance with the District of Columbia Self-Government and Governmental Reorganization Act, repealing this Act prior to July 1, 1975. In any case in which the Council adopts any such legislation amending or otherwise modifying this Act (other than its repeal), the foregoing provisions of this Act as so amended or modified shall take effect on July 1, 1975, unless the Council provides, by such legislation, for an effective date other than that provided by this section, in which case this Act, as so amended or modified take effect on the date prescribed by such legislation of the Council.

Approved October 26, 1974.

Public Law 93-472

October 26, 1974
[H. R. 15540]

AN ACT

To extend for one year the authorization for appropriations to implement title I of the Marine Protection, Research, and Sanctuaries Act of 1972.

33 USC 1420.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of the Marine Protection, Research, and Sanctuaries Act of 1972 (Public Law 92-532; 86 Stat. 1052) is amended by striking "fiscal year 1974," and inserting in lieu thereof "fiscal years 1974 and 1975,".

Approved October 26, 1974.

Public Law 93-473

AN ACT

To authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of solar energy as a viable source for our national energy needs, and for other purposes.

October 26, 1974
[S. 3234]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Solar Energy Research, Development, and Demonstration Act of 1974”.

Solar Energy
Research, De-
velopment, and
Demonstration Act
of 1974.
42 USC 5551
note.

DECLARATION OF FINDINGS AND POLICY

SEC. 2. (a) The Congress hereby finds that—

42 USC 5551.

(1) the needs of a viable society depend on an ample supply of energy;

(2) the current imbalance between domestic supply and demand for fuels and energy is likely to persist for some time;

(3) dependence on nonrenewable energy resources cannot be continued indefinitely, particularly at current rates of consumption;

(4) it is in the Nation's interest to expedite the long-term development of renewable and nonpolluting energy resources, such as solar energy;

(5) the various solar energy technologies are today at widely differing stages of development, with some already near the stage of commercial application and others still requiring basic research;

(6) the early development and export of viable equipment utilizing solar energy, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(7) the mass production and use of equipment utilizing solar energy will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(8) to date, the national effort in research, development, and demonstration activities relating to the utilization of solar energy has been extremely limited; therefore

(9) the urgency of the Nation's critical energy shortages and the need to make clean and renewable energy alternatives commercially viable require that the Nation undertake an intensive research, development, and demonstration program with an estimated Federal investment which may reach or exceed \$1,000,000,000.

(b) The Congress declares that it is the policy of the Federal Government to—

(1) pursue a vigorous and viable program of research and resource assessment of solar energy as a major source of energy for our national needs; and

(2) provide for the development and demonstration of practicable means to employ solar energy on a commercial scale.

DEFINITIONS

SEC. 3. For the purposes of this Act—

42 USC 5552.

(1) the term “solar energy” means energy which has recently originated in the Sun, including direct and indirect solar radiation and intermediate solar energy forms such as wind, sea thermal gradients, products of photosynthetic processes, organic wastes, and others;

(2) the term "byproducts" includes, with respect to any solar energy technology or process, any solar energy products (including energy forms) other than those associated with or constituting the primary product of such technology or process;

(3) the term "insolation" means the rate at which solar energy is received at the surface of the Earth;

(4) the term "Project" means the Solar Energy Coordination and Management Project; and

(5) the term "Chairman" means the Chairman of the Project.

SOLAR ENERGY COORDINATION AND MANAGEMENT PROJECT

Establishment.
42 USC 5553.

SEC. 4. (a) There is hereby established the Solar Energy Coordination and Management Project.

(b) (1) The Project shall be composed of six members as follows:

(A) an Assistant Director of the National Science Foundation;

(B) an Assistant Secretary of Housing and Urban Development;

(C) a member of the Federal Power Commission;

(D) an Associate Administrator of the National Aeronautics and Space Administration;

(E) the General Manager of the Atomic Energy Commission; and

(F) a member to be designated by the President.

(2) The President shall designate one member of the Project to serve as Chairman of the Project.

(3) If the individual designated under paragraph (1)(F) is an officer or employee of the Federal Government, he shall receive no additional pay on account of his service as a member of the Project. If such individual is not an officer or employee of the Federal Government, he shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315) for each day (including traveltime) during which he is engaged in the actual performance of duties vested in the Project.

(c) The Project shall have overall responsibility for the provision of effective management and coordination with respect to a national solar energy research, development, and demonstration program, including—

(1) the determination and evaluation of the resource base, including its temporal and geographic characteristics;

(2) research and development on solar energy technologies; and

(3) the demonstration of appropriate solar energy technologies.

(d) (1) The Project shall carry out its responsibilities under this section in cooperation with the following Federal agencies:

(A) the National Science Foundation, the responsibilities of which shall include research;

(B) the National Aeronautics and Space Administration, the responsibilities of which shall include the provision of management capability and the development of technologies;

(C) the Atomic Energy Commission, the responsibilities of which shall include the development of technologies;

(D) the Department of Housing and Urban Development, the responsibilities of which shall include fostering the utilization of solar energy for the heating and cooling of buildings, pursuant to the Solar Heating and Cooling Demonstration Act of 1974 (P.L. 93-409; 88 Stat. 1069); and

(E) the Federal Power Commission, the responsibilities of which shall include fostering the utilization of solar energy for

the generation of electricity and for the production of synthetic fuels.

(2) Upon request of the Chairman, the head of any such agency is authorized to detail or assign, on a reimbursable basis or otherwise, any of the personnel of such agency to the Project to assist it in carrying out its responsibilities under this Act.

(e) The Project shall have exclusive authority with respect to the establishment or approval of programs or projects initiated under this Act, but the agency involved in any particular program or project shall be responsible for the operation and administration of such program or project.

(f) The National Aeronautics and Space Administration is authorized to undertake and carry out those programs assigned to it by the Project.

RESOURCE DETERMINATION AND ASSESSMENT

SEC. 5. (a) The Chairman shall initiate a solar energy resource determination and assessment program with the objective of making a regional and national appraisal of all solar energy resources, including data on insolation, wind, sea thermal gradients, and potentials for photosynthetic conversion. The program shall emphasize identification of promising areas for commercial exploitation and development. The specific goals shall include—

42 USC 5554.

(1) the development of better methods for predicting the availability of all solar energy resources, over long time periods and by geographic location;

(2) the development of advanced meteorological, oceanographic, and other instruments, methodology, and procedures necessary to measure the quality and quantity of all solar resources on periodic bases;

(3) the development of activities, arrangements, and procedures for the collection, evaluation, and dissemination of information and data relating to solar energy resource assessment.

(b) The Chairman, acting through the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, and other appropriate agencies, shall—

(1) develop and carry out a general plan for inventorying all forms of solar energy resources associated with Federal lands and (where consistent with property rights) non-Federal lands;

Solar energy resources inventory plan.

(2) conduct regional surveys based upon such general plan, using innovative meteorological, oceanographic, and space-related techniques, in sufficient numbers to lead to a national inventory of solar energy resources in the United States;

(3) publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of solar energy resources; and

Maps and reports, publication.

(4) make such recommendations for legislation as may appear to be necessary to establish policies for solar resources involving Federal lands and waters, consistent with known inventories of various resource types, with the state of technologies for solar energy development, and with evaluation of the environmental impacts of such development.

RESEARCH AND DEVELOPMENT

SEC. 6. (a) The Chairman shall initiate a research and development program for the purpose of resolving the major technical problems inhibiting commercial utilization of solar energy in the United States.

42 USC 5555.

(b) In connection with or as a part of such program, the Chairman shall—

(1) conduct, encourage, and promote scientific research and studies to develop effective and economical processes and equipment for the purpose of utilizing solar energy in an acceptable manner for beneficial uses;

(2) carry out systems, economic, social, and environmental studies to provide a basis for research, development and demonstration planning and phasing; and

(3) perform or cause to be performed technology assessments relevant to the utilization of solar energy.

(c) The specific solar energy technologies to be addressed or dealt with in the program shall include—

(1) direct solar heat as a source for industrial processes, including the utilization of low-level heat for process and other industrial purposes;

(2) thermal energy conversion, and other methods, for the generation of electricity and the production of chemical fuels;

(3) the conversion of cellulose and other organic materials (including wastes) to useful energy or fuels;

(4) photovoltaic and other direct conversion processes;

(5) sea thermal gradient conversion;

(6) windpower conversion;

(7) solar heating and cooling of housing and of commercial and public buildings; and

(8) energy storage.

DEMONSTRATION

42 USC 5556.

SEC. 7. (a) The Chairman is authorized to initiate a program to design and construct, in specific solar energy technologies (including, but not limited to, those listed in section (6) (c), facilities or powerplants of sufficient size to demonstrate the technical and economic feasibility of utilizing the various forms of solar energy. The specific goals of such programs shall include—

(1) production of electricity from a number of powerplants, on the order of one to ten megawatts each;

(2) production of synthetic fuels in commercial quantities;

(3) large-scale utilization of solar energy in the form of direct heat;

(4) utilization of thermal and all other byproducts of the solar facilities;

(5) design and development of hybrid systems involving the concomitant utilization of solar and other energy sources; and

(6) the continuous operation of such plants and facilities for a period of time.

(b) For each of the technologies for which a successful and appropriate development program is completed, the Chairman shall make a determination to proceed to demonstration based on criteria including, but not necessarily limited to, the following:

(1) the technological feasibility of the project;

(2) the costs and benefits of the project, as determined by an economic assessment;

(3) the immediate and the potential uses of the solar energy utilized in the project;

(4) long-term national need for the technology;

(5) environmental impact;

- (6) potential for technology transfer to other applications;
and
- (7) the nature and extent of Federal participation, if any, in the project.

(c) In carrying out his responsibilities under this section, the Chairman, acting through the appropriate Federal agencies, may provide for the establishment of one or more demonstration projects utilizing each form of solar energy, which shall include, as appropriate, the specific research, development, pilot plant construction and operation, demonstration plant construction and operation, and other facilities and activities which may be necessary to show commercial viability of the specific solar technology.

(d) The Chairman, acting through the appropriate Federal agencies, is authorized to investigate and enter into agreements for the cooperative development of facilities to demonstrate solar technologies. The responsible Federal agency may consider—

(1) cooperative agreements with non-Federal entities for construction of facilities and equipment to demonstrate solar energy technologies; and

(2) cooperative agreements with other Federal agencies for the construction of facilities and equipment and operation of facilities to produce energy for direct Federal utilization.

(e) The Chairman, acting through appropriate Federal agencies is authorized to construct and operate demonstration projects without entering into cooperative agreements with respect to such projects, if the Chairman finds that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or any other significant factor of the specific demonstration project offers opportunities to make important contributions to the general knowledge of solar resources, the techniques of its development, or public confidence in the technology; and

(2) there is no opportunity for cooperative agreements with any non-Federal entity willing and able to cooperate in the demonstration project under subsection (d)(1), and there is no opportunity for cooperative agreements with other Federal agencies under subsection (d)(2).

(f) If the estimate of the Federal investment with respect to construction and operation costs of any demonstration project proposed to be established under this section exceeds \$20,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

(g) (1) At the conclusion of any demonstration project established under this section, or as soon thereafter as may be practicable, the responsible Federal agencies shall, by sale, lease, or otherwise, dispose of all Federal property interests which they have acquired pursuant to this section in accordance with existing law and the terms of the cooperative agreements involved.

(2) The agency involved shall, under appropriate agreements or other arrangements, provide for the disposition of electricity, synthetic fuels, and other byproducts of the project administered by such agency.

SOLAR ENERGY TECHNOLOGY UTILIZATION

SEC. 8. (a)(1) In carrying out his functions under this Act the Chairman, utilizing the capabilities of the National Science Foundation, the National Aeronautics and Space Administration, the Department of Commerce, the Atomic Energy Commission, and other appropriate Federal agencies to the maximum extent possible, shall

Solar Energy
Information Data
Bank.
Establishment.
42 USC 5557.

establish and operate a Solar Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data in all of the solar energy technologies referred to in section 7(c) in a timely and accurate manner in support of the objectives of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing solar energy;

(C) general information on solar energy applications to be disseminated for popular consumption;

(D) physical and chemical properties of materials required for solar energy activities and equipment; and

(E) engineering performance data on equipment and devices utilizing solar energy.

(3) In accordance with regulations prescribed under section 12, the Chairman shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Chairman shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. He shall coordinate or merge this data bank with other Federal energy information data banks as necessary to assure efficient and effective operation.

(b) In carrying out his functions under this Act the Chairman shall perform or cause to be performed studies and research on incentives to promote broader utilization and consumer acceptance of solar energy technologies.

(c) The Chairman shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of solar energy technology utilization with all other technology utilization programs within the Federal Government.

SCIENTIFIC AND TECHNICAL EDUCATION

42 USC 5558.

SEC. 9. The Chairman, acting through the National Science Foundation, is authorized and directed to support programs of education in the sciences and engineering to provide the necessary trained personnel to perform the solar energy research, development, and demonstration activities required under this Act. Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

SOLAR ENERGY RESEARCH INSTITUTE

Establishment.
42 USC 5559.

SEC. 10. (a) There is established a Solar Energy Research Institute, which shall perform such research, development, and related functions as the Chairman may determine to be necessary or appropriate in connection with the Project's activities under this Act or to be otherwise in furtherance of the purpose and objectives of this Act.

(b) The Institute may be located (as designated by the Chairman)

at any new or existing Federal laboratory (including a non-Federal laboratory performing functions under a contract entered into with the Project or with any of the agencies represented in the Project as well as a laboratory whose personnel are Federal employees).

INTERNATIONAL COOPERATION

SEC. 11. (a) The Chairman, in furtherance of the objectives of this Act, is authorized to cooperate and participate jointly with other nations, especially those with agreements for scientific cooperation with the United States, in the following activities:

42 USC 5560.

(1) interinstitutional, bilateral, or multilateral research projects in the field of solar energy; and

(2) agreements and programs which will facilitate the exchange of information and data relating to solar energy resource assessment and solar energy technologies.

(b) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this Act, international participation and cooperation in the development and maintenance of programs of education to carry out the policy set forth in section 9.

REGULATIONS

SEC. 12. The Chairman, in consultation with the heads of the Federal agencies having functions under this Act and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Chairman, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

42 USC 5561.

ANNUAL REPORTS

SEC. 13. The Chairman shall report, on an annual basis, to the President and the Congress all actions taken under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements, for the ensuing five years. The Chairman also shall recommend, as he deems appropriate, any legislation or reorganization which might further the purposes of this Act.

Report to
President and
Congress.
42 USC 5562.

INFORMATION TO CONGRESS

SEC. 14. Notwithstanding any other provision of law, the Chairman (or the head of any agency which assumes the functions of the Project pursuant to section 16) shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this Act.

42 USC 5563.

COMPREHENSIVE PROGRAM DEFINITION

SEC. 15. (a) The Chairman is authorized and directed to prepare a comprehensive program definition of an integrated effort and commitment for effectively developing solar energy resources. The Chairman, in preparing such program definition, shall utilize and consult with the appropriate Federal agencies, State and local government agencies, and private organizations.

42 USC 5564.

(b) The Chairman shall transmit such comprehensive program definition to the President and to each House of the Congress. An

Transmittal to
President and
Congress.

interim report shall be transmitted not later than March 1, 1975. The comprehensive program definition shall be transmitted as soon as possible thereafter, but in any case not later than June 30, 1975.

TRANSFER OF FUNCTIONS

42 USC 5565.

SEC. 16. Within sixty days after the effective date of the law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the date of the enactment of this Act if the effective date of such law occurs prior to the date of the enactment of this Act), all of the authorities of the Project and all of the research and development functions (and other functions except those related to scientific and technical education) vested in Federal agencies under this Act along with related records, documents, personnel, obligations, and other items, to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such organization or agency.

AUTHORIZATION OF APPROPRIATIONS

42 USC 5566.

SEC. 17. To carry out the provisions of this Act, there are authorized to be appropriated—

- (1) for the fiscal year ending June 30, 1976, \$75,000,000;
- (2) for subsequent fiscal years, only such sums as the Congress hereafter may authorize by law;
- (3) such amounts as may be authorized for the construction of demonstrations pursuant to section 7 (f) of this Act; and
- (4) to the National Science Foundation for the fiscal year ending June 30, 1975, not to exceed \$2,000,000 to be made available for use in the preparation of the comprehensive program definition under section 15.

Approved October 26, 1974.

Public Law 93-474

AN ACT

October 26, 1974
[S. 628]

To amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married.

Civil service
retirement.
Survivor annuity
reduction, elim-
ination.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8339 (j) of title 5, United States Code, is amended by adding at the end thereof the following: "An annuity which is reduced under this subsection or any similar prior provision of law shall, for each full month during which a retired employee or Member is not married, be recomputed and paid as if the annuity had not been so reduced. Upon remarriage of the retired employee or Member, the annuity shall be reduced by the same percentage reductions which were in effect at the time of retirement."

5 USC 8339
note.

SEC. 2. The amendment made by this Act shall apply to annuities which commence before, on, or after the date of enactment of this Act, but no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the date of enactment of this Act.

Approved October 26, 1974.

Public Law 93-475

AN ACT

To authorize appropriations for the Department of State and the United States Information Agency, and for other purposes.

October 26, 1974
[S. 3473]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Department/USIA Authorization Act, Fiscal Year 1975".

State Department/USIA Authorization Act, Fiscal Year 1975.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 2. (a) There are authorized to be appropriated for the Department of State for fiscal year 1975, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

22 USC 901a note.

- (1) for the "Administration of Foreign Affairs", \$370,045,000;
- (2) for "International Organizations and Conferences", \$229,604,000;
- (3) for "International Commissions", \$17,832,000;
- (4) for "Educational Exchange", \$75,000,000; and
- (5) for "Migration and Refugee Assistance", \$9,420,000.

(b) There are authorized to be appropriated for the United States Information Agency for fiscal year 1975, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Education and Cultural Exchange Act of 1941, and Reorganization Plan Numbered 8 of 1953, and other purposes authorized by law, the following amounts:

22 USC 1431 note.
22 USC 2451 note.
22 USC 1461 note.

- (1) for "Salaries and Expenses" and "Salaries and Expenses (special foreign currency program)", \$228,368,000, except that so much of such amount as may be appropriated for "Salaries and Expenses (special foreign currency program)" may be appropriated without fiscal year limitation;
- (2) for "Special International Exhibitions", \$6,770,000; and
- (3) for "Acquisition and Construction of Radio Facilities", \$4,400,000.

(c) In addition to amounts otherwise authorized, there are authorized to be appropriated to the Secretary of State for the fiscal year 1975 not to exceed \$40,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorization Act of 1972, relating to Soviet refugee assistance.

86 Stat. 489.

(d) In addition to amounts authorized in subsections (a) and (b) of this section, there are authorized to be appropriated for fiscal year 1975 for the Department of State and for the United States Information Agency such additional amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law which arise subsequent to the date of enactment of this Act.

(e) Amounts appropriated under subsection (a) and clauses (2) and (3) of subsection (b) of this section are authorized to remain available until expended.

REPEAL OF THE FORMOSA RESOLUTION

SEC. 3. The joint resolution entitled "Joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of Formosa, the Pescadores and related possessions and territories of that area", approved January 29, 1955 (69 Stat. 7; Public Law 84-4), and known as the Formosa Resolution, is repealed.

50 USC app. prec. 1.

PUBLICATION OF POLITICAL CONTRIBUTIONS OF CERTAIN NOMINEES

22 USC 901a. SEC. 4. (a) Section 6 of the Department of State Appropriations Authorization Act of 1973 is amended by inserting after the first sentence the following new sentence: "The Chairman of the Committee on Foreign Relations of the Senate shall have printed in the Congressional Record each such report."

22 USC 901a note. (b) The amendment made by subsection (a) of this section shall only apply with respect to reports filed on and after the date of enactment of this Act.

PROHIBITION ON USE OF FUNDS

SEC. 5. No part of any funds appropriated under this Act shall be used to make any payment to the Foreign Service Retirement and Disability Fund to meet any unfunded liability of such fund created by the inclusion of officers and employees of the Agency for International Development in the Foreign Service Retirement and Disability System.

PRIOR AUTHORIZATION BY CONGRESS

22 USC 1476. SEC. 6. Section 701 of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section shall not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts administered by the United States Information Agency as authorized by law."

ANNUAL UNITED STATES INFORMATION AGENCY REPORTS TO CONGRESS

22 USC 1439. SEC. 7. Section 1008 of the United States Information and Educational Exchange Act of 1948 is amended to read as follows:

"SEC. 1008. The Secretary shall submit to the Congress annual reports of expenditures made and activities carried on under authority of this Act, including appraisals and measurements, where feasible, as to the effectiveness of the several programs in each country where conducted."

LIMITATION ON PAYMENTS

SEC. 8. There are authorized to be appropriated funds for payment prior to January 1, 1975, of United States expenses of membership in the United Nations Educational, Scientific, and Cultural Organization, the International Civil Aviation Organization, and the World Health Organization notwithstanding that such payments are in excess of 25 percent of the total annual assessment of such organizations.

ASSIGNMENT OF FOREIGN SERVICE OFFICERS TO PUBLIC ORGANIZATIONS

SEC. 9. (a) Part H of title V of the Foreign Service Act of 1946 is amended by adding after section 575 thereof the following new section:

"ASSIGNMENTS TO PUBLIC ORGANIZATIONS

22 USC 966.

"SEC. 576. (a) Not less than fifty Foreign Service officers shall, between their eighth and fifteenth years of service as such officers, be assigned in the continental United States during each fiscal year for significant duty with State or local governments, public schools, community colleges, or other public organizations designated by the Sec-

retary. Such assignment shall be for twelve consecutive months. Each such Foreign Service officer shall be entitled to state a preference with respect to the type of public organization to which he would like to be assigned but may not state a preference with respect to the geographical location to which he would like to be assigned.

“(b) A Foreign Service officer on assignment under this section shall be deemed to be on detail to a regular work assignment in the Service, and the officer remains an employee of the Department while so assigned. However, any period of time an officer is assigned under this section shall not be included as part of any period that the officer has remained in a class for purposes of determining whether he is to be selected out under section 633 of this Act, or regulations promulgated pursuant thereto. The salary of the officer shall be paid from appropriations made available for the payment of salaries of officers and employees of the Service.

22 USC 1003.
Salary.

“(c) Any period of time that a Foreign Service officer serves on an assignment under this section shall also be considered as a period of time that the officer was assigned for duty in the continental United States for purposes of section 572 of this Act.

22 USC 962.
Definitions.

“(d) For the purpose of this section—

“(1) ‘State’ means—

“(A) a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States; and

“(B) an instrumentality or authority of a State or States as defined in subparagraph (A) of this paragraph (1) and a Federal-State authority or instrumentality; and

“(2) ‘local government’ means—

“(A) any political subdivision, instrumentality, or authority of a State or States as defined in subparagraph (A) of paragraph (1); and

“(B) any general or special purpose agency of such a political subdivision, instrumentality, or authority.”

(b) The amendment made by subsection (a) of this section shall apply only to a Foreign Service officer who completes his eighth year of service as such an officer on or after the date of enactment of this Act.

22 USC 966
note.

DEATH GRATUITIES FOR CERTAIN FOREIGN SERVICE PERSONNEL

SEC. 10. The Act entitled “An Act to provide certain basic authority for the Department of State”, approved August 1, 1956 is amended by inserting immediately before section 15 the following new section:

“SEC. 14. (a) Subject to the provisions of this section and under such regulations as the Secretary of State may prescribe, the Secretary is authorized to provide for payment of a gratuity to the surviving dependents of any Foreign Service employee who dies as a result of injuries sustained in the performance of duty outside the United States in an amount equal to one year’s salary at the time of death. Appropriations for this purpose are authorized to be made to the account for salaries and expenses of the employing agency. Any death gratuity payment made under this section shall be held to have been a gift and shall be in addition to any other benefit payable from any source.

22 USC 2679a.

“(b) A death gratuity payment shall be made under this section only if the survivor entitled to payment under subsection (c) is entitled to elect monthly compensation under section 8133 of title 5, United States Code, because the death resulted from an injury (excluding a disease proximately caused by the employment) sustained in the performance of duty, without regard to whether such survivor elects to waive compensation under such section 8133.

Payment.

“(c) A death gratuity payment under this section shall be made as follows:

“(1) First, to the widow or widower.

“(2) Second, to the child, or children in equal shares, if there is no widow or widower.

“(3) Third, to the dependent parent, or dependent parents in equal shares, if there is no widow, widower, or child.

If there is no survivor entitled to payment under this subsection, no payment shall be made.

Definitions.

“(d) As used in this section—

“(1) the term ‘Foreign Service employee’ means a chief of mission, Foreign Service officer, Foreign Service information officer, Foreign Service Reserve officer of limited or unlimited tenure, or a Foreign Service staff officer or employee;

“(2) each of the terms ‘widow’, ‘widower’, ‘child’, and ‘parent’ shall have the same meaning given each such term by section 8101 of title 5, United States Code; and

“(3) the term ‘United States’ means the several States and the District of Columbia.

22 USC 2679a
note.

“(e) The provisions of this section shall apply with respect to deaths occurring on and after January 1, 1973.”

PRIOR AUTHORIZATION REQUIRED

22 USC 2680.

SEC. 11. Subsection (a) of section 15 of the Act entitled “An Act to provide certain basic authority for the Department of State,” approved August 1, 1956, is amended to read as follows:

“(a) (1) Notwithstanding any provision of law enacted before the date of enactment of the State Department/USIA Authorization Act, Fiscal Year 1975, no money appropriated to the Department of State under any law shall be available for obligation or expenditure with respect to any fiscal year commencing on or after July 1, 1972—

“(A) unless the appropriation thereof has been authorized by law enacted on or after February 7, 1972; or

“(B) in excess of an amount prescribed by law enacted on or after such date.

“(2) To the extent that legislation enacted after the making of an appropriation to the Department of State authorizes the obligation or expenditure thereof, the limitation contained in paragraph (1) shall have no effect.

“(3) The provisions of this section—

“(A) shall not be superseded except by a provision of law enacted after February 7, 1972, which specifically repeals, modifies, or supersedes the provisions of this section; and

“(B) shall not apply to, or affect in any manner, permanent appropriations, trust funds, and other similar accounts administered by the Department as authorized by law.”

AUTHORITY AND RESPONSIBILITY OF AMBASSADORS

Supra.

SEC. 12. The Act entitled “An Act to provide certain basic authority for the Department of State”, approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

22 USC 2680a.

“SEC. 16. Under the direction of the President—

“(1) the United States Ambassador to a foreign country shall have full responsibility for the direction, coordination, and supervision of all United States Government officers and employees in that country, except for personnel under the command of a United States area military commander;

"(2) the Ambassador shall keep himself fully and currently informed with respect to all activities and operations of the United States Government within that country, and shall insure that all Government officers and employees in that country, except for personnel under the command of a United States area military commander, comply fully with his directives; and

"(3) any department or agency having officers or employees in a country shall keep the United States Ambassador to that country fully and currently informed with respect to all activities and operations of its officers and employees in that country, and shall insure that all of its officers and employees, except for personnel under the command of a United States area military commander, comply fully with all applicable directives of the Ambassador."

TRAVEL EXPENSES OF STUDENT-DEPENDENTS OF STATE DEPARTMENT AND USIA EMPLOYEES

SEC. 13. The first sentence of section 5924(4)(B) of title 5, United States Code, is amended by striking out "one trip each way for each dependent" and inserting in lieu thereof the following: "one annual trip each way for each dependent of an employee of the Department of State or the United States Information Agency, or one trip each way for each dependent of any other employee,".

INTERNATIONAL MATERIALS

SEC. 14. It is the sense of the Congress that the Secretary of State should, and he is authorized to, establish within the Department of State a bureau which shall be responsible for continuously reviewing (1) the supply, demand, and price, throughout the world, of basic raw and processed materials (including agricultural commodities), and (2) the effect of United States Government programs and policies (including tax policy) in creating or alleviating, or assisting in creating or alleviating, shortages of such materials. In conducting such review, the bureau should obtain information with respect to—

22 USC 2686.

(A) the supply, demand, and price of each such material in each major importing, exporting, and producing country and region of the world in order to understand long-term and short-term trends in the supply, demand, and price of such materials;

(B) projected imports and exports of such materials on a country-by-country basis;

(C) unusual patterns or changes in connection with the purchase or sale of such materials;

(D) a list of such materials in short supply and an estimate of the amount of shortage;

(E) international geological, geophysical, and political conditions which may affect the supply of such materials; and

(F) other matters that the Secretary considers appropriate in carrying out this section.

FUTURE OF UNITED STATES ASSISTANCE TO SOUTH VIETNAM; REDUCTION OF CERTAIN PERSONNEL ABROAD

SEC. 15. (a) It is the sense of the Congress that—

(1) the Secretary of State should prepare a detailed plan for future United States economic and military assistance to the Government of South Vietnam, including a specific timetable for the phased reduction of such assistance to the point when the United

22 USC 2151
note.

States will cease to be the principal source of funds and material for South Vietnam's self-defense and economic viability;

22 USC 2501
note.

(2) the total number of personnel of the executive branch of the United States Government (other than personnel of the Department of State, the United States Information Agency, the Central Intelligence Agency, and the Department of Defense, and volunteers carrying out the Peace Corps Act) who were present in foreign countries on January 1, 1974, and who were citizens or nationals of the United States, should be substantially reduced; and

(3) the total number of personnel of the Department of Defense assigned or detailed to military attache activities or to military assistance advisory groups or military aid missions, who were present in foreign countries on January 1, 1974, and who were citizens or nationals of the United States, should be substantially reduced.

Report to
Speaker of the
House and con-
gressional com-
mittee.

(b) Not later than six months after the date of enactment of this Act the Secretary shall report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the steps he has taken to carry out the provisions of this section.

Approved October 26, 1974.

Public Law 93-476

October 26, 1974
[S. J. Res. 236]

JOINT RESOLUTION

To provide for the indemnification of the Metropolitan Museum of New York for loss or damage suffered by objects in exhibition in the Union of Soviet Socialist Republics.

Metropolitan
Museum of Art,
N.Y.
Indemnification
agreement.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State (or such officer of the Department of State as he may designate) is authorized to conclude an agreement with the Metropolitan Museum of Art, located in New York, New York, for indemnification of such museum, in accordance with the terms of such agreement, for loss or damage suffered by objects in an exhibition of such museum in the Union of Soviet Socialist Republics pursuant to an agreement between such museum and the Ministry of Culture of the Union of Soviet Socialist Republics, which agreement was made in accordance with the general agreement on contracts, exchanges, and cooperation, signed July 19, 1973, by the United States and the Union of Soviet Socialist Republics. The agreement concluded by the Secretary of State shall provide for such indemnification—

24 UST 1395.

(1) during the period the works of art are in transit from the premises of said museum, on exhibition in the Union of Soviet Socialist Republics, and returning to said premises; and

(2) only for substantial loss or damage as determined by the Secretary of State.

Claim, certifi-
cation to Speaker
of the House and
President of the
Senate.

Appropriation.

In the case of a claim for loss or damage with respect to an item or items which are covered under such agreement, the Secretary shall certify the validity of the claim and the amount of the loss to the Speaker of the House of Representatives and the President of the Senate. There are authorized to be appropriated such sums as may be necessary to carry out an agreement concluded pursuant to this joint resolution.

Approved October 26, 1974.

Public Law 93-477

AN ACT

October 26, 1974
[H. R. 14217]

To provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, to authorize appropriations for additional costs of land acquisition for the National Park System, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ACQUISITION CEILING INCREASES

SEC. 101. The limitations on appropriations for the acquisition of lands and interests therein within units of the National Park System contained in the following Acts are amended as follows:

National Park System.
Appropriation ceilings increase; boundary changes; appropriation authorization.

(1) Biscayne National Monument, Florida: Section 5 of the Act of October 18, 1968 (82 Stat. 1188, 1189) is amended by changing “\$24,575,000” to “\$28,350,000”;

16 USC 450qq-4.

(2) Colonial National Historical Park, Virginia: Section 4 of the Act of July 3, 1930 (46 Stat. 856), as amended (16 U.S.C. 81f) is amended by changing “\$2,777,000” to “\$10,472,000”;

(3) Cumberland Gap National Historical Park, Kentucky and Tennessee: For the acquisition of lands authorized in subsection 301(2) of this Act, there are authorized to be appropriated such sums as may be necessary, but not more than \$427,500;

16 USC 266.

(4) Fort Necessity National Battlefield, Pennsylvania: Section 5 of the Act of August 10, 1961, (75 Stat. 336), is amended by changing “\$115,000” to “\$722,000”;

16 USC 430tt.

(5) Independence National Historical Park, Pennsylvania: Section 6 of the Act of June 28, 1948 (62 Stat. 1061, 1062), as amended (16 U.S.C. 407r), is amended by changing “\$11,200,000.” to “\$12,792,000.”;

(6) Indiana Dunes National Lakeshore, Indiana: Section 10 of the Act of November 5, 1966 (80 Stat. 1309, 1312; 16 U.S.C. 406u-9) is amended by changing “\$27,900,000” to “\$35,526,000”;

(7) Moores Creek National Military Park, North Carolina: The Act of September 27, 1944 (58 Stat. 746) is amended by adding the following new section:

16 USC 422a-1.

“SEC. 2. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not more than \$243,000 shall be appropriated for the acquisition of lands and interests in lands and not more than \$325,000 shall be appropriated for development.”;

Land acquisition, appropriation.
16 USC 422a-2.

(8) Morristown National Historical Park, New Jersey: Section 3 of the Act of September 18, 1964 (78 Stat. 957) is amended by changing “\$281,000” to “\$2,111,000”;

16 USC 409g note.

(9) Rocky Mountain National Park, Colorado: For the acquisition of lands authorized in subsection 301(6) of this Act, there are authorized to be appropriated not more than \$2,423,740 and for development of such lands there are authorized to be appropriated not more than \$318,000;

(10) Virgin Islands National Park, Virgin Islands: Section 4 of the Act of October 5, 1962 (76 Stat. 748; 16 U.S.C. 398f) is amended by changing “\$1,250,000” to “\$12,250,000”;

(11) Apostle Islands National Lakeshore, Wisconsin: Section 8 of the Act of September 26, 1970 (84 Stat. 880) is amended by deleting “\$4,250,000” and inserting in lieu thereof “\$5,250,000”;

16 USC 460w-7.

(12) Lake Mead National Recreation Area, Arizona and

16 USC 460n-9.

Nevada: Section 10 of the Act of October 8, 1964 (78 Stat. 1039) is amended by deleting "\$1,200,000" and inserting in lieu thereof "\$7,100,000"; and

16 USC 460x-14.

(13) Sleeping Bear Dunes, Michigan: Section 15 of the Act of October 21, 1970 (84 Stat. 1075) is amended by deleting "\$19,800,000" and inserting in lieu thereof "\$57,753,000".

TITLE II—DEVELOPMENT CEILING INCREASES

SEC. 201. The limitations on appropriations for development of units of the National Park System contained in the following Acts are amended as follows:

(1) Channel Islands National Monument, California: For the purposes of development of the administrative site and visitor facilities authorized by section 401 of this Act, there are authorized to be appropriated \$2,936,000;

(2) Cumberland Gap National Historical Park, Kentucky and Tennessee: In addition to any funds heretofore appropriated for said national historical park, there are hereby authorized to be appropriated not more than \$160,000 for development; and

(3) International Peace Garden, North Dakota: Section 1 of the Act of October 25, 1949 (63 Stat. 888), as amended (68 Stat. 300 and 72 Stat. 985), is amended by changing "\$400,000" to "\$1,702,000".

TITLE III—BOUNDARY CHANGES

SEC. 301. The Secretary of Interior shall revise the boundaries of the following units of the National Park System:

(1) Biscayne National Monument, Florida: To add approximately 8,738 acres of land and water, including all of Swan Key and Gold Key;

16 USC 267.

(2) Cumberland Gap National Historical Park, Kentucky and Tennessee: Notwithstanding the provisions of the Act of June 11, 1940 (54 Stat. 262), as amended (16 U.S.C. 261-265), the Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, or exchange not to exceed 60 acres of land or interests in land located in Bell County, Kentucky, and Claiborne County, Tennessee, for addition to and inclusion in the said national historical park which, upon acquisition, shall become a part of the Cumberland National Historical Park subject to the laws, rules, and regulations governing such park;

(3) Fort Necessity National Battlefield, Pennsylvania: To add approximately 411 acres;

(4) Independence National Historical Park, Pennsylvania: To add approximately 4.67 acres, which shall include the area bounded by Chestnut Street, Front Street, Walnut Street, and Second Street, to be known as Project F: *Provided*, That the authority of the Secretary of the Interior to acquire property by condemnation under this Act shall be suspended with respect to all property within the boundaries of the area known as Project F during the time the city of Philadelphia shall have in force and applicable to such property a duly adopted, valid zoning ordinance approved by the Secretary: *And provided further*, That no zoning ordinance or amendment of a zoning ordinance shall be approved by the Secretary which (1) contains any provision which he may consider adverse to the preservation and develop-

ment of the Independence National Historical Park, or (2) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under and any exception made to the application of such ordinance or amendment;

(5) Lava Beds National Monument, California: To add approximately 321.58 acres and to delete approximately 60.12 acres, which additions and deletions shall comprise only federally owned lands, and lands deleted from the monument shall be administered by the Secretary of the Interior in accordance with the Federal reclamation laws;

(6) Morristown National Historical Park, New Jersey: The Act of September 18, 1964 (78 Stat. 957) is amended changing "two hundred and eighty-one acres" in both places in which it appears in the first section to "465 acres" and change the period to a colon and insert "*Provided*, That title to the property known as the Cross estate may not be accepted until the property is vacant." and

(7) Rocky Mountain National Park, Colorado: To add approximately 1,556.21 acres.

16 USC 409g.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. The Secretary of the Interior is authorized to accept the donation of the fee simple title of not to exceed five acres of land and submerged land within the Ventura Marina, Ventura County, California; and to develop, operate, and maintain thereon administrative and visitor facilities to be used as a mainland headquarters for the Channel Islands National Monument: *Provided*, That no lands or any interests therein may be accepted by the Secretary until a mutually satisfactory agreement has been executed which shall include, among other things, an agreement on the design for such facilities, a reasonable timetable for their construction, and an agreement concerning public use of and access to such facilities. Any property accepted under the provisions of this Act shall be administered as a part of the national monument.

Ventura Marina, Calif., land donation for use in Channel Islands National Monument.

Administration.

SEC. 402. The Act of September 27, 1944 (58 Stat. 746), providing for the Moores Creek National Military Park is amended by changing the words "accept in behalf of the United States donations of" to "acquire by donation, purchase, or exchange", and by changing "to be accepted" to "acquired".

16 USC 422a-1.

SEC. 403. (a) The Secretary of the Interior, in cooperation with the Secretary of the Army, shall cause to be conducted such studies as they deem reasonable and necessary to determine the causes and extent of the damage to the foundations of the historic structures of the San Juan National Historic Site and shall transmit to the Congress, as soon as possible, but no later than one year after the date of the enactment of this Act, the alternative courses of action, together with their recommendations, which might be taken to assure the historical integrity of such structures and the safety of the visiting public. Pending the submission of such recommendations, the Secretary of the Interior shall take every reasonable precaution to assure the public safety and the maximum public enjoyment of the historic site.

San Juan National Historic Site, P.R., damage studies.

Transmittal to Congress.

(b) To carry out the purposes of this section, there are authorized to be appropriated such sums as may be necessary, but not more than \$100,000.

Appropriation.

SEC. 404. (a) The Secretary of the Interior is authorized and directed to undertake a study of the most feasible and suitable means of preserving and interpreting for the benefit of the public the historic and natural resources of the Ohio and Erie Canal in the State of Ohio,

Ohio and Erie Canal, Ohio, study.

Report to
Congress.

together with associated and related lands. In carrying out the study the Secretary shall consider existing and proposed State and local highway plans, land-use plans, outdoor recreation plans, and related plans for the preservation of historic and natural resources. Not later than one year from the date of enactment of this Act the Secretary shall submit to the Congress a report of such study, including his recommendations as to the means of protecting, interpreting, and developing the resources of the Ohio and Erie Canal and adjacent lands.

Appropriation.

(b) To carry out the purposes of this section, there are authorized to be appropriated such sums as may be necessary, but not more than \$40,000.

Additional ap-
propriations.
42 USC 4603.

SEC. 405. (a) In all instances where authorizations of appropriations for the acquisition of lands for the National Park System enacted prior to January 9, 1971, do not include provisions therefor, there are authorized to be appropriated such additional sums as may be necessary to provide for moving costs, relocation benefits, and other expenses incurred pursuant to the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646; 84 Stat. 1894). There are also authorized to be appropriated not to exceed \$8,400,000 in addition to those authorized in Public Law 92-272 (86 Stat. 120) to provide for such moving costs, relocation benefits, and other related expenses in connection with the acquisition of lands authorized by Public Law 92-272.

42 USC 4601
note.

16 USC 459f-10.

Waiver.

(b) Whenever an owner of property elects to retain a right of use and occupancy pursuant to any statute authorizing the acquisition of property for purposes of a unit of the National Park System, such owner shall be deemed to have waived any benefits under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes of those sections such owner shall not be considered a displaced person as defined in section 101(6) of that Act.

42 USC 4623-
4626.

42 USC 4601.

Cape Lookout
National Seashore,
N.C.

SEC. 406. The Act of March 10, 1966 (80 Stat. 33; 16 U.S.C. 459g) providing for the establishment of Cape Lookout National Seashore in the State of North Carolina is amended as follows:

16 USC 459g.

(1) Section 1 is amended by deleting "Proposed Boundaries—Proposed Cape Lookout National Seashore", dated April 1964, and numbered NS-CL-7101-B," and substituting in lieu thereof "Boundary Map, Cape Lookout National Seashore", dated March 1974, and numbered 623-20,009," and by changing the colon to a period and deleting the remainder of the section.

Non-Federal
land acquisition.
16 USC 459g-1.

(2) Subsection 2(a) is amended by deleting the third sentence and inserting in lieu thereof the following "Lands owned by the State of North Carolina or any political subdivision thereof may be acquired only by donation, but the Secretary may, subject to the provisions of section 7 of this Act, acquire any other non-Federal lands, marshlands, waters, or interests therein which are located within the boundaries of the seashore by donation, purchase with donated or appropriated funds, or exchange. Notwithstanding any other provision of law, the Secretary may accept any lands donated by the State of North Carolina subject to a provision for reversion to the State conditioned upon continued use of the property for national seashore purposes."

Post, p. 1449.

16 USC 495g-2.

(3) Section 3 is amended by revising the first sentence to read as follows: "When title to lands and interests in lands in an amount sufficient to constitute an efficiently administrable unit for the purposes of this Act is vested in the United States, the Secretary shall declare the establishment of the seashore by publication of notice thereof in the Federal Register."

Publication in
Federal Register.

(4) Section 7 is amended to read as follows:

"SEC. 7. On or before January 1, 1978, the Secretary shall review the area within the seashore and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or unsuitability of any area within the seashore for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act."

Report to
President.
16 USC 459g-6.

(5) Add a new section 8 to read as follows:

"SEC. 8. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, not to exceed \$7,903,000 for acquisition of lands and interests therein, of which no more than \$1,000,000 may be expended for acquisition of lands owned by Core Banks Club Properties, Incorporated. For development of essential public facilities there are authorized to be appropriated not more than \$2,935,000. On or before January 1, 1978, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the full development of the seashore consistent with the preservation objectives of this Act, indicating—

Appropriation.
16 USC 459g-7.

"(1) the facilities needed to accommodate the health, safety and recreation needs of the visiting public;

"(2) the location and estimated cost of all facilities; and

"(3) the projected need for any additional facilities within the seashore."

Master plan,
transmittal to
congressional com-
mittees.

Approved October 26, 1974.

Public Law 93-478

AN ACT

To amend the National Visitor Center Facilities Act of 1968.

October 26, 1974
[H. R. 17027]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(a) (2) of the National Visitor Center Facilities Act of 1968 (82 Stat. 43), as amended, is further amended by deleting the phrase, "contingent when such facilities are available for public use,".

National Vis-
itor Center Facil-
ities Act of 1968,
amendment.
40 USC 802.

SEC. 2. The National Visitor Center Facilities Act of 1968, as amended, is further amended by revising section 102(a)(3) to read as follows:

"(3) The Company, in consultation with the Secretary, shall construct all or part of a parking facility, including necessary approaches and ramps for adequate circulation, to accommodate automobiles, charter buses, and other transportation, as appropriate, in the airspace northerly of and adjacent to the existing Union Station Building, and such structure shall be leased to the United States for a term not to exceed twenty-five years commencing upon a date to be mutually agreed upon."

Parking facil-
ities.

SEC. 3. Section 102(c) of the National Visitor Center Facilities Act of 1968 is amended by striking out "\$8,680,000" and inserting in lieu thereof "\$21,580,000".

Appropriation.

Approved October 26, 1974.

Public Law 93-479

AN ACT

October 26, 1974
[S. 2840]

To authorize the Secretary of Commerce and the Secretary of the Treasury to conduct a study of foreign direct and portfolio investment in the United States, and for other purposes.

Foreign Invest-
ment Study Act
of 1974.
15 USC 78b
note.
Study.
15 USC 78b
note.
15 USC 78b
note.

15 USC 78b
note.

Foreign direct
investment,
study.
15 USC 78b
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Investment Study Act of 1974".

SEC. 2. The Secretary of the Treasury and the Secretary of Commerce are hereby authorized and directed to conduct a comprehensive, overall study of foreign direct and portfolio investments in the United States.

SEC. 3. The Departments of Commerce and Treasury, in consultation with appropriate agencies, shall determine the definitions and limitations of direct and portfolio investments for the purposes of the study authorized in section 2 of this Act.

SEC. 4. In carrying out the study described in section 2 of this Act, the Secretary of Commerce and the Secretary of the Treasury shall, respectively and jointly as may be appropriate—

(1) identify and collect such information as may be required to carry out the study authorized in section 2 of this Act;

(2) consult with and secure information from (and where appropriate the views of) representatives of industry, the financial community, labor, agriculture, science and technology, academic institutions, public interest organizations, and such other groups as the Secretaries deem suitable; and

(3) consult and cooperate with other government agencies, Federal, State, and local, and, to the extent appropriate, with foreign governments and international organizations.

SEC. 5. The Secretary of Commerce shall carry out that part of the study authorized in section 2 of this Act relating to foreign direct investment, and shall, among other things, to the extent he determines feasible, specifically—

(1) investigate and review the nature, scope, magnitude, and rate of foreign direct investment activities in the United States;

(2) survey the reasons foreign firms are undertaking direct investment in the United States;

(3) identify the processes and mechanisms through which foreign direct investment flows into the United States, the financing methods used by foreign direct investors, and the effects of such financing on American financial markets;

(4) analyze the scope and significance of foreign direct investment in acquisitions and takeovers of existing American enterprises, the significance of such investments in the form of new facilities or joint ventures with American firms, and the effects thereof on domestic business competition;

(5) analyze the concentration and distribution of foreign direct investment in specific geographic areas and economic sectors;

(6) analyze the effects of foreign direct investment on United States national security, energy, natural resources, agriculture, environment, real property holdings, balance of payments, balance of trade, the United States international economic position, and various significant American product markets;

(7) analyze the effect of foreign direct investment in terms of employment opportunities and practices and the activities and influence of foreign and American management executives employed by foreign firms;

(8) analyze the effect of Federal, regional, State, and local laws, rules, regulations, controls, and policies on foreign direct investment activities in the United States;

(9) compare the purpose and effect of United States, State, and local laws, rules, regulations, programs, and policies on foreign direct investment in the United States with laws, rules, regulations, programs, and policies of selected nations and areas where such comparison may be informative;

(10) compare and contrast the foreign direct investment activities in the United States with the investment activities of American investors abroad and appraise the impact of such American activities abroad on the investment activities and policies of foreign firms in the United States;

(11) study the adequacy of information, disclosure, and reporting requirements and procedures;

(12) determine the effects of variations between accounting, financial reporting, and other business practices of American and foreign investors on foreign investment activities in the United States; and

(13) study and recommend means whereby information and statistics on foreign direct investment activities can be kept current.

SEC. 6. The Secretary of the Treasury shall carry out that part of the study authorized in section 2 of this Act relating to foreign portfolio investment, and shall, to the extent he determines feasible, specifically—

Foreign portfolio investment, study.
15 USC 78b note.

(1) investigate and review the nature, scope, and magnitude of foreign portfolio investment activities in the United States;

(2) survey the reasons for foreign portfolio investment in the United States;

(3) identify the processes and mechanisms through which foreign portfolio investment is made in the United States, the financing methods used, and the effects of foreign portfolio investment on American financial markets;

(4) analyze the effects of foreign portfolio investment on the United States balance of payments and the United States international investment position;

(5) study and analyze the concentration and distribution of foreign portfolio investment in specific United States economic sectors;

(6) study the effect of Federal securities laws, rules, regulations, and policies on foreign portfolio investment activities in the United States;

(7) compare the purpose and effect of United States, State, and local laws, rules, regulations, programs, and policies on foreign portfolio investment in the United States with laws, rules, regulations, programs, and policies of selected nations and areas where such comparison may be informative;

(8) compare the foreign portfolio investment activities in the United States with information available on the portfolio investment activities of American investors abroad;

(9) study adequacy of information, disclosures, and reporting requirements and procedures; and

(10) study and recommend means whereby information and statistics on foreign portfolio investment activities can be kept current.

POWERS

Rules and regulations.
15 USC 78b
note.

Records, maintenance and availability.

SEC. 7. (a) The Secretary of Commerce and the Secretary of the Treasury may each by regulation establish whatever rules each deems necessary to carry out each of his functions under this Act.

(b) Each such Secretary may require any person subject to the jurisdiction of the United States—

(1) to maintain a complete record of any information (including journals or other books of original entry, minute books, stock transfer records, lists of shareholders, or financial statements) which such Secretary determines is germane to his functions in the foreign direct investment and foreign portfolio investment studies to be conducted pursuant to this Act; and

(2) to furnish under oath any report containing whatever information such Secretary determines is necessary to carry out his functions in such studies. Whenever an order under clause (2) of this subsection requires a person to produce information which can be specifically identified as being part of the records of its customers, the Secretary shall, upon being provided the names and addresses of such customers, send a notice to such customers that information from their records will be disclosed pursuant to this Act; *Provided*, That this requirement shall not apply when such person is directly involved in the ownership or management of assets for the customer as nominee, agent, partner, fiduciary, trustee, or in a similar relationship.

Notice.

Expiration of authority.

The authority of each Secretary under this subsection shall expire on the date provided under section 10 of this Act for the Secretary of Commerce and the Secretary of the Treasury to submit a full and complete report to the Congress.

Information, restrictions on accessibility.

(c) In addition to the Secretary of Commerce and the Secretary of the Treasury, the only individuals who may have access to information furnished under subsection (b) (2) are those sworn employees, including consultants, of the Department of Commerce or Department of the Treasury designated by the Secretary of either such Department. Neither such Secretary nor any such employee may—

(1) use any information furnished under subsection (b) (2) except for analytical or statistical purposes within the United States Government; or

(2) publish, or make available to any other person in any manner, any such information in a manner that the information furnished under subsection (b) (2) by any person can be specifically identified, except for the purposes of a proceeding under section 8.

Such Secretaries may exchange any such information furnished under subsection (b) (2) in order to prevent any duplication or omission in the studies conducted by each such Secretary pursuant to this Act.

(d) Except for the requirement under subsection (b) (2), no agency of the United States or employee thereof may compel (1) the Secretary of Commerce or the Secretary of the Treasury, (2) any individual designated by either such Secretary under the first sentence of subsection (c), or (3) any person which maintained or furnished any report under subsection (b), to submit any such report or constituent part thereof to that agency or any other agency of the United States. Without the prior written consent of the person which maintained or furnished any report under subsection (b) and without the prior written consent of the customer, where the person maintained or furnished any such report which included information identifiable as being

derived from the records of such customer, such report or any such constituent part may not be produced for any judicial or administrative proceeding, except for a proceeding under section 8(b) of this Act.

ENFORCEMENT

SEC. 8. (a) Whoever fails to furnish any information required pursuant to the authority of this Act, whether required to be furnished in the form of a report or otherwise, or to comply with any rule, regulation, order, or instruction promulgated pursuant to the authority of this Act may be assessed a civil penalty not exceeding \$10,000 in a proceeding brought under subsection (b) of this section.

Civil penalty.
15 USC 78b
note.

(b) Whenever it appears to either the Secretary of the Treasury or the Secretary of Commerce that any person has failed to furnish any information required pursuant to the provisions of this Act, whether required to be furnished in the form of a report or otherwise, or has failed to comply with any rule, regulation, order, or instruction promulgated pursuant to the authority of this Act, such Secretary may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, seeking a mandatory injunction commanding such person to comply with such rule, regulation, order, or instruction, and upon a proper showing by such Secretary of the relevance to the purposes of the Act of such rule, regulation, order, or instruction, a permanent or temporary injunction or restraining order shall be granted without bond, and such person may also be subject to the civil penalty provided in subsection (a) of this section if the judge finds that such penalty is necessary to obtain compliance with such injunction or restraining order.

(c) Whoever willfully fails to submit any information required pursuant to this Act, whether required to be furnished in the form of a report or otherwise, or willfully violates any rule, regulation, order, or instruction promulgated pursuant to the authority of this Act shall, upon conviction, be fined not more than \$10,000 or, if a natural person, may be imprisoned for not more than one year or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both.

Criminal penalty.

SEC. 9. (a) The Secretary of Commerce and the Secretary of the Treasury may procure the temporary or intermittent services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code. Persons so employed shall receive compensation at a rate to be fixed by the Secretaries concerned but not in excess of the maximum amount payable under such section. While away from his home or regular place of business and engaged in the performance of services for the Department of Commerce or the Department of the Treasury in conjunction with the provisions of this Act, any such person may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.

Experts and
consultants.
15 USC 78b
note.
Compensation.

(b) The Secretary of Commerce and the Secretary of the Treasury are authorized, on a reimbursable basis when appropriate, to use the available services, equipment, personnel, and facilities of any agency or instrumentality of the Federal Government in conjunction with the study authorized in this Act.

Federal govern-
ment facilities,
use.

SEC. 10. The Secretary of Commerce and the Secretary of the Treasury shall submit to the Congress an interim report twelve months after the date of enactment of this Act, and not later than one and one-

Report to Con-
gress.
15 USC 78b
note.

half years after enactment of this Act, a full and complete report of the findings made under the study authorized by this Act, together with such recommendations as they consider appropriate.

Appropriation.
15 USC 78b
note.

SEC. 11. There is authorized to be appropriated a sum not to exceed \$3,000,000 to carry out the purposes of this Act. Any funds so appropriated shall remain available until expended.

Approved October 26, 1974.

Public Law 93-480

AN ACT

October 26, 1974
[H. R. 11452]

To correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes.

Crude feathers and downs, duty rate; personal holding company, income exclusion; health insurance for the aged.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

903.70	Feathers and downs, whether or not on the skin, crude, sorted (including feathers simply strung for convenience in handling or transportation), treated, or both sorted or treated, but not otherwise processed (provided for in item 186.15, part 15D, schedule 1):			
	Meeting both test methods 4 and 10.1 of Federal Standard 148a promulgated by the General Services Administration.	Free	No change	On or before 6/30/79
	Other.....	Free	Free	On or before 6/30/79

Effective date.
19 USC 1202
note.

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 180th day after the date of the enactment of this Act.

Corporations, consolidated returns.
26 USC 542.

SEC. 3. (a) Section 542(b) of the Internal Revenue Code of 1954 (relating to corporations filing consolidated returns) is amended by adding at the end thereof the following new paragraph:

“(5) CERTAIN DIVIDEND INCOME RECEIVED FROM A NONINCLUDIBLE LIFE INSURANCE COMPANY.—In the case of an affiliated group of corporations filing or required to file a consolidated return under section 1501 for any taxable year, there shall be excluded from consolidated personal holding company income and consolidated adjusted ordinary gross income for purposes of this part dividends received by a member of the affiliated group from a life insurance company taxable under section 802 that is not a member of the affiliated group solely by reason of the application of paragraph (2) of subsection (b) of section 1504.”.

26 USC 542
note.

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1973.

Health insurance for the aged, coverage, exclusion.

SEC. 4. (a) Section 1862(c) of the Social Security Act is amended by striking out “January 1, 1975” and inserting in lieu thereof “January 1, 1976”.

42 USC 1395y.
Report to congressional committees.
42 USC 1395y
note.

(b) The Civil Service Commission and the Secretary of Health, Education, and Welfare shall submit to the Committee on Post Office and Civil Service and the Committee on Ways and Means of the House of Representatives, and to the Committee on Post Office and Civil Service and the Committee on Finance of the Senate, on or before March 1, 1975, a report on the steps which have been taken, and the

steps which are planned, to enable the Secretary of Health, Education, and Welfare to make the determination and certification referred to in section 1862(c) of the Social Security Act. If such report is not submitted to such committees on or before March 1, 1975, the date specified in such section (as amended by this section) shall be deemed to be July 1, 1975, rather than January 1, 1976.

42 USC 1395y.

Approved October 26, 1974.

Public Law 93-481

AN ACT

October 26, 1974
[S. 3355]

To amend the Controlled Substances Act to extend for three fiscal years the authorizations of appropriations for the administration and enforcement of that Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 709 of the Controlled Substances Act (21 U.S.C. 904) is amended to read as follows:

Controlled Substances Act, amendment.

"AUTHORIZATIONS OF APPROPRIATIONS

"SEC. 709. (a) There are authorized to be appropriated \$105,000,000 for the fiscal year ending June 30, 1975, \$175,000,000 for the fiscal year ending June 30, 1976, and \$200,000,000 for the fiscal year ending June 30, 1977, for the expenses of the Department of Justice (other than its expenses incurred in connection with carrying out section 103(a)) in carrying out its functions under this title.

21 USC 803.

"(b) No funds appropriated under any other provision of this Act may be used for the expenses of the Department of Justice for which funds are authorized to be appropriated by subsection (a) of this section."

SEC. 2. Section 702 of the Controlled Substances Act is amended by adding at the end thereof the following new subsection:

Savings provision.

"(d) Notwithstanding subsection (a) of this section or section 1103, section 4202 of title 18, United States Code, shall apply to any individual convicted under any of the laws repealed by this title or title III without regard to the terms of any sentence imposed on such individual under such law."

21 USC 321
note.
21 USC 171
note.

21 USC 1161.

SEC. 3. Section 509 of the Controlled Substances Act (21 U.S.C. 879) is amended by striking out "(a)" and subsection (b).

SEC. 4. (a) Subchapter VI of chapter 6 of title 23 of the District of Columbia Code is repealed and the analysis of such chapter is amended by striking out the item relating to such subchapter.

Repeal.
D.C. Code 23-591.

(b) Section 23-521 (f) of such title 23 is amended—

(1) by inserting "and" at the end of paragraph (5), and

(2) by striking out paragraph (6) and redesignating paragraph (7) as paragraph (6).

Search warrants.
D.C. Code 23-521.

(c) Section 23-522 (c) of such title 23 is amended to read as follows:

Application.
D.C. Code 23-522.

"(c) The application may also contain a request that the search warrant be made executable at any hour of the day or night upon the ground that there is probable cause to believe that (1) it cannot be executed during the hours of daylight, (2) the property sought is likely to be removed or destroyed if not seized forthwith, or (3) the property sought is not likely to be found except at certain times or in certain circumstances. Any request made pursuant to this subsection must be accompanied and supported by allegations of fact supporting such request."

Execution of
search warrants.
D.C. Code 23-
524.

Repeal.
D.C. Code 23-
561.

(d) Section 23-524(a) of such title 23 is amended to read as follows:
“(a) An officer executing a warrant directing a search of a dwelling house or other building or a vehicle shall execute such warrant in accordance with section 3109 of title 18, United States Code.”

(e) The last sentence of section 23-561(b)(1) of such title 23 is repealed.

SEC. 5. Section 1114 of title 18, United States Code, is amended by striking out “Bureau of Narcotics and Dangerous Drugs” and inserting in lieu thereof “Drug Enforcement Administration”.

Approved October 26, 1974.

Public Law 93-482

AN ACT

October 26, 1974
[H. R. 11251]

To amend the Tariff Schedules of the United States to provide for the duty-free entry of methanol imported for use as fuel, and for other purposes.

Methanol, duty
suspension; In-
ternal Revenue
Code of 1954,
amendments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart D of part 2 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out item 427.96 and inserting in lieu thereof the following:

“	427.96	Methyl: Imported only for use in producing synthetic natural gas (SNG) or for direct use as a fuel.....	Free 7.6¢ per gal.	18¢ per gal. 18¢ per gal.	”.
	427.97	Other.....			

Effective date.
19 USC 1202
note.

SEC. 2. (a) The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Duty rates.

(b) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States (as amended by the first section of this Act) shall be treated as not having the status of statutory provisions enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party.

Corporations,
qualified export
assets.
26 USC 993.

SEC. 3. (a) Section 993(b)(3) of the Internal Revenue Code of 1954 (relating to qualified export assets) is amended by striking out “such corporation” and inserting in lieu thereof “such corporation or of another corporation which is a DISC and which is a member of a controlled group which includes such corporation”.

26 USC 993
note.

(b) The amendment made by subsection (a) applies to taxable years beginning after December 31, 1973. The amendment shall, at the election of the taxpayer made within 90 days after the date of enactment of this Act, also apply to any taxable year beginning after December 31, 1971, and before January 1, 1974.

Low income
rental housing,
rehabilitation ex-
penditures.
26 USC 167
note.

SEC. 4. Notwithstanding the provisions of section 167(k)(1) of the Internal Revenue Code of 1954 (relating to depreciation of expenditures to rehabilitate low income rental housing), the provisions of section 167(k) shall apply with respect to rehabilitation expenditures incurred with respect to low income rental housing after December 31, 1974, and before January 1, 1978, if such expenditures are incurred pursuant to a binding contract entered into before December 31, 1974.

Approved October 26, 1974.

Public Law 93-483

AN ACT

October 26, 1974
[H. R. 12035]

To suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 905.31 the following new item :

Carboxymethyl cellulose salts, duty suspension; Internal Revenue Code of 1954, amendments.

907.60	Carboxymethyl cellulose sodium salts of a purity not exceeding 98 percent nor less than 95 percent by weight on a dry weight basis (provided for in item 465.87, part 8A, schedule 4).....	Free	No change	On or before 6/30/75.
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SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the day after the date of the enactment of this Act.

Effective date.
19 USC 1202
note.

SEC. 3. (a) Section 2055(e) of the Internal Revenue Code of 1954 (relating to the disallowance of deductions in certain cases) is amended by adding at the end thereof the following new paragraph:

Disallowance of deductions.
26 USC 2055.

“(3) In the case of a will executed before September 21, 1974, or a trust created before such date, if a deduction is not allowable at the time of the decedent’s death because of the failure of an interest in property which passes from the decedent to a person, or for a use, described in subsection (a), to meet the requirements of subparagraph (A) of paragraph (2) of this subsection, and if the governing instrument is amended or conformed on or before December 31, 1975, or, if later, on or before the 30th day after the date on which judicial proceedings begun on or before December 31, 1975 (which are required to amend or conform the governing instrument), become final, so that the interest is in a trust which is a charitable remainder annuity trust, a charitable remainder unitrust (described in section 664), or a pooled income fund (described in section 642(c) (5)), a deduction shall nevertheless be allowed. The Secretary or his delegate may, by regulation, provide for the application of the provisions of this paragraph to trusts whose governing instruments are amended or conformed in accordance with this paragraph, and such regulations may provide for any adjustments in the application of the provisions of section 508 (relating to special rules with respect to section 501(c) (3) organizations), subchapter J (relating to estates, trusts, beneficiaries, and decedents), and chapter 42 (relating to private foundations), to such trusts made necessary by the application of this paragraph. If, by the due date for the filing of an estate tax return (including any extension thereof), the interest is in a charitable trust which, upon allowance of a deduction, would be described in section 4947(a) (1), or the interest passes directly to a person or for a use described in subsection (a), a deduction shall be allowed as if the governing instrument was amended or conformed under this paragraph. If the amendment or conformation of the governing instrument is made after the due date for the filing of the estate tax return (including any extension thereof), the deduction shall be allowed upon the filing of a timely claim for credit or refund (as provided for in section 6511) of an overpayment resulting from the application of this paragraph. In the case of a credit or refund as a result

26 USC 664.
26 USC 642.

26 USC 508.
26 USC 501.
26 USC 641.
26 USC 4940.

26 USC 4947.

26 USC 6511.

of an amendment or conformation made pursuant to this paragraph, no interest shall be allowed for the period prior to the expiration of the 180th day after the date on which the claim for credit or refund is filed."

26 USC 2055
note.

(b) The amendment made by subsection (a) shall apply with respect to estates of decedents dying after December 31, 1969.

SEC. 4. APPLICATION OF SECTION 117 TO CERTAIN EDUCATION PROGRAMS FOR MEMBERS OF THE UNIFORMED SERVICES.

26 USC 117
note.

(a) IN GENERAL.—Any amount received from appropriated funds as a scholarship, including the value of contributed services and accommodations, by a member of a uniformed service who is receiving training under the Armed Forces Health Professions Scholarship Program (or any other program determined by the Secretary of the Treasury or his delegate to have substantially similar objectives) from an educational institution (as defined in section 151(e)(4) of the Internal Revenue Code of 1954) shall be treated as a scholarship under section 117 of such Code, whether that member is receiving training while on active duty or in an off-duty or inactive status, and without regard to whether a period of active duty is required of the member as a condition of receiving those payments.

26 USC 151.

26 USC 117.

(b) DEFINITION OF UNIFORMED SERVICES.—For purposes of this section, the term "uniformed service" has the meaning given it by section 101(3) of title 37, United States Code.

(c) EFFECTIVE DATE.—The provisions of this section shall apply with respect to amounts received during calendar years 1973, 1974, and 1975.

26 USC 832.

SEC. 5. Section 832(e) of the Internal Revenue Code of 1954 (relating to special deduction and income account in the case of certain insurance companies) is amended by inserting after paragraph (5) the following new paragraph:

"(6) LEASE GUARANTY INSURANCE; INSURANCE OF STATE AND LOCAL OBLIGATIONS.—In the case of any taxable year beginning after December 31, 1970, the provisions of this subsection shall also apply in all respects to a company which writes lease guaranty insurance or insurance on obligations the interest on which is excludable from gross income under section 103. In applying this subsection to such a company, any reference to mortgage guaranty insurance contained in this section shall be deemed to be a reference also to lease guaranty insurance and to insurance on obligations the interest on which is excludable from gross income under section 103; and in the case of insurance on obligations the interest on which is excludable from gross income under section 103, the references in paragraph (1) to 'losses resulting from adverse economic cycles' include losses from declining revenues related to such obligations (as well as losses resulting from adverse economic cycles), and the time specified in subparagraph (A) of paragraph (5) shall be the twentieth preceding taxable year."

26 USC 103.

Losses resulting from adverse economic cycles.

26 USC 62.

SEC. 6. (a) Section 62 of the Internal Revenue Code of 1954 is amended by inserting after paragraph (10) the following new paragraph:

"(11) PENALTIES FORFEITED BECAUSE OF PREMATURE WITHDRAWAL OF FUNDS FROM TIME SAVINGS ACCOUNTS OR DEPOSITS.—The deductions allowed by section 165 for losses incurred in any transaction entered into for profit, though not connected with a trade or business to the extent that such losses include amounts forfeited to a

26 USC 165.

bank, mutual savings bank, savings and loan association, building and loan association, cooperative bank or homestead association as a penalty for premature withdrawal of funds from a time savings account, certificate of deposit, or similar class of deposit.”

(b) The amendment made by this section applies to taxable years beginning after December 31, 1972.

Approved October 26, 1974.

26 USC 62 note.

Public Law 93-484

AN ACT

To suspend for a temporary period the import duty on certain horses, and for other purposes.

October 26, 1974
[H. R. 13631]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

Horses, duty suspension; Social Security Act, amendments.

“		Horses, other than for immediate slaughter (provided for in part 1, schedule 1):					
	903.50	Valued not over \$150 per head (item 100.73).....	Free	No change	On or before 6/30/76		
	903.51	Valued over \$150 per head (item 100.74) ..	Free	No change	On or before 6/30/76	”.	

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Effective date.
19 USC 1202
note.

SEC. 3. (a) Section 1878(f) of the Social Security Act is amended to read as follows:

Provider Reimbursement Review Board, decisions, review.
42 USC 1395oo.

“(f) (1) A decision of the Board shall be final unless the Secretary, on his own motion, and within 60 days after the provider of services is notified of the Board’s decision, reverses, affirms, or modifies the Board’s decision. Providers shall have the right to obtain judicial review of any final decision of the Board, or of any reversal, affirmation, or modification by the Secretary, by a civil action commenced within 60 days of the date on which notice of any final decision by the Board or of any reversal, affirmation, or modification by the Secretary is received. Such action shall be brought in the district court of the United States for the judicial district in which the provider is located or in the District Court for the District of Columbia and shall be tried pursuant to the applicable provisions under chapter 7 of title 5, United States Code, notwithstanding any other provisions in section 205.

5 USC 701.
42 USC 405.
Judicial review.

“(2) Where a provider seeks judicial review pursuant to paragraph (1), the amount in controversy shall be subject to annual interest beginning on the first day of the first month beginning after the 180-day period as determined pursuant to subsection (a) (3) and equal to the rate of return on equity capital established by regulation pursuant to section 1861(v) (1) (B) and in effect at the time the civil action authorized under paragraph (1) is commenced, to be awarded by the reviewing court in favor of the prevailing party.

42 USC 1395x.

“(3) No interest awarded pursuant to paragraph (2) shall be deemed income or cost for the purposes of determining reimbursement due providers under this Act.”

(b) The amendment made by subsection (a) shall be applicable to cost reports of providers of services for accounting periods ending on or after June 30, 1973.

42 USC 1395oo
note.

Benefits for
aged, blind, and
disabled, un-
earned income.
42 USC 1382a
note.
42 USC 1382a.

SEC. 4. Effective January 1, 1974, section 1612(a)(2)(A) of the Social Security Act is amended—

- (1) by inserting "(i)" immediately after "except that"; and
- (2) by inserting immediately before the semicolon at the end of the subparagraph the following: "and (ii) in the case of any individual or his eligible spouse who resides in a nonprofit retirement home or similar nonprofit institution, support and maintenance shall not be included to the extent that it is furnished to such individual or such spouse without such institution receiving payment therefor (unless such institution has expressly undertaken an obligation to furnish full support and maintenance to such individual or spouse without any current or future payment therefor) or payment therefor is made by another nonprofit organization".

Approved October 26, 1974.

Public Law 93-485

AN ACT

October 26, 1974
[S. 3698]

To amend the Atomic Energy Act of 1954, as amended, to enable Congress to concur in or disapprove international agreements for cooperation in regard to certain nuclear technology.

Atomic Energy
Act of 1954,
amendment,
42 USC 2153.

Agreements for
cooperation, sub-
mittal to Con-
gress.
42 USC 2121,
2164.
42 USC 2073,
2074, 2133, 2134.

Report to Con-
gress.

42 USC 2153
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 123 d. of the Atomic Energy Act of 1954, as amended, is revised to read as follows:

"d. The proposed agreement for cooperation, together with the approval and determination of the President, if arranged pursuant to subsection 91 c., 144 b., or 144 c., or if entailing implementation of sections 53, 54, 103, or 104 in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith, has been submitted to the Congress and referred to the Joint Committee and a period of sixty days has elapsed while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days), but any such proposed agreement for cooperation shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed agreement for cooperation: *Provided*, That prior to the elapse of the first thirty days of any such sixty-day period the Joint Committee shall submit a report to the Congress of its views and recommendations respecting the proposed agreement and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed agreement for cooperation. Any such concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) within twenty-five days and shall be voted on within five calendar days thereafter, unless such House shall otherwise determine."

SEC. 2. This Act shall apply to proposed agreements for cooperation and to proposed amendments to agreements for cooperation hereafter submitted to the Congress.

Approved October 26, 1974.

Public Law 93-486

AN ACT

October 26, 1974
[H. R. 13157]

To provide for the establishment of the Clara Barton National Historic Site, Maryland; John Day Fossil Beds National Monument, Oregon; Knife River Indian Villages National Historic Site, North Dakota; Springfield Armory National Historic Site, Massachusetts; Tuskegee Institute National Historic Site, Alabama; Martin Van Buren National Historic Site, New York; and Sewall-Beimont House National Historic Site, Washington, District of Columbia; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Historic sites
and national mon-
ument.
Establishment.

TITLE I

SEC. 101. (a) Unless otherwise provided hereafter, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire by purchase with donated or appropriated funds, donation, exchange, or by transfer from another Federal agency such lands and interests in lands as hereafter provided for establishment as units of the national park system, as follows:

Land acqui-
sition.

(1) for establishment as the Clara Barton National Historic Site, Maryland, those lands depicted on the map entitled "Boundary Map, Clara Barton National Historic Site, Maryland", numbered NHS-CLBA 90,001 and dated February 1974, which shall include the land and improvements occupied by Clara Barton, founder of the American Red Cross, located at 5801 Oxford Road, Glen Echo, Maryland: *Provided*, That the above-mentioned land and improvements may be acquired only by donation: *And provided further*, That the donation of any privately owned lands within the historic site may not be accepted unless and until the property is vacant;

Clara Barton
National Historic
Site, Md.
16 USC 461
note.

(2) for establishment as the John Day Fossil Beds National Monument, Oregon, those lands depicted on the map entitled "Boundary Map, John Day Fossil Beds National Monument", numbered NM-JDFB-20,014-A and dated June 1971: *Provided*, That the national monument shall not be established unless and until the State of Oregon donates or agrees to donate the Thomas Condon-John Day Fossil Beds, Clarno, and Painted Hills State Parks: *Provided further*, That the Secretary shall not acquire a fee title interest to more than one thousand acres of privately owned lands except by donation or exchange: *Provided further*, That the Secretary shall designate the principal visitor center as the "Thomas Condon Visitor Center";

John Day Fossil
Beds National
Monument, Oreg.
16 USC 431
note.

(3) for establishment as the Knife River Indian Villages National Historic Site, North Dakota, those lands depicted on the map entitled "Boundary Map, Knife River Indian Villages National Historic Site, North Dakota", numbered 468-20,012 and dated July 1970;

Thomas Condon
Visitor Center,
designation.
Knife River
Indian Villages
National Historic
Site, N. Dak.
16 USC 461
note.

(4) for establishment as the Springfield Armory National Historic Site, Massachusetts, those lands depicted on the map entitled "Boundary Map, Springfield Armory National Historic Site, Massachusetts", numbered NHS-SPAR-91,003 and dated January 1974, the oldest manufacturing arsenal in the United States: *Provided*, That the historic site shall not be established unless an agreement is executed which will assure the historical integrity of the site and until such lands as are needed for the historic site are donated for this purpose;

Springfield
Armory National
Historic Site,
Mass.
16 USC 461
note.

Tuskegee Institute National Historic Site, Ala.
16 USC 461 note.

Martin Van Buren National Historic Site, N.Y.
16 USC 461 note.

Personal property, acquisition.

Notice to congressional committees.

Publication in Federal Register.

Administration.

16 USC 1.
16 USC 461.

Tuskegee Institute National Historic Site, road construction.

Appropriation.

(5) for establishment as the Tuskegee Institute National Historic Site, Alabama, those lands depicted on the map entitled "Boundary Map, Tuskegee Institute National Historic Site, Alabama", numbered NHS-TI 20,000-C and dated September 1973, which shall include the home of Booker T. Washington, the Carver Museum, and an antebellum property adjacent to the campus of Tuskegee Institute, known as Grey Columns; and

(6) for establishment as the Martin Van Buren National Historic Site, New York, those lands depicted on the map entitled "Boundary Map, Martin Van Buren National Historic Site, New York", numbered NHS-MAVA-91,001 and dated January 1974, which shall include the home of Martin Van Buren, eighth President of the United States.

(b) The Secretary may also acquire personal property associated with the areas referred to in subsection (a) of this section. Lands and interests therein owned by a State or any political subdivision thereof which are acquired for the purposes of subsection (a) of this section may be acquired only by donation.

SEC. 102. (a) When the Secretary determines that an adequate interest in lands has been acquired to constitute an administrable unit for each of the areas described in section 1 of this Act, he may, after notifying the Committees on Interior and Insular Affairs of the United States Congress of his intention to do so at least fourteen days in advance, declare the establishment of such unit by publication of a notice to that effect in the Federal Register. Such notice shall contain a map or other description of the boundaries of the unit, together with an explanation of the interests acquired and the costs incident thereto. The Secretary may refrain from acquiring property for establishment of any unit authorized by this Act where, in his judgment, satisfactory agreements or donations with respect to properties which are needed for the protection and administration of a particular unit have not been consummated with the owners of such properties.

(b) Pending the establishment of each unit and, thereafter, the Secretary shall administer the property acquired pursuant to this Act in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and, to the extent applicable, the provisions of the Act of August 21, 1935 (49 Stat. 666), as amended.

SEC. 103. Notwithstanding any other provision of law, the Secretary is authorized to construct roads on real property in non-Federal ownership within the boundaries of the Tuskegee Institute National Historic Site. Any roads so constructed shall be controlled and maintained by the owners of the real property.

SEC. 104. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, not to exceed, however, the following:

(a) Clara Barton National Historic Site, \$812,000 for acquisition of lands and interests in lands and for development;

(b) John Day Fossil Beds National Monument, \$400,000 for the acquisition of lands and interests in lands and \$4,435,200 for development;

(c) Knife River Indian Villages National Historic Site, \$600,000 for the acquisition of lands and interests in lands and \$2,268,000 for development;

(d) Springfield Armory National Historic Site, \$5,300,000 for development;

(e) Tuskegee Institute National Historic Site, \$185,000 for the acquisition of lands and interests in lands and \$2,722,000 for development; and

(f) Martin Van Buren National Historic Site, \$213,000 for acquisition of lands and interests in lands and \$2,737,000 for development.

TITLE II

SEC. 201. In order to preserve for the benefit and inspiration of the people of the United States as a national historic site, the Sewall-Belmont House within the District of Columbia, the Secretary of the Interior is authorized to enter into a cooperative agreement to assist in the preservation and interpretation of such house.

Sewall-Belmont
House National
Historic Site,
D.C.

SEC. 202. The property subject to cooperative agreement pursuant to section 101 of this Act is hereby designated as the "Sewall-Belmont House National Historic Site".

16 USC 461
note.

SEC. 203. The cooperative agreement shall contain, but shall not be limited to, provisions that the Secretary, through the National Park Service, shall have right of access at all reasonable times to all public portions of the property covered by such agreement for the purpose of conducting visitors through such property and interpreting it to the public, that no changes or alterations shall be made in such property except by mutual agreement between the Secretary and the other parties to such agreement. The agreement may contain specific provisions which outline in detail the extent of the participation by the Secretary in the restoration, preservation, and maintenance of the historic site.

Cooperative
agreement.

SEC. 204. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not to exceed \$500,000.

Appropriation.

Approved October 26, 1974.

Public Law 93-487

AN ACT

To amend the Intercoastal Shipping Act, 1933.

October 26, 1974
[H. R. 13561]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 845b), is amended by changing the period to a comma at the end and adding the words: "and shall apply to the carriage, storage or handling of property for the United States, State or municipal governments, or for charitable purposes."

Intercoastal
Shipping Act,
1933, amendment.

SEC. 2. Section 6 of the Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 846), is deleted.

Approved October 26, 1974.

Public Law 93-488

JOINT RESOLUTION

October 26, 1974
[S. J. Res. 250]

To extend the Regional Rail Reorganization Act's reporting date, and for other purposes.

Whereas the Senate and Congress recently enacted major reorganization legislation to prevent economic disaster in the area served by the Penn Central Railroad and six other bankrupt Class I railroads (Regional Rail Reorganization Act of 1973, Public Law 93-236); and

45 USC 701
note.

Whereas such legislation provided for the immediate establishment of a new entity, the United States Railway Association, to plan such reorganization and to adopt and release a "preliminary system plan" within 300 days after the enactment of the legislation, and to prepare and submit the "final system plan" to the directors of the Association within 420 days after enactment, pursuant to a funding authorization not to exceed \$26,000,000; and

Whereas, as a result of circumstances not within the control of the Congress or the United States Railway Association, the Association was unable to commence full-scale operations until more than four months later than was contemplated in the legislation; and

Whereas the Association will not be able to prepare reorganization plans for an efficient, adequate, safe, and reliable rail transportation system in the Midwest and Northeast region of the United States unless it is granted an additional 120 days in which to adopt the preliminary system plan and an additional 120 days in which to prepare the final system plan and authorization for funding for such additional period; and

Whereas such legislation provided a system of rail service continuation subsidies so that shippers and local and State governments could, on a matching basis with the Federal Government, continue rail service on selected lines within a State which might not otherwise continue to be operated; and

Whereas confusion has been engendered by the failure to include in such legislation a definition of which rail services are eligible for such subsidies: Now, therefore, be it

Regional Rail
Reorganization
Act of 1973,
amendments.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 207(a)(1) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "300" in the first sentence thereof and substituting therefor the figure "420".

(b) Section 207(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "420" in the first sentence thereof and substituting therefor the figure "540".

45 USC 724.

(c) Section 214(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "\$26,000,000" and substituting therefor the figure "\$40,000,000".

45 USC 762.

(d) Section 402(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by inserting "(1)" before the first sentence thereof, redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively, and by adding the following new paragraph:

Rail services
continuation sub-
sidies, eligibil-
ity.

"(2) Rail freight services eligible for rail service continuation subsidies pursuant to subsection (b) of this section are—

"(A) those rail services of railroads in reorganization in the region which the final system plan does not designate to be continued;

"(B) those rail services in the region which have been at any time during the 5 year period prior to the date of enactment of

this Act, or which are subsequent to the date of enactment of this Act, owned, leased, or operated by a State agency or a local or regional transportation authority or with respect to which a State, a political subdivision thereof, or a local or regional transportation authority has invested at any time during the 5 year period prior to the date of enactment of this Act, or invests subsequent to the date of enactment of this Act, substantial sums for improvement or maintenance of rail service; and

“(C) those rail services in the region with respect to which the Commission issues a certificate of abandonment effective on or after the date of enactment of this Act.”.

(e) The last sentence of section 403(a) of the Act is amended to read: “*Provided, however,* That any rail service for which a State agency or local or regional transportation authority receives such loan is no longer eligible for a rail service continuation subsidy pursuant to section 402 of this title.”.

45 USC 763.

Ante, p. 1464.

Approved October 26, 1974.

Public Law 93-489

AN ACT

October 26, 1974
[S. 1412]

To declare that certain federally owned lands are held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to land on the Lake Traverse Indian Reservation in North and South Dakota is hereby declared to be held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe described as follows, to wit:

Indians.
Sisseton-Wahpeton
Sioux Tribe,
N. Dak.-S. Dak.
Lands in trust.
Description.

(1) the southeast quarter of the southeast quarter of section 16, township 123 north, range 53 west of the fifth principal meridian, county of Day, State of South Dakota, containing 40 acres, more or less, and

(2) the northwest quarter of the southeast quarter of section 4, township 123 north, range 51 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 40 acres, more or less, and

(3) the southwest quarter of the southwest quarter of the southwest quarter of section 15, township 126 north, range 52 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 10 acres, more or less, and

(4) lots 13, 14, 15, and 16 of block 26, original plat of the town of Sisseton, county of Roberts, State of South Dakota, containing 0.24 acre, more or less.

This conveyance is subject to all valid existing rights-of-way of record.

SEC. 2. This conveyance is subject to the right of the United States to use and improve such portions of tracts numbered 1 and 2 as the Secretary of the Interior may determine for so long as may be necessary, but in no event to exceed 3 years.

Right-of-way.
Improvement
and use of certain
lands.

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

Claims offset
against U.S.

25 USC 70a.

Approved October 26, 1974.

Public Law 93-490

AN ACT

October 26, 1974
[H. R. 6642]

To suspend the duties on certain bicycle parts and accessories until the close of December 31, 1976, and for other purposes.

Certain bicycle parts and accessories, duty suspension; Internal Revenue Code of 1954, amendments. 19 USC 1202 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) items 912.05 and 912.10 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) are each amended by striking out "12/31/73" and inserting in lieu thereof "12/31/76".

(b) The amendments made by this section shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after December 31, 1973.

SEC. 2. APPLICATION OF SECTION 82 AND SECTION 217 TO MEMBERS OF UNIFORMED SERVICES.

26 USC 217
note.

26 USC 82, 217.

(a) **IN GENERAL.**—Notwithstanding the provisions of section 82 (relating to reimbursement for expenses of moving) and section 217 (relating to moving expenses), of the Internal Revenue Code of 1954, the Secretary of the Treasury, in the administration of those sections, is authorized—

(1) to enter into an agreement with the Secretary concerned under which the Secretary concerned will not be required to withhold tax on, or to report, moving expense reimbursements made to members of the armed forces;

(2) to permit any taxpayer who is a member of the armed forces not to include in adjusted gross income the amount of any reimbursement in kind of moving expenses made by the Secretary concerned; and

(3) to permit any taxpayer who is a member of the armed forces to deduct any amount paid by him as moving expenses in connection with any move required by the Secretary concerned, in excess of any reimbursement received for such expenses, without regard to the provisions of section 217(c) (relating to conditions), to the extent it is otherwise deductible under section 217.

(b) **DEFINITIONS.**—For purposes of this section, the term—

(1) "armed forces" has the meaning given it by section 101(4) of title 37, United States Code;

(2) "Secretary concerned" means the Secretary of Defense and, with respect to the Coast Guard, the Secretary of Transportation; and

(3) "adjusted gross income" and "moving expenses" have the meanings given them by sections 62 and 217(b), respectively, of the Internal Revenue Code of 1954.

26 USC 62.

(c) **EFFECTIVE DATE.**—The provisions of this section shall apply with respect to taxable years ending before January 1, 1976.

SEC. 3. REPEAL OF REGULATORY TAXES ON FILLED CHEESE.

(a) **IN GENERAL.**—

Repeal.
26 USC 4831.

(1) Part II of subchapter C of chapter 39 (relating to regulatory provisions affecting filled cheese) is repealed.

(2) The table of parts of such subchapter is amended by striking out the item relating to part II.

Repeal.
26 USC 7236.

(b) **TECHNICAL AND CONFORMING CHANGES.**—

(1) Section 7236 (relating to false branding, etc.) is repealed.

(2) The table of sections of part II of subchapter A of chapter 75 is amended by striking out the item relating to section 7236.

26 USC 7236.
Repeal.
26 USC 7266.

(3) Section 7266 (relating to offenses relating to filled cheese) is repealed.

(4) The table of sections of subchapter B of chapter 75 is amended by striking out the item relating to section 7266.

26 USC 7303.

(5) Section 7303 (relating to property subject to forfeiture) is amended by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

“(4) PURCHASE OR RECEIPT OF ADULTERATED BUTTER.—All articles of adulterated butter (or the full value thereof) knowingly purchased or received by any person from any manufacturer or importer who has not paid the special tax provided in section 4821.

26 USC 4821.

“(5) PACKAGES OF OLEOMARGARINE.—All packages of oleomargarine subject to the tax under subchapter F of chapter 38 that shall be found without the stamps or marks provided for in that chapter.”.

26 USC 4591.

(6) Section 6808 (relating to cross references) is amended by striking out paragraph (5).

26 USC 6808.

(7) Section 7103(d)(3) (relating to cross references) is amended by striking out subparagraph (C).

26 USC 7103.

(8) Section 7641 (relating to supervision of operations of certain manufacturers) is amended by striking out “filled cheese.”.

26 USC 7641.

(c) EFFECTIVE DATE.—The repeals and amendments made by this section shall apply to filled cheese manufactured, imported, or sold after the date of enactment of this Act.

26 USC 4831
note.

(d) AMENDMENT OF INTERNAL REVENUE CODE.—Whenever an amendment in this section is expressed in terms of an amendment to or repeal of a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954.

26 USC 1 et seq.

SEC. 4. APPLICATION OF SECTION 4942 TAX ON FAILURE TO DISTRIBUTE INCOME.

(a) IN GENERAL.—Section 101(1)(3) of the Tax Reform Act of 1969 (relating to savings provisions under section 4942 of the Internal Revenue Code of 1954) is amended by—

26 USC 4940
note.
26 USC 4942.

(1) striking out “and” in subparagraph (D),

(2) striking out the period at the end of subparagraph (E) and inserting in lieu thereof “; and”, and

(3) adding after subparagraph (E) the following new subparagraph:

“(F) apply, in the case of an organization described in paragraph (4)(A) of this subsection,

“(i) by applying section 4942(e) without regard to the stock to which paragraph (4)(A)(ii) of this subsection applies,

“(ii) by applying section 4942(f) without regard to dividend income for such stock, and

“(iii) by defining the distributable amount as the sum of the amount determined under section 4942(d) (after the application of clauses (i) and (ii)), and the amount of the dividend income from such stock.”.

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1971.

SEC. 5. STUDY OF COMBINED ANNUAL REPORTING FOR SOCIAL SECURITY AND INCOME TAX PURPOSES.

Report to congressional committees.

The Secretary and the Secretary of Health, Education, and Welfare shall (1) study the desirability and feasibility of instituting a system of combined social security-income tax reporting on an annual basis, and the effect of such a system on social security beneficiaries, on the costs to employers and to the social security program, and on the administration of such program, and (2) submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, no later than December 31, 1974, a joint report of the results of such study containing their recommendations as to the provisions, procedures, and requirements which might be included in such a system and the manner in which it might be put into effect.

SEC. 6. IMPOSITION AND RATE OF TAX ON STILL WINES.

26 USC 5041.

(a) **IN GENERAL.**—The last sentence of section 5041(a) of the Internal Revenue Code of 1954 (relating to tax on wines) is amended by striking out “0.277” and inserting in lieu thereof “0.392”.

26 USC 5041 note.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall take effect on the first day of the first calendar month which begins more than 90 days after the date of enactment of this Act.

Approved October 26, 1974.

Public Law 93-491

AN ACT

October 26, 1974
[S. 1411]

To authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota, and for other purposes.

Indians.
Sisseton and
Wahpeton Sioux
Tribe, N. Dak.-
S. Dak.
Land acquisition.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized, at his discretion and upon the request of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation or its designated agent in the States of North Dakota and South Dakota, to acquire through purchase, gift, or exchange any lands or interest in lands within the boundaries of the Lake Traverse Reservation in North Dakota and South Dakota for the purpose of consolidating landholdings, eliminating fractionated heirship interests in Indian trust lands, providing land for any tribal program for the improvement of the economy of the tribe and its members through the development of industry, recreational facilities, housing projects, and the general rehabilitation and enhancement of the total resource potential of the reservation. For the purchase of such lands or interests in lands the use of any funds available to the tribe from any source is authorized and title to any land acquired under the authority of this Act shall be taken in the name of the United States in trust for the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation in North Dakota and South Dakota.

SEC. 2. (a) Notwithstanding any other provision of law, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its designated agent, is authorized with the approval of the Secretary of the Interior to exchange or sell any tribal real property not needed or suitable for use by the tribe or so situated or located that it would be to the economic advantage of the tribe to sell or exchange the property; except that (1) any such sale shall be by competitive sealed bidding, and a preference shall be given to enrolled members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation to match the high bid; (2) the amount or exchange value received for the property shall not be less than the fair market value thereof as determined by the Secretary of the Interior or his duly authorized representative; (3) if lands involved in an exchange are not of equal value, the difference in value shall be paid in money; (4) any proceeds from the sale of land under this authority or money received to equalize an exchange shall be used exclusively for the purchase of other land on the reservation; (5) title to any land acquired for the tribe under this authority shall be taken in the name of the United States in trust for the tribe; and (6) if an enrolled member of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation acquires land from the tribe under this Act, title may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of such member.

Tribal property, sale or exchange.

(b) All of the foregoing provisions of this Act shall be construed to be exclusive to resident United States citizens enrolled as members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation.

SEC. 3. All lands acquired by the United States in trust for the tribe or members thereof under the authority of this Act shall be exempt from State and local taxation.

Tax exemption.

SEC. 4. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust, and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State in which the land is located. For the purpose of the foreclosure or sale proceeding, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation shall be regarded as vested with an unrestricted fee simple title to the land. The United States shall not be a necessary party to the foreclosure or sale proceeding, and any conveyance of the land pursuant to such proceeding shall divest the United States of title to the land. Title to any land redeemed or acquired by the tribe at such foreclosure or sale proceeding shall be taken in the name of the United States in trust for the tribe, and title to any land purchased by an individual member of the tribe at such proceeding may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of the individual Indian purchaser.

Mortgages and deeds of trust.

SEC. 5. The Secretary of the Interior is authorized to take such action as may be necessary to carry out the purposes of this Act.

Approved October 26, 1974.

Public Law 93-492

October 27, 1974
[S. 355]

AN ACT

To amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for the fiscal years 1975 and 1976; to provide for the remedy of certain defective motor vehicles without charge to the owners thereof; to require that schoolbus safety standards be prescribed; to amend the Motor Vehicle Information and Cost Savings Act to provide for a special demonstration project; and for other purposes.

Motor Vehicle
and Schoolbus
Safety Amend-
ments of 1974.
15 USC 1409
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Motor Vehicle and Schoolbus Safety Amendments of 1974”.

TITLE I—MOTOR VEHICLE SAFETY

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended to read as follows:

“SEC. 121. There are authorized to be appropriated for the purpose of carrying out this Act, not to exceed \$55,000,000 for the fiscal year ending June 30, 1975, and not to exceed \$60,000,000 for the fiscal year ending June 30, 1976.”

SEC. 102. NOTIFICATION AND REMEDY.

(a) REQUIREMENT OF NOTIFICATION AND REMEDY.—Title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391, et seq.) is amended by striking out section 113 and by adding at the end of such title the following new part:

“PART B—DISCOVERY, NOTIFICATION, AND REMEDY OF MOTOR VEHICLE DEFECTS

“NOTIFICATION RESPECTING MANUFACTURER’S FINDING OF DEFECT OR FAILURE TO COMPLY

15 USC 1402.

“SEC. 151. If a manufacturer—

“(1) obtains knowledge that any motor vehicle or item of replacement equipment manufactured by him contains a defect and determines in good faith that such defect relates to motor vehicle safety; or

“(2) determines in good faith that such vehicle or item of replacement equipment does not comply with an applicable Federal motor vehicle safety standard prescribed pursuant to section 103 of this Act;

he shall furnish notification to the Secretary and to owners, purchasers, and dealers, in accordance with section 153, and he shall remedy the defect or failure to comply in accordance with section 154.

“NOTIFICATION RESPECTING SECRETARY’S FINDING OF DEFECT OR FAILURE TO COMPLY

15 USC 1411.

“SEC. 152. (a) If through testing, inspection, investigation, or research carried out pursuant to this Act, or examination of communications under section 158(a)(1), or otherwise, the Secretary determines that any motor vehicle or item of replacement equipment—

“(1) does not comply with an applicable Federal motor vehicle safety standard prescribed pursuant to section 103 of this Act; or

“(2) contains a defect which relates to motor vehicle safety; he shall immediately notify the manufacturer of such motor vehicle or item of replacement equipment of such determination, and shall publish notice of such determination in the Federal Register. The notification to the manufacturer shall include all information upon which the determination of the Secretary is based. Such notification (including such information) shall be available to any interested person, subject to section 158(a)(2)(B). The Secretary shall afford such manufacturer an opportunity to present data, views, and arguments to establish that there is no defect or failure to comply or that the alleged defect does not affect motor vehicle safety; and shall afford other interested persons an opportunity to present data, views, and arguments respecting the determination of the Secretary.

Publication in
Federal Register.

Data, views,
and arguments,
presentation
opportunity.

“(b) If, after such presentations by the manufacturer and interested persons, the Secretary determines that such vehicle or item of replacement equipment does not comply with an applicable Federal motor vehicle safety standard, or contains a defect which relates to motor vehicle safety, the Secretary shall order the manufacturer (1) to furnish notification respecting such vehicle or item of replacement equipment to owners, purchasers, and dealers in accordance with section 153, and (2) to remedy such defect or failure to comply in accordance with section 154.

“CONTENTS, TIME, AND FORM OF NOTICE

“SEC. 153. (a) The notification required by section 151 or 152 respecting a defect in or failure to comply of a motor vehicle or item of replacement equipment shall contain, in addition to such other matters as the Secretary may prescribe by regulation—

15 USC 1413.

“(1) a clear description of such defect or failure to comply;

“(2) an evaluation of the risk to motor vehicle safety reasonably related to such defect or failure to comply;

“(3) a statement of the measures to be taken to obtain remedy of such defect or failure to comply;

“(4) a statement that the manufacturer furnishing the notification will cause such defect or failure to comply to be remedied without charge pursuant to section 154;

“(5) the earliest date (specified in accordance with the second and third sentences of section 154(b)(2)) on which such defect or failure to comply will be remedied without charge and, in the case of tires, the period during which such defect or failure to comply will be remedied without charge pursuant to section 154; and

“(6) a description of the procedure to be followed by the recipient of the notification in informing the Secretary whenever a manufacturer, distributor, or dealer fails or is unable to remedy without charge such defect or failure to comply.

“(b) The notification required by section 151 or 152 shall be furnished—

“(1) within a reasonable time after the manufacturer first makes a determination with respect to a defect or failure to comply under section 151; or

“(2) within a reasonable time (prescribed by the Secretary) after the manufacturer's receipt of notice of the Secretary's determination pursuant to section 152 that there is a defect or failure to comply.

“(c) The notification required by section 151 or 152 with respect to a motor vehicle or item of replacement equipment shall be accomplished—

“(1) in the case of a motor vehicle, by first class mail to each person who is registered under State law as the owner of such vehicle and whose name and address is reasonably ascertainable by the manufacturer through State records or other sources available to him;

“(2) in the case of a motor vehicle, or tire, by first class mail to the first purchaser (or if a more recent purchaser is known to the manufacturer, to the most recent purchaser known to the manufacturer) of each such vehicle or tire containing such defect or failure to comply, unless the registered owner (if any) of such vehicle was notified under paragraph (1);

“(3) in the case of an item of replacement equipment (other than a tire), (A) by first class mail to the most recent purchaser known to the manufacturer; and (B) if the Secretary determines that it is necessary in the interest of motor vehicle safety, by public notice in such manner as the Secretary may order after consultation with the manufacturer;

“(4) by certified mail or other more expeditious means to the dealer or dealers of such manufacturer to whom such motor vehicle or replacement equipment was delivered; and

“(5) by certified mail to the Secretary, if section 151 applies. In the case of a tire which contains a defect or failure to comply (or of a motor vehicle on which such tire was installed as original equipment), the manufacturer who is required to provide notification under paragraph (1) or (2) may elect to provide such notification by certified mail.

“REMEDY OF DEFECT OR FAILURE TO COMPLY

15 USC 1414.

“SEC. 154. (a) (1) If notification is required under section 151 or by an order under section 152(b) with respect to any motor vehicle or item of replacement equipment which fails to comply with an applicable Federal motor vehicle safety standard or contains a defect which relates to motor vehicle safety, then the manufacturer of each such motor vehicle or item of replacement equipment presented for remedy pursuant to such notification shall cause such defect or failure to comply in such motor vehicle or such item of replacement equipment to be remedied without charge. In the case of notification required by an order under section 152(b), the preceding sentence shall not apply during any period during which enforcement of the order has been restrained in an action to which section 155(a) applies or if such order has been set aside in such an action.

“(2)(A) In the case of a motor vehicle presented for remedy pursuant to such notification, the manufacturer (subject to subsection (b) of this section) shall cause the vehicle to be remedied by whichever of the following means he elects:

“(i) By repairing such vehicle.

“(ii) By replacing such motor vehicle without charge, with an identical or reasonably equivalent vehicle.

“(iii) By refunding the purchase price of such motor vehicle in full, less a reasonable allowance for depreciation.

Replacement or refund may be subject to such conditions imposed by the manufacturer as the Secretary may permit by regulation.

“(B) In the case of an item of replacement equipment the manufacturer shall (at his election) cause either the repair of such item of replacement equipment, or the replacement of such item of replacement equipment without charge with an identical or reasonably equivalent item of replacement equipment.

“(3) The dealer who effects remedy pursuant to this section without charge shall receive fair and equitable reimbursement for such remedy from the manufacturer.

“(4) The requirement of this section that remedy be provided without charge shall not apply if the motor vehicle or item of replacement equipment was purchased by the first purchaser more than 8 calendar years (3 calendar years in the case of a tire, including an original equipment tire) before (A) notification respecting the defect or failure to comply is furnished pursuant to section 151, or (B) the Secretary orders such notification under section 152, whichever is earlier.

“(5) (A) The manufacturer of a tire (including an original equipment tire) presented for remedy by an owner or purchaser pursuant to notification under section 153 shall not be obligated to remedy such tire if such tire is not presented for remedy during the 60-day period beginning on the later of (i) the date on which the owner or purchaser received such notification or (ii) if the manufacturer elects replacement, the date on which the owner or purchaser received notice that a replacement tire is available.

“(B) If the manufacturer elects replacement and if a replacement tire is not in fact available during the 60-day period, then the limitation under subparagraph (A) on the manufacturer's remedy obligation shall be applicable only if the manufacturer provides a notification (subsequent to the notification provided under subparagraph (A)(ii)) that replacement tires are to be available during a later 60-day period (beginning after such subsequent notification), and in that case the manufacturer's obligation shall be limited to tires presented for remedy during the later 60-day period if the tires are in fact available during that period.

“(b) (1) Whenever a manufacturer has elected under subsection (a) to cause the repair of a defect in a motor vehicle or item of replacement equipment or of a failure of such vehicle or item of replacement equipment to comply with a motor vehicle safety standard, and he has failed to cause such defect or failure to comply to be adequately repaired within a reasonable time, then (A) he shall cause the motor vehicle or item of replacement equipment to be replaced with an identical or reasonably equivalent vehicle or item of replacement equipment without charge, or (B) (in the case of a motor vehicle and if the manufacturer so elects) he shall cause the purchase price to be refunded in full, less a reasonable allowance for depreciation. Failure to adequately repair a motor vehicle or item of replacement equipment within 60 days after tender of the motor vehicle or item of replacement equipment for repair shall be prima facie evidence of failure to repair within a reasonable time; unless prior to the expiration of such 60-day period the Secretary, by order, extends such 60-day period for good cause shown and published in the Federal Register.

Publication in
Federal Register.

“(2) For purposes of this subsection, the term ‘tender’ does not include presenting a motor vehicle or item of replacement equipment for repair prior to the earliest date specified in the notification pursuant to section 153(a) on which such defect or failure to comply will be remedied without charge, or (if notification was not afforded pursuant to section 153(a)) prior to the date specified in any notice required to be given under section 155(d). In either case, such date shall be specified by the manufacturer and shall be the earliest date on which parts and facilities can reasonably be expected to be available. Such date shall be subject to disapproval by the Secretary.

Program filed with Secretary; notice of availability published in Federal Register.

“(c) The manufacturer shall file with the Secretary a copy of his program pursuant to this section for remedying any defect or failure to comply, and the Secretary shall make the program available to the public. Notice of such availability shall be published in the Federal Register.

“ENFORCEMENT OF NOTIFICATION AND REMEDY ORDERS

15 USC 1415.

“SEC. 155. (a) (1) An action under section 110(a) to restrain a violation of an order issued under section 152(b), or under section 109 to collect a civil penalty with respect to a violation of such an order, or any other civil action with respect to such an order, may be brought only in the United States district court for the District of Columbia or the United States district court for a judicial district in the State of incorporation (if any) of the manufacturer to which the order applies; unless on motion of any party the court orders a change of venue to any other district court for good cause shown. All actions (including enforcement actions) brought with respect to the same order under section 152(b) shall be consolidated in an action in a single judicial district, in accordance with an order of the court in which the first such action is brought (or if such first action is transferred to another court, by order of such other court).

“(2) The court shall expedite the disposition of any civil action to which this subsection applies.

Notification.

“(b) If a civil action which relates to an order under section 152(b), and to which subsection (a) of this section applies, has been commenced, the Secretary may order the manufacturer to issue a provisional notification which shall contain—

“(A) a statement that the Secretary has determined that a defect which relates to motor vehicle safety, or failure to comply with a Federal motor vehicle safety standard, exists, and that the manufacturer is contesting such determination in a proceeding in a United States district court,

“(B) a clear description of the Secretary’s stated basis for his determination that there is such a defect or failure,

“(C) the Secretary’s evaluation of the risk to motor vehicle safety reasonably related to such defect or failure to comply,

“(D) any measures which in the judgment of the Secretary are necessary to avoid an unreasonable hazard resulting from the defect or failure to comply,

“(E) a statement that the manufacturer will cause such defect or failure to comply to be remedied without charge pursuant to section 154, but that this obligation of the manufacturer is conditioned on the outcome of the court proceeding, and

“(F) such other matters as the Secretary may prescribe by regulation or in such order.

Issuance of notification under this subsection does not relieve the manufacturer of any liability for failing to issue notification required by an order under section 152(b).

“(c) (1) If a manufacturer fails to notify owners or purchasers in accordance with section 153(c) within the period specified under section 153(b), the court may hold him liable for a civil penalty with respect to such failure to notify, unless the manufacturer prevails in an action described in subsection (a) of this section or unless the court in such an action restrains the enforcement of such order (in which case he shall not be liable with respect to any period for which the effectiveness of the order was stayed). The court shall restrain the enforcement of such an order only if it determines. (A) that the failure to furnish notification is reasonable, and (B) that the manufacturer has demonstrated that he is likely to prevail on the merits.

“(2) If a manufacturer fails to notify owners or purchasers as required by an order under subsection (b) of this section, the court may hold him liable for a civil penalty without regard to whether or not he prevails in an action (to which subsection (a) applies) with respect to the validity of the order issued under section 152(b).

“(d) If (i) a manufacturer fails within the period specified in section 153(b) to comply with an order under section 152(b) to afford notification to owners and purchasers, (ii) a civil action to which subsection (a) applies is commenced with respect to such order, and (iii) the Secretary prevails in such action, then the Secretary shall order the manufacturer—

“(1) to afford notice (which notice may be combined with any notice required by an order under section 152(b)) to each owner, purchaser, and dealer described in section 153(c) of the outcome of the proceeding and containing such other information as the Secretary may require;

“(2) to specify (in accordance with the second and third sentences of section 154(b)) the earliest date on which such defect or failure will be remedied without charge; and

“(3) if notification was required under subsection (b) of this section, to reimburse such owner or purchaser for any reasonable and necessary expenses (not in excess of any amount specified in the order of the Secretary) which are incurred (A) by such owner or purchaser; (B) for the purpose of repairing the defect or failure to comply to which the order relates; and (C) during the period beginning on the date such notification under subsection (b) was required to be issued and ending on the date such owner or purchaser receives notification pursuant to this subsection.

“REASONABLENESS OF NOTIFICATION AND REMEDY

“SEC. 156. Upon petition of any interested person or on his own motion, the Secretary may hold a hearing in which any interested person (including a manufacturer) may make oral (as well as written) presentations of data, views, and arguments on the question of whether a manufacturer has reasonably met his obligation to notify under section 151 or 152, and to remedy a defect or failure to comply under section 154. If the Secretary determines the manufacturer has not reasonably met such obligation, he shall order the manufacturer to take specified action to comply with such obligation; and, in addition, the Secretary may take any other action authorized by this title.

15 USC 1416.
Hearing.

“EXEMPTION FOR INCONSEQUENTIAL DEFECT OR FAILURE TO COMPLY

“SEC. 157. Upon application of a manufacturer, the Secretary shall exempt such manufacturer from any requirement under this part to give notice with respect to, or to remedy, a defect or failure to comply, if he determines, after notice in the Federal Register and opportunity for interested persons to present data, views, and arguments, that such defect or failure to comply is inconsequential as it relates to motor vehicle safety.

15 USC 1417.

Notice in
Federal Register;
data, views and
arguments, pres-
entation oppor-
tunity.

“INFORMATION, DISCLOSURE, AND RECORDKEEPING

“SEC. 158. (a) (1) Every manufacturer shall furnish to the Secretary a true or representative copy of all notices, bulletins, and other communications to the dealers of such manufacturer or to owners or purchasers of motor vehicle or replacement equipment produced by such manufacturer regarding any defect or failure to comply in such vehicle or equipment which is sold or serviced.

15 USC 1418.

"(2)(A) Except as provided in subparagraph (B), the Secretary shall disclose to the public so much of any information which is obtained under this Act and which relates to a defect which relates to motor vehicle safety or to a failure to comply with an applicable Federal motor vehicle safety standard, as he determines will assist in carrying out the purposes of this part or as may be required by section 152.

Confidential
information.

"(B) Any information described in subparagraph (A) which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential for purposes of that section and shall not be disclosed; unless the Secretary determines that disclosure of such information is necessary to carry out the purposes of this title.

"(C) Any obligation to disclose information under this paragraph shall be in addition to and not in lieu of the requirements of section 552 of title 5, United States Code.

"(b) Every manufacturer of motor vehicles or tires shall cause the establishment and maintenance of records of the name and address of the first purchaser of each motor vehicle and tire produced by such manufacturer. To the extent required by regulations of the Secretary, every manufacturer of motor vehicles or tires shall cause the establishment and maintenance of records of the name and address of the first purchaser of each item of replacement equipment other than a tire produced by such manufacturer. The Secretary may, by rule, specify the records to be established and maintained, and reasonable procedures to be followed by manufacturers in establishing and maintaining such records, including procedures to be followed by distributors and dealers to assist manufacturers to secure the information required by this subsection; except that the availability or not of such assistance shall not affect the obligation of manufacturers under this subsection. Such procedures shall be reasonable for the particular type of motor vehicle or tires for which they are prescribed, and shall provide reasonable assurance that customer lists of any dealer and distributor, and similar information, will not be made available to any person other than the dealer or distributor, except where necessary to carry out the purpose of this part.

"DEFINITIONS

15 USC 1419.

"SEC. 159. For purposes of this part:

"(1) The retreader of tires shall be deemed the manufacturer of tires which have been retreaded, and the brand name owner of tires marketed under a brand name not owned by the manufacturer of the tire shall be deemed the manufacturer of tires marketed under such brand name.

"(2) Except as otherwise provided in regulations of the Secretary:

"(A) The term 'original equipment' means an item of motor vehicle equipment (including a tire) which was installed in or on a motor vehicle at the time of its delivery to the first purchaser.

"(B) The term 'replacement equipment' means motor vehicle equipment (including a tire) other than original equipment.

"(C) A defect in, or failure to comply of, an item of original equipment shall be deemed to be a defect in, or failure to comply of, the motor vehicle in or on which such equipment was installed at the time of its delivery to the first purchaser.

“(D) If the manufacturer of a motor vehicle is not the manufacturer of original equipment installed in or on such vehicle at the time of its delivery to the first purchaser, the manufacturer of the vehicle (rather than the manufacturer of such equipment) shall be considered the manufacturer of such item of equipment.

“(3) The term ‘first purchaser’ means first purchaser for purposes other than resale.

“(4) The term ‘adequate repair’ does not include any repair which results in substantially impaired operation of a motor vehicle or item of replacement equipment.

“EFFECT ON OTHER LAWS

“SEC. 160. The provisions of this part shall not create or affect any warranty obligation under State or Federal law. Consumer remedies under this part are in addition to, and not in lieu of, any other right or remedy under State or Federal law.”

15 USC 1420.

(b) CONFORMING AMENDMENTS.—

(1) Title I of such Act is amended by inserting after section 101 the following:

“PART A—GENERAL PROVISIONS”.

(2) Section 110(c) of such Act is amended by striking out “Actions” and inserting in lieu thereof “Except as provided in section 155(a), actions”.

15 USC 1399.

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any defect or failure to comply with respect to which, before the effective date of this title, notification was issued under section 113(a) of such Act or was required to be issued under section 113(e).

15 USC 1411
note.

SEC. 103. ENFORCEMENT.

(a) PROHIBITED ACTS.—

(1) (A) Section 108(a) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting “(1)” after “SEC. 108. (a)”, by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively, and by adding at the end of such subsection the following new paragraph:

15 USC 1397.

“(2) (A) No manufacturer, distributor, dealer, or motor vehicle repair business shall knowingly render inoperative, in whole or part, any device or element of design installed on or in a motor vehicle or item of motor vehicle equipment in compliance with an applicable Federal motor vehicle safety standard, unless such manufacturer, distributor, dealer, or repair business reasonably believes that such vehicle or item of equipment will not be used (other than for testing or similar purposes in the course of maintenance or repair) during the time such device or element of design is rendered inoperative. For purposes of this paragraph, the term ‘motor vehicle repair business’ means any person who holds himself out to the public as in the business of repairing motor vehicles or motor vehicle equipment for compensation.

“Motor vehicle business.”

“(B) The Secretary may by regulation exempt any person from this paragraph if he determines that such exemption is consistent with motor vehicle safety and the purposes of this Act. The Secretary may prescribe regulations defining the term ‘render inoperative’.

“(C) This paragraph shall not apply with respect to the rendering inoperative of (i) any safety belt interlock (as defined in section 125(f)(1)) or (ii) any continuous buzzer (as defined in section 125(f)(4)) designed to indicate that safety belts are not in use.

Ante, p. 1482.

“(D) Paragraph (1)(A) of this subsection shall not apply to the sale or offering for sale of any motor vehicle which has such a buzzer or interlock rendered inoperative by a dealer at the request of the first purchaser of such vehicle.”

15 USC 1397.

(B) Subsection (b) of section 108 of such Act is amended by inserting “(A)” after “Paragraph (1)” in paragraphs (1), (2), and (5) of such subsection and by inserting “(A)” after “paragraph (1)” in paragraph (3) of such subsection.

(2) Section 108(a) of such Act (as amended by paragraph (1) of this subsection) is amended—

Infra.

(A) by inserting after the semicolon in paragraph (1)(B) the following: “fail to keep specified records in accordance with such section; or fail or refuse to permit impounding, as required under section 112(a);” and

(B) by adding at the end of subsection (a) the following new subparagraph:

“(E) fail to comply with any rule, regulation, or order issued under section 112 or 114; and”

(3) Section 108(a)(1)(D) of such Act is amended to read as follows:

“(D) fail—

“(i) to furnish notification,

“(ii) to remedy any defect or failure to comply, or

“(iii) to maintain records,

as required by part B of this title; or fail to comply with any order or other requirement applicable to any manufacturer, distributor, or dealer pursuant to such part B;”

15 USC 1398.

(b) **PENALTIES.**—Section 109 of such Act is amended by striking out “\$400,000” in the second sentence of such subsection (a) and inserting in lieu thereof “\$800,000”.

15 USC 1399.

(c) **INJUNCTIONS.**—

(1) The first sentence of section 110(a) of such Act is amended (1) by inserting “(or rules, regulations or orders thereunder)” after “violations of this title”, and (2) by inserting immediately after “pursuant to this title,” the following: “or to contain a defect (A) which relates to motor vehicle safety and (B) with respect to which notification has been given under section 151 or has been required to be given under section 152(b);”.

(2) The next to the last sentence of section 110(a) of such Act is amended by inserting before the period at the end thereof the following: “or to remedy the defect”.

SEC. 104. INSPECTION AND RECORDKEEPING.

15 USC 1401.

(a) Subsections (a), (b), and (c) of section 112 of the National Traffic and Motor Vehicle Safety Act of 1966 are amended to read as follows:

“(a)(1) The Secretary is authorized to conduct any inspection or investigation—

“(A) which may be necessary to enforce this title or any rules, regulations, or orders issued thereunder, or

“(B) which relates to the facts, circumstances, conditions, and causes of any motor vehicle accident and which is for the purposes of carrying out his functions under this Act.

The Secretary shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury any information obtained indicating noncompliance with this title or any rules, regulations, or orders issued thereunder, for appropriate action. In making investigations under subparagraph (B), the Secretary shall cooperate with appro-

priate State and local officials to the greatest extent possible consistent with the purposes of this subsection.

“(2) For purposes of carrying out paragraph (1), officers or employees duly designated by the Secretary, upon presenting appropriate credentials and written notice to the owner, operator, or agent in charge, are authorized at reasonable times and in a reasonable manner—

“(A) to enter (i) any factory, warehouse, or establishment in which motor vehicles or items of motor vehicle equipment are manufactured, or held for introduction into interstate commerce or are held for sale after such introduction, or (ii) any premises where a motor vehicle or item of motor vehicle equipment involved in a motor vehicle accident is located;

“(B) to impound for a period not to exceed 72 hours, any motor vehicle or item of motor vehicle equipment involved in a motor vehicle accident; and

“(C) to inspect any factory, warehouse, establishment, vehicle, or equipment referred to in subparagraph (A) or (B).

Each inspection under this paragraph shall be commenced and completed with reasonable promptness.

“(3) (A) Whenever, under the authority of paragraph (2) (B), the Secretary inspects or temporarily impounds for the purpose of inspection any motor vehicle (other than a vehicle subject to part II of the Interstate Commerce Act) or an item of motor vehicle equipment, he shall pay reasonable compensation to the owner of such vehicle to the extent that such inspection or impounding results in the denial of the use of the vehicle to its owner or in the reduction in value of the vehicle.

“(B) As used in this subsection, ‘motor vehicle accident’ means an occurrence associated with the maintenance, use, or operation of a motor vehicle or item of motor vehicle equipment in or as a result of which any person suffers death or personal injury, or in which there is property damage.

“(b) Every manufacturer of motor vehicles and motor vehicle equipment shall establish and maintain such records and every manufacturer, dealer, or distributor shall make such reports, as the Secretary may reasonably require to enable him to determine whether such manufacturer, dealer, or distributor has acted or is acting in compliance with this title or any rules, regulations, or orders issued thereunder and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, dealer, or distributor has acted or is acting in compliance with this title or any rules, regulations, or orders issued thereunder. Nothing in this subsection shall be construed as imposing recordkeeping requirements on distributors or dealers, except those requirements imposed under section 158 and regulations and orders promulgated thereunder.

“(c) (1) For the purpose of carrying out the provisions of this title, the Secretary, or on the authorization of the Secretary, any officer or employee of the Department of Transportation may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

“(2) In order to carry out the provisions of this title, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any docu-

Impoundment
of motor vehicles.

Compensation
to vehicle
owner.

49 USC 301.

“Motor vehicle
accident.”

Hearings.

mentary evidence of any person having materials or information relevant to any function of the Secretary under this title.

“(3) The Secretary is authorized to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

Noncompliance.

“(4) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary or such officer or employee issued under paragraph (1) or paragraph (3) of this subsection, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Punishment.

Witnesses fees.

“(5) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage which are paid witnesses in the courts of the United States.

“(6) (A) The Secretary is authorized to request from any department, agency or instrumentality of the Federal Government such statistics, data, program reports, and other materials as he deems necessary to carry out his functions under this title; and each such department, agency, or instrumentality is authorized and directed to cooperate with the Secretary and to furnish such statistics, data, program reports, and other materials to the Department of Transportation upon request made by the Secretary. Nothing in this subparagraph shall be deemed to affect any provision of law limiting the authority of an agency, department, or instrumentality of the Federal Government to provide information to another agency, department, or instrumentality of the Federal Government.

“(B) The head of any Federal department, agency, or instrumentality is authorized to detail, on a reimbursable basis, any personnel of such department, agency, or instrumentality to assist in carrying out the duties of the Secretary under this title.”

(b) Section 112(e) of such Act is amended by striking out “All” and inserting in lieu thereof “Except as otherwise provided in section 158(a)(2) and section 113(b), all”; and striking out “subsection (b) or (c)” and inserting in lieu thereof “this title”.

SEC. 105. COST INFORMATION.

The National Traffic and Motor Vehicle Safety Act of 1966 (as amended by section 102) is further amended by inserting after section 112 the following:

15 USC 1402.

“SEC. 113. (a) Whenever any manufacturer opposes an action of the Secretary under section 103, or under any other provision of this Act, on the ground of increased cost, the manufacturer shall submit such cost information (in such detail as the Secretary may by regulation or order prescribe) as may be necessary in order to properly evaluate the manufacturer's statement. The Secretary shall thereafter promptly prepare an evaluation of such cost information.

“(b) (1) Subject to paragraph (2), such cost information together with the Secretary's evaluation thereof, shall be available to the public. Notice of the availability of such information shall be published in the Federal Register.

“(2) If the manufacturer satisfies the Secretary that any portion of such information contains a trade secret or other confidential matter, such portion may be disclosed to the public only in such manner as to preserve the confidentiality of such trade secret or other confidential

Publication
in Federal
Register.

matter, except that any such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control, from the duly authorized committees of the Congress.

“(c) For purposes of this section, the term ‘cost information’ means information with respect to alleged cost increases resulting from action by the Secretary, in such form as to permit the public and the Secretary to make an informed judgment on the validity of the manufacturer’s statements. Such term includes both the manufacturer’s cost and the cost to retail purchasers.”

“Cost information.”

“(d) The Secretary is authorized to establish rules and regulations prescribing forms and procedures for the submission of cost information under this section.”

Rules and regulations.

“(e) Nothing in this section shall be construed to restrict the authority of the Secretary to obtain, or require submission of, information under any other provision of this Act.”

SEC. 106. AGENCY RESPONSIBILITY.

The National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting after section 123 the following new section:

“SEC. 124. (a) Any interested person may file with the Secretary a petition requesting him (1) to commence a proceeding respecting the issuance of an order pursuant to section 103 or to commence a proceeding to determine whether to issue an order pursuant to section 152(b) of this Act.

15 USC 1410a.

“(b) Such petition shall set forth (1) facts which it is claimed establish that an order is necessary, and (2) a brief description of the substance of the order which it is claimed should be issued by the Secretary.

“(c) The Secretary may hold a public hearing or may conduct such investigation or proceeding as he deems appropriate in order to determine whether or not such petition should be granted.

Hearing.

“(d) Within 120 days after filing of a petition described in subsection (b), the Secretary shall either grant or deny the petition. If the Secretary grants such petition, he shall promptly commence the proceeding requested in the petition. If the Secretary denies such petition he shall publish in the Federal Register his reasons for such denial.

Publication in Federal Register.

“(e) The remedies under this section shall be in addition to, and not in lieu of, other remedies provided by law.”

SEC. 107. NATIONAL MOTOR VEHICLE SAFETY ADVISORY COUNCIL.

(a) PUBLIC MEMBERS.—Section 104 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting “(1)” after “SEC. 104. (a)”, and by adding the following new paragraph at the end of subsection (a):

15 USC 1393.

“(2) For the purposes of this section, the term ‘representative of the general public’ means an individual who (A) is not in the employ of, or holding any official relation to any person who is (i) a manufacturer, dealer, or distributor, or (ii) a supplier of any manufacturer, dealer, or distributor, (B) does not own stock or bonds of substantial value in any person described in subparagraph (A) (i) or (ii), and (C) is not in any other manner directly or indirectly pecuniarily interested in such a person. The Secretary shall publish the names of the members of the Council annually and shall designate which members represent the general public. The Chairman of the Council shall be chosen by the Council from among the members representing the general public.”

“Representative of the general public.”

Publication of names of members.

Repeal,
15 USC 1393.

(b) **EXPIRATION.**—Effective October 1, 1977, section 104 of such Act (as amended by subsection (a) of this section) is repealed.

SEC. 108. FUEL SYSTEM INTEGRITY STANDARD.

15 USC 1392
note.

(a) **RATIFICATION OF STANDARD.**—Federal Motor Vehicle Safety Standard Number 301 (49 CFR 571.301-75; Docket No. 73-20, Notice 2) as published on March 21, 1974 (39 F.R. 10588-10590) shall take effect on the dates prescribed in such standard (as so published).

(b) **AMENDMENT OR REPEAL OF STANDARD.**—The Secretary may amend the standard described in subsection (a) in order to correct technical errors in the standard, and may amend or repeal such standard if he determines such amendment or repeal will not diminish the level of motor vehicle safety.

SEC. 109. OCCUPANT RESTRAINT SYSTEMS.

The National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting after section 124 the following new section:

15 USC 1410b.

“SEC. 125. (a) Not later than 60 days after the date of enactment of this section, the Secretary shall amend the Federal motor vehicle safety standard numbered 208 (49 CFR 571.208), so as to bring such standard into conformity with the requirements of paragraphs (1), (2), and (3) of subsection (b) of this section. Such amendment shall take effect not later than 120 days after the date of enactment of this section.

“(b) After the effective date of the amendment prescribed under subsection (a):

“(1) No Federal motor vehicle safety standard may—

“(A) have the effect of requiring, or

“(B) provide that a manufacturer is permitted to comply with such standard by means of, any continuous buzzer designed to indicate that safety belts are not in use, or any safety belt interlock system.

“(2) Except as otherwise provided in paragraph (3), no Federal motor vehicle safety standard respecting occupant restraint systems may—

“(A) have the effect of requiring, or

“(B) provide that a manufacturer is permitted to comply with such standard by means of, an occupant restraint system other than a belt system.

“(3) (A) Paragraph (2) shall not apply to a Federal motor vehicle safety standard which provides that a manufacturer is permitted to comply with such standard by equipping motor vehicles manufactured by him with either—

“(i) a belt system, or

“(ii) any other occupant restraint system specified in such standard.

“(B) Paragraph (2) shall not apply to any Federal motor vehicle safety standard which the Secretary elects to promulgate in accordance with the procedure specified in subsection (c), unless it is disapproved by both Houses of Congress by concurrent resolution in accordance with subsection (d).

“(C) Paragraph (2) shall not apply to a Federal motor vehicle safety standard if at the time of promulgation of such standard (i) the 60-day period determined under subsection (d) has expired with respect to any previously promulgated standard which the Secretary has elected to promulgate in accordance with subsection (c), and (ii) both Houses of Congress have not by concurrent resolution within such period disapproved such previously promulgated standard.

“(c) The procedure referred to in subsection (b) (3) (B) and (C) in accordance with which the Secretary may elect to promulgate a standard is as follows:

“(1) The standard shall be promulgated in accordance with section 103 of this Act, subject to the other provisions of this subsection.

“(2) Section 553 of title 5, United States Code, shall apply to such standard; except that the Secretary shall afford interested persons an opportunity for oral as well as written presentation of data, views, or arguments. A transcript shall be kept of any oral presentation.

Data, views, or arguments, presentation.

“(3) The chairmen and ranking minority members of the House Interstate and Foreign Commerce Committee and the Senate Commerce Committee shall be notified in writing of any proposed standard to which this section applies. Any Member of Congress may make an oral presentation of data, views, or arguments under paragraph (2).

Congress, notification; presentation of data, views, or arguments.

“(4) Any standard promulgated pursuant to this subsection shall be transmitted to both Houses of Congress, on the same day and to each House while it is in session. In addition, such standard shall be transmitted to the chairmen and ranking minority members of the committees referred to in paragraph (3).

“(d) (1) A standard which the Secretary has elected to promulgate in accordance with subsection (c) shall not be effective if, during the first period of 60 calendar days of continuous session of Congress after the date of transmittal to Congress, both Houses of Congress pass a concurrent resolution the matter after the resolving clause of which reads as follows: ‘The Congress disapproves the Federal motor vehicle safety standard transmitted to Congress on _____, 19—.’; (the blank space being filled with date of transmittal of the standard to Congress). If both Houses do not pass such a resolution during such period, such standard shall not be effective until the expiration of such period (unless the standard specifies a later date).

“(2) For purposes of this section—

“(A) continuity of session of Congress is broken only by an adjournment sine die; and

“(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 60-day period.

“(e) This section shall not impair any right which any person may have to obtain judicial review of a Federal motor vehicle safety standard.

“(f) For purposes of this section:

Definitions.

“(1) The term ‘safety belt interlock’ means any system designed to prevent starting or operation of a motor vehicle if one or more occupants of such vehicle are not using safety belts.

“(2) The term ‘belt system’ means an occupant restraint system consisting of integrated lap and shoulder belts for front outboard occupants and lap belts for other occupants. With respect to (A) motor vehicles other than passenger vehicles, (B) convertibles, and (C) open-body type vehicles, such term also includes an occupant restraint system consisting of lap belts or lap belts combined with detachable shoulder belts.

“(3) The term ‘occupant restraint system’ means a system the principal purpose of which is to assure that occupants of a motor vehicle remain in their seats in the event of a collision or rollover. Such term does not include a warning device designed to indicate that seat belts are not in use.

“(4) The term ‘continuous buzzer’ means a buzzer other than a buzzer which operates only during the 8 second period after the ignition is turned to the ‘start’ or ‘on’ position.”

SEC. 110. TECHNICAL AND CONFORMING AMENDMENTS.

15 USC 1391. (a) DEFINITION OF SECRETARY.—Section 102(10) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended to read as follows:

“(10) ‘Secretary’ means the Secretary of Transportation.”

15 USC 1408. (b) DATE OF ANNUAL REPORT.—The first sentence of section 120(a) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by striking out “March 1” and inserting in lieu thereof “July 1”.

15 USC 1424. (c) REGROOVED TIRES.—Section 204(a) of such Act is amended to read as follows:

“(a) No person shall sell, offer for sale, or introduction for sale, or deliver for introduction in interstate commerce, any tire or motor vehicle equipped with any tire which has been regrooved, except that the Secretary may by order permit the sale, offer for sale, introduction for sale, or delivery for introduction in interstate commerce, of regrooved tires and motor vehicles equipped with regrooved tires which he finds are designed and constructed in a manner consistent with the purposes of this Act.”

SEC. 111. EFFECTIVE DATE.

15 USC 1409
note.

The amendments made by this title (other than section 109) shall take effect on the sixtieth day after the date of enactment of this Act; except that section 108(a)(4)(D) of the National Traffic and Motor Vehicle Safety Act of 1966 (as added by section 103(a)(1)(A) of this Act) shall take effect on the date of enactment of this Act.

TITLE II—SCHOOLBUS SAFETY

SEC. 201. DEFINITIONS.

15 USC 1391. Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

“(14) ‘schoolbus’ means a passenger motor vehicle which is designed to carry more than 10 passengers in addition to the driver, and which the Secretary determines is likely to be significantly used for the purpose of transporting primary, preprimary, or secondary school students to or from such schools or events related to such schools; and

“(15) ‘schoolbus equipment’ means equipment designed primarily as a system, part, or component of a schoolbus, or any similar part or component manufactured or sold for replacement or improvement of such system, part, or component or as an accessory or addition to a schoolbus.”

SEC. 202. MANDATORY SCHOOLBUS STANDARDS.

15 USC 1392. Section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

“(i) (1)(A) Not later than 6 months after the date of enactment of this subsection, the Secretary shall publish proposed Federal motor vehicle safety standards to be applicable to schoolbuses and schoolbus equipment. Such proposed standards shall include minimum stand-

ards for the following aspects of performance:

- “(i) Emergency exits.
- “(ii) Interior protection for occupants.
- “(iii) Floor strength.
- “(iv) Seating systems.
- “(v) Crash worthiness of body and frame (including protection against rollover hazards).
- “(vi) Vehicle operating systems.
- “(vii) Windows and windshields.
- “(viii) Fuel systems.

“(B) Not later than 15 months after the date of enactment of this subsection, the Secretary shall promulgate Federal motor vehicle safety standards which shall provide minimum standards for those aspects of performance set out in clauses (i) through (viii) of subparagraph (A) of this paragraph, and which shall apply to each schoolbus and item of schoolbus equipment which is manufactured in or imported into the United States on or after the expiration of the 9-month period which begins on the date of promulgation of such safety standards.

“(2) The Secretary may prescribe regulations requiring that any schoolbus be test-driven by the manufacturer before introduction into commerce.”

SEC. 203. ENFORCEMENT.

Section 108(a) (1) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

15 USC 1397.

“(F) to fail to comply with regulations of the Secretary under section 103(i) (2).”

TITLE III—MOTOR VEHICLE DEMONSTRATION PROJECTS

SEC. 301. DEMONSTRATION PROJECTS.

(a) Title III of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1961 et seq.) is amended—

(1) by inserting after the heading for such title the following:

“PART A—STATE PROGRAMS”;

(2) by striking out “this title” wherever it appears in sections 301, 302, and 303 and inserting in lieu thereof “this part”;

15 USC 1961,
1962, 1963.

(3) by redesignating section 304 as section 321; and

(4) by inserting after section 303 the following:

“PART B—SPECIAL DEMONSTRATION PROJECTS

“AUTHORITY TO ESTABLISH

“SEC. 311. The Secretary shall establish a special motor vehicle diagnostic inspection demonstration project to assist in the rapid development and evaluation of advanced inspection, analysis, and diagnostic equipment suitable for use by the States in standardized high volume inspection facilities and to evaluate the repair characteristics of motor vehicles. Such project shall be designed to facilitate evaluation of repair characteristics by small automotive repair garages.

15 USC 1963a.

“PART C—AUTHORIZATION OF APPROPRIATIONS”.

Approved October 27, 1974.

Public Law 93-493

October 27, 1974
[H. R. 15736]

AN ACT

To authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes.

The Reclamation
Development Act
of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be known as “The Reclamation Development Act of 1974”.

Page, Arizona,
Community Act
of 1974.

TITLE I

INCORPORATION OF PAGE, ARIZONA

SEC. 101. It is the purpose of this title to separate that unincorporated area in Coconino County in the State of Arizona, commonly known as the town of Page, Arizona, from the Colorado River storage project in order that the United States may withdraw from the ownership and operation of the town and the people of that area may enjoy self-government, and to facilitate the establishment by the people of a municipal corporation under the laws of the State of Arizona by the transfer of certain Federal property described in section 103 of this title.

Definitions. SEC. 102. The following definitions shall apply to terms used in this title.

(a) The area referred to herein as Page, Arizona, includes the following described land:

PAGE TOWNSITE, ARIZONA

GILA AND SALT RIVER MERIDIAN, ARIZONA

	Acres
Township 40 north, range 8 east :	
Section 1. All -----	638. 94
Section 2. East half southwest quarter, southeast quarter-----	240. 00
Section 11. East half-----	320. 00
Section 12. All -----	639. 38
Township 41 north, range 8 east :	
Section 25. South half southwest quarter southeast quarter, south-east quarter southeast quarter-----	60. 00
Section 36. East half, south half northeast quarter northwest quarter, east half southwest quarter northwest quarter, southeast quarter northwest quarter, north-east quarter southwest quarter, east half northwest quarter southwest quarter, south half southwest quarter -----	540. 00
Township 40 north, range 9 east :	
Section 4. All -----	639. 48
Section 5. All -----	639. 84
Section 6. All -----	622. 74
Section 7. All -----	623. 68
Section 8. All -----	640. 00
Section 9. All -----	640. 00
Section 19. East half southwest quarter, southeast quarter-----	240. 00
Section 20. South half-----	320. 00
Township 41 north, range 9 east :	
Section 21. West half southwest quarter, west half southeast quarter southwest quarter, southeast quarter south-east quarter southwest quarter, southwest quarter southwest quarter southeast quarter-----	120. 00
Section 28. West half northeast quarter, northwest quarter south-east quarter northeast quarter, south half southeast quarter northeast quarter west half, southeast quarter -----	590. 00

PAGE TOWNSITE, ARIZONA—Continued

GILA AND SALT RIVER MERIDIAN, ARIZONA—Continued

Township 41 north, range 9 east :—Continued	Acres
Section 29. All -----	640. 00
Section 30. All -----	641. 20
Section 31. All -----	642. 00
Section 32. All -----	640. 00
Section 33. All -----	640. 00
Total -----	10, 717. 56

The boundary of Page, Arizona, is shown on drawing numbered 557-431-83, entitled "Page, Arizona, Townsite Boundary" which is on file in the Office of the Commissioner of Reclamation, Washington, District of Columbia.

(b) The term "municipality" shall mean Page, Arizona, after its incorporation as a municipality under the laws of the State of Arizona.

(c) The term "Secretary" shall mean the Secretary of the Interior.

(d) The term "municipal facilities" shall mean certain land, and the improvements thereon, in Page, Arizona, such as hospital, police, and fire protection systems, sewage and refuse disposal plants, water treatment and distribution facilities, streets and roads, parks, playgrounds, airport, cemetery, municipal government buildings, and other properties suitable or usable for local municipal purposes, including any fixtures, equipment, or other property appropriate to the operation, maintenance, replacement, or repairs of the foregoing, which are owned by the United States and under the jurisdiction of the Department of the Interior, Bureau of Reclamation, on the date of incorporation of Page, Arizona.

SEC. 103. Upon incorporation of Page, Arizona, as a municipality under the statutes of the State of Arizona, the Secretary shall:

(a) Transfer to the municipality without cost, subject to any existing leases granted by the United States, all improved or unimproved lands within Page, Arizona, owned by the United States, which the Secretary determines are not required in the administration, operation, and maintenance of Federal activities within or near Page, Arizona, and can properly be included within the municipality under the laws of the State of Arizona, except the land to be transferred pursuant to subsection (c) hereof, and to assign to the municipality without cost any leases granted by the United States on such land.

(b) Transfer to the appropriate school district without cost all right, title, and interest of the United States to the land in block 14-A and lot 1, block 16, as shown on the United States Department of the Interior, Bureau of Reclamation drawing numbered 557-431-87, April 29, 1971, which drawing is on file in the Office of the Commissioner of Reclamation, Washington, District of Columbia, together with improvements thereon owned by the United States at the time of the transfer.

(c) Transfer to the municipality without cost all rights, title, and interest of the United States in and to any land, and the improvements thereon, which may be contained in any reversionary clause of any dedication deed for land in Page, Arizona, issued by the United States.

(d) Transfer all activities and functions of a municipal character being performed by the United States to the municipality subject to the provisions of sections 104 and 107 of this title.

(e) Transfer to the municipality without cost the municipal facilities, as defined in subsection 102(d) of this title, except as provided under subsection 104(a) of this title.

(f) Assign to the municipality without cost those contracts to which the United States is a party, and which pertain to activities or functions to be transferred under subsection (c) of this section and are

Boundary drawing on file.

Land, improvements, facilities, activities and functions, transfer; leases and contracts, assignment.

properly assignable. This shall include contracts for furnishing water outside the boundaries of Page, Arizona, utilizing the municipal system: *Provided*, That the contract which the United States has executed with a private utility for furnishing and distributing electrical energy to the municipality shall be assigned to the municipality upon its request: *And provided further*, That in the assignment of the contract for the operation of the Page Hospital the operating fund balance under said contract, together with all hospital accounts receivable, shall be transferred to the municipality for the same purpose as a part of the assignment of said contract.

Water supply,
contract.

43 USC 620.

SEC. 104. There is hereby reserved for the Glen Canyon unit, Colorado River storage project, the consumptive use of not to exceed three thousand acre-feet of water per year from Lake Powell, of which not to exceed two thousand seven hundred and forty acre-feet of consumptive use of water are hereby assigned to the municipality, consistent with the Navajo Tribal Council resolution numbered CJN-50-69, dated June 3, 1969: *Provided*, That upon incorporation the municipality shall enter into a contract satisfactory to the Secretary covering payment for and delivery of such water pursuant to the Colorado River Storage Project Act of June 11, 1956 (70 Stat. 105), which contract shall among other things provide that:

(a) The reservation and assignment of the consumptive use of water from Lake Powell under this section shall be subject to the apportionments of consumptive use of water to the State of Arizona in article III of the Colorado River Compact and article III(a)(1) of the Upper Colorado River Basin Compact.

(b) Title to the water pumping and conveyance systems within the Glen Canyon Dam and powerplant necessary to supply water to the municipality for culinary, industrial, and municipal purposes shall be retained by the United States until the Congress provides otherwise.

(c) Such retained facilities shall be operated and maintained by the Secretary at the expense of the United States until termination of the fifth fiscal year following the year of incorporation. Not to exceed two thousand seven hundred and forty acre-feet of water per annum or three million gallons of water in any twenty-four-hour period, will be pumped by the United States from Lake Powell to the water treatment plant, or to such intermediate points of delivery as shall be mutually agreed upon by the municipality and the United States for use by the municipality.

(d) Beginning with the sixth year following incorporation and continuing through the tenth year, the municipality shall in each year pay to the United States proportionately increasing increments of the annual costs, including depreciation of the pumping equipment, involved in subsection (c) above with the objective that following the close of said tenth year the municipality shall thereafter bear such costs in total, according to the following schedule:

Year following incorporation:		Portion of cost in subsection (c) of section 104 to be paid to United States each year by municipal- ity (per centum)
Sixth	-----	20
Seventh	-----	40
Eighth	-----	60
Ninth	-----	80
Tenth	-----	80
Thereafter	-----	100

(e) Upon incorporation and at all times thereafter, the municipality shall bear all costs for operation, maintenance, and replacement of the municipal water system beyond Glen Canyon Dam and powerplant, including but not limited to filtration, treatment, and distribution of

water supplied pursuant to the water service contract with the United States.

SEC. 105. As soon as reasonably practicable after incorporation of the community, the Secretary is hereby authorized to complete all or any part of the following work which has not been completed at the date of incorporation.

Community programs, completion.

(a) Take census of population of the municipality within one year following incorporation.

(b) Repair existing twelve-inch water supply line, if inspection determines this is necessary.

(c) Paint interior of water storage reservoirs.

(d) Seal coat paved streets in municipality.

(e) Install water sprinkler system in Page cemetery.

(f) Improve streets, install curbs, gutters, and sidewalks as follows:

(1) North Navajo Drive:

(i) Pave streets to seventy-foot width from Ninth Avenue to relocated intersection of Aero Avenue and sixty-one-foot width from Aero Avenue to Tenth Avenue.

(ii) Place curb, gutter, and sidewalk on east side of North Navajo Drive from Aero Avenue to Tenth Avenue.

(2) Aero Avenue from North Navajo Drive to Future Street:

(i) Widen existing thirty-foot paved width to seventy-foot paved width.

(ii) Place curb, gutter, and sidewalk on both sides of street.

(3) Tenth Avenue from Future Street to Sandstone Street:

(i) Construct new pavement on north half of street and overlay south half of street.

(ii) Place curb and gutter only on north side of street.

(4) Future Street—Approximately two thousand one hundred and fifty feet beginning at Tenth Avenue and bordering east side of block 101 as shown on Page townsite and block plats:

(i) Pave street to fifty-two-foot width.

(ii) Place curb, gutter, and sidewalk on west side of street and curb and gutter only on east side of street.

(5) Hopi Avenue from Oak Avenue to west boundary of block 101:

(i) Pave street to forty-two-foot width.

(ii) Place curb, gutter and sidewalk on north side.

(iii) Place curb and gutter only on south side.

(g) Construct paved access road from United States Highway Numbered 89 to site of new sanitary landfill to be located in the northwest quarter, section 20, township 41 north, range 8 east, Gila and Salt River meridian, Arizona: *Provided*, That in the performance of the work authorized in this section, the Secretary may either cause the work to be done or transfer funds to the municipality for this purpose after ascertaining that each segment of work will be accomplished by a date certain and to standards satisfactory to the Secretary.

SEC. 106. (a) Upon incorporation the Secretary is authorized to make a lump-sum payment of \$500,000 to the municipality as assistance to the municipality in meeting the expenses of police and fire protection facilities and services, sewage system, refuse disposal, electrical distribution system, water treatment and distribution, streets and roads, library, park, playgrounds and other recreational facilities, municipal government buildings, and other properties and services required for municipal purposes.

Payment to municipality.

(b) To make a lump-sum payment of \$50,000 to the municipality for improvements to the Page Hospital.

SEC. 107. Upon incorporation, the United States will provide to the municipality, upon its request, the services of Federal personnel, while

Federal personnel, services provided to municipality.

they are employed by the United States in the operation and maintenance of the Glen Canyon unit of the Colorado River storage project, to assist in the transition from a federally administered community to a self-governing municipal corporation: *Provided*, That such assistance shall be for a maximum of six months following the date of incorporation: *And provided further*, That the total number of such employees shall be limited to ten at any time.

Limitations.

Funds, prohibition of additional use.

Transfer of funds.

SEC. 108. (a) Except as herein specifically provided, no assets of the Colorado River storage projects or moneys of the Upper Colorado River Basin Fund shall be utilized after incorporation of the municipality for carrying out the provisions of this Act.

(b) At the election of the municipality, the United States shall make electric power and associated energy available to the municipality from the Colorado River storage project at the 69 kilovolt bus of the existing power substation at scheduled rates effective from time to time for resale by the municipality to an electric utility: *Provided*, That the sale agreement between the municipality and such utility is completed before August 1, 1976: *And provided further*, That in lieu of such purchase and resale, there is hereby authorized to be appropriated from the Upper Colorado River Basin Fund and thereupon transferred to the municipality the amount necessary for the municipality to acquire the electric distribution facilities in Page, Arizona, in the event the municipality decides before August 1, 1976, to acquire said facilities through the exercise of its powers of eminent domain or the amount necessary for the municipality to acquire such facilities in accordance with the terms and conditions of the contract with the utility supplying the electricity. in the event the municipality exercises the option in said contract to acquire said electric distribution facilities: *Provided*, That the municipality agrees to repay with interest the amount of the funds so transferred in twenty equal annual installments: *Provided*, That the funds so repaid and the accrued interest thereon will be deposited in the Treasury to the credit of the aforesaid Upper Colorado River Basin Fund. The interest rate used for computing interest on the unpaid balance of funds transferred to the municipality for purposes of this subsection shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which the incorporation of Page, Arizona, occurs, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

Navajo Tribe, transfer of land to be held in trust.

SEC. 109. The Secretary of the Interior is authorized to transfer to the United States to be held in trust for the Navajo Tribe title to a tract of land situated within the southeast quarter of the southeast quarter, section 8, the southwest quarter, section 9, section 16, the east half of the northeast quarter, section 17, section 21, and the northeast quarter of the northeast quarter, section 28, all in township 41 north, range 9 east, Gila and Salt River meridian, Coconino County, Arizona, and containing eight hundred and eight acres, more or less, of which the particular description and drawing (Numbered 557-431-38 "Navajo Tribe—Antelope Creek Recreation Development Area Survey Traverse" dated May 22, 1969) are on file and available for public inspection in the office of the Bureau of Reclamation, Department of the Interior. The transfer of title to such land is made in consideration of Navajo Council Resolution Numbered CNJ-50-69 dated June 3, 1969, and with the understanding that the land so transferred shall thereafter constitute a part of the Navajo Reservation and shall be subject to all laws and regulations applicable to that reservation.

SEC. 110. The Congress hereby directs the Secretary of the Interior to facilitate the effectuation of Navajo Tribal Council Resolutions

CD 108-68 and CJN-50-69, subject to the provisions of the Colorado River Basin Project Act (82 Stat. 885).

43 USC 1501.

SEC. 111. The Secretary is hereby authorized, subject only to the provisions of this title to perform such acts, to delegate such authority, and to prescribe such rules and regulations, and establish such terms and conditions as he may deem necessary and appropriate for the purpose of carrying out the provisions of this title.

SEC. 112. The Upper Colorado River Basin Fund established pursuant to section 5 of the Act of April 11, 1956 (70 Stat. 105), shall be utilized as appropriate for carrying out the provisions of this title: *Provided*, That the total expenditures from the fund shall not exceed \$4,000,000. Payments made under the provisions of section 105 and section 106 of this title, and transfer, made under the provisions of subsection 108(b) will be made from revenues accruing to said basin fund from the sale of power from the Upper Colorado River storage project.

Funding.

43 USC 620.

SEC. 113. All authority of the Secretary under sections 101 through 112 of this title shall terminate five years following date of enactment unless incorporation of Page, Arizona, shall previously have been achieved.

Termination date.

SEC. 114. This title may be cited as the "Page, Arizona, Community Act of 1974".

TITLE II

CIBOLO PROJECT, TEXAS

SEC. 201. The Secretary of the Interior is authorized to construct, operate, and maintain the Cibolo project, Texas, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this title and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of storing, regulating, and furnishing water for municipal and industrial use, conserving and developing fish and wildlife resources, providing outdoor recreation opportunities, and controlling floods. The principal features of the project shall consist of a dam and reservoir on Cibolo Creek and public outdoor recreation facilities.

43 USC 600f.

43 USC 391 note.

SEC. 202. The interest rate used for computing interest during construction and interest on the unpaid balance of the reimbursable costs of the project shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest rate payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

Interest rate.
43 USC 600f-1.

SEC. 203. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of all the reimbursable construction costs.

Water delivery and reimbursable construction costs repayment, contracts.
43 USC 600f-2.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

43 USC 485h.

Maintenance and general operations of the project works, transfer.

(d) Upon execution of the contract referred to in subsection 203(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the

care, operation, and maintenance of the project works; and, after such transfer is made will reimburse the contractor annually for that portion of the year's joint operation and maintenance costs which, if the United States had continued to operate the project, would have been allocated to flood control, fish and wildlife, and recreation purposes. Prior to assuming care, operation, and maintenance of the project works the contracting entity or entities shall be obligated to operate them in accordance with regulations prescribed by the Secretary of the Army with respect to flood control, and by the Secretary of the Interior with respect to fish and wildlife and recreation.

(e) Upon execution of the contract referred to in subsection 203(a) above, and upon completion of construction of the project, the contracting entity or entities, their designee or designees, shall have a permanent right to use the reservoir and related facilities of the Cibolo project in accordance with said contract.

Fish, wildlife,
and recreation
conservation and
development.

43 USC 600f-3.

16 USC 460l-12.

Appropriations.

43 USC 600f-4.

SEC. 204. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Cibolo project shall be in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213).

SEC. 205. There is hereby authorized to be appropriated to defray construction costs of the Cibolo reclamation project allocable to flood control, fish and wildlife, and recreation the sum of \$24,160,000 (July 1973 prices) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein: *Provided*, That prior to appropriation of any Federal funds the San Antonio River Authority shall, pursuant to a contract satisfactory to the Secretary of the Interior, agree to advance funds for postauthorization planning and construction of the Cibolo reclamation project. The amount of funds to be advanced annually shall be in the proportion to the total annual fund requirements for the project as the construction cost allocated to municipal and industrial water is to the total cost of the project: *Provided further*, That the sum of funds advanced shall not exceed the total project cost allocated to municipal and industrial water. There are also authorized to be appropriated such additional sums as may be required for the operation and maintenance of the project. The discount rate to be used by the Secretary for allocating costs of the works authorized herein shall be the rate for the fiscal year of passage of this Act as derived by the Secretary of the Treasury utilizing the formula set forth in Senate Document Numbered 97, Eighty-seventh Congress, second session, as revised by the Water Resources Council announcement in the Federal Register of December 24, 1968.

TITLE III

MOUNTAIN PARK PROJECT, OKLAHOMA

Construction,
operation, and
maintenance,
authorization.

43 USC
616aaaa.

SEC. 301. In order to provide for the construction, operation, and maintenance of facilities to deliver a water supply to the city of Frederick, Oklahoma, from the Mountain Park reclamation project, section 1 of Public Law 90-503 (82 Stat. 853) is amended by deleting "Altus and Snyder, Oklahoma," and substituting therefor "Altus, Snyder, and Frederick, Oklahoma."

Appropriation.
43 USC
616ffff-1.

SEC. 302. The amount which section 6 of said Act authorizes to be appropriated is hereby further increased by the sum of \$6,057,000 (January 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering costs indexes applicable to the type of construction involved herein.

TITLE IV

CASITAS RESERVOIR OPEN SPACE, CALIFORNIA

SEC. 401. In order to provide for protection of the quality of water in Lake Casitas, and to provide for the preservation and enhancement of public outdoor recreation, fish and wildlife, and the environment of the area, the Secretary of the Interior is hereby authorized to acquire in the name of the United States certain privately owned lands within townships 3 and 4 north, ranges 23 and 24 west, San Bernardino base and meridian, lying outside the boundaries of the Los Padres National Forest, as generally depicted on the drawing entitled "Private Lands in Casitas Reservoir Watershed", numbered 767-208-237, and dated September 1972, which is on file and available for public inspection in the offices of the Bureau of Reclamation, Department of the Interior.

Boundries draw-
ing.

SEC. 402. (a) Within the area described in section 401 of this title, the Secretary may acquire such lands by donation, purchase with donated or appropriated funds, or exchange: *Provided*, That any lands owned by the State of California or any political subdivision thereof may be acquired only by donation.

Lands acquired
by donation.

(b) With respect to any property acquired for the purposes of this title, which is beneficially owned by a natural person and which the Secretary determines can be continued in private use for a limited period of time without undue interference with the administration and public use of the area, the owner may on the date of its acquisition by the Secretary retain a right of use and occupancy of such property for agricultural or noncommercial residential purposes for a term, as the owners may elect, ending either—

(1) at the death of the owner or spouse, whichever occurs later,
or

(2) not more than twenty-five years from the date of acquisition. Any right so retained may, during its existence, be transferred or assigned. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

Fair market
value.

(c) The Secretary may terminate the right of use and occupancy, retained pursuant to this section, upon his determination that such a right is being exercised in a manner not consistent with the purposes of this title and upon tender to the holder of the right an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(d) For the purposes of this title, "noncommercial residential property" shall mean any single family residence in existence or under construction as of July 1, 1974.

"Noncommercial
residential
property."

SEC. 403. The Secretary shall administer the lands to be acquired in accordance with the provisions of section 4 of the Act of July 9, 1965 (79 Stat. 213), and may issue such licenses, permits, or leases, or take such other action as may be required for proper management in accordance therewith. The lands will be kept in their natural state as permanent open space and may be managed by the Casitas Municipal Water District, or any other authorized non-Federal public body, as part of the Lake Casitas Recreation Area.

Land adminis-
tration.
16 USC 460l-15.

SEC. 404. There is authorized to be appropriated the sum of \$10,000,000 (April 1974 price levels) plus or minus such amounts as may be justified by changes in the price indexes for agricultural and noncommercial residential property in Ventura County, California. All funds authorized to be appropriated by this title shall be nonreimbursable.

Appropriation.

TITLE V

KLAMATH PROJECT RIGHT-OF-WAY, OREGON

Land convey-
ance to owners
of adjoining
lands.

Filing of
application.

Waiver and
release.

SEC. 501. The Secretary of the Interior is hereby authorized and directed to convey by quitclaim deed to the respective owners of record of those certain lots situated in those subdivisions of Klamath Falls, Oregon, respectively known as Mills Addition, Enterprise Tracts, Mills Garden, Old Orchard Manor, Sixth Street Addition, and Subdivision Block 803, and as such officially shown on the recorded plats of the city records, all right, title, and interest of the United States in the specific tracts of land now owned by the United States which collectively constitute the abandoned Klamath reclamation project "B" lateral canal right-of-way, as designated for general location purposes on Bureau of Reclamation drawing numbered 12-208-338, dated March 27, 1970, and filed for reference purposes in both the Klamath County recorder's office and the corresponding records of the city of Klamath Falls, to the extent that any such tract would constitute a contiguous addition to each of the lots in the above-named subdivisions if the boundaries of each of said lots were to be extended to include the affected portion of above-cited public lands of the United States. Such conveyance shall, in each instance, be made only upon application therefor by the owner of record of one of the affected lots within one year of the date of this Act: *Provided*, That said owner of record shall, to the satisfaction of the Secretary of the Interior, support such application at time of filing same with proof of ownership and an adequate description of the exterior boundaries of the parcel of Government interest land applied for. The Secretary of the Interior is authorized, as determined appropriate by him, to require payment of not more than \$100 per parcel of Government interest land applied for in addition to the cost of such conveyance.

SEC. 502. Acceptance of any conveyance made hereunder by any applicant shall constitute a complete and unconditional waiver and release by said applicant or applicants individually or collectively of any and all claims against the United States arising from or occasioned by use of the land by said applicant or his successors in interest.

TITLE VI

SOLANO PROJECT RECREATIONAL FACILITIES, CALIFORNIA

Maintenance and
operation of
public outdoor
recreation facil-
ities.

Rules and regu-
lations.

SEC. 601. In order to provide for the protection, use, and enjoyment of the esthetic and recreational values inherent in the Federal lands and waters at Lake Berryessa, Solano project, California, the Secretary of the Interior is hereby authorized to develop, operate, and maintain such short-term recreation facilities as he deems necessary for the safety, health, protection, and outdoor recreational use of the visiting public; to undertake a thorough and detailed review of all existing developments and uses on Federal lands to determine their compatibility with preservation of environmental values and their effectiveness in providing needed public services; to implement corrective procedures when necessary; and to otherwise administer the Federal land and water areas associated with said Lake Berryessa in such a manner that, in his opinion, will best provide for the public recreational use and enjoyment thereof, all to such an extent that said use is not incompatible with other authorized functions of the Solano project.

SEC. 602. The Secretary of the Interior shall make such rules and regulations as are necessary to carry out the provisions of this title and may enter into an agreement or agreements with the State of California, or political subdivision thereof, or a non-Federal agency or

agencies or organizations as appropriate, for the development of a recreation management plan, and for the management of recreation including the operation and maintenance of the facilities within the area. The agency performing the recreation management functions is authorized to establish and collect fees for the use of recreation facilities.

SEC. 603. There is authorized to be appropriated to the Secretary of the Interior the sum of \$3,000,000 (April 1974 price levels) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in development costs as indicated by cost indexes applicable to the types of development involved herein. There is also authorized to be appropriated such sums as may be necessary for administration of existing facilities and for operation and maintenance of the facilities authorized by this title.

Appropriation.

SEC. 604. All funds authorized to be appropriated by this title shall be nonreimbursable.

Nonreimbursable funds.

TITLE VII

MISCELLANEOUS DRAINAGE CONSTRUCTION, UTAH

SEC. 701. The Secretary of the Interior is authorized to construct drainage facilities for the Vernal Unit of the Central Utah project and the Emery County project to the extent that he determines necessary for the sustained crop production on the irrigable lands of these projects. The Secretary is further authorized to negotiate and execute amendments to contract numbered 14-06-400-778, dated July 14, 1958, between the United States and the Uintah Water Conservancy District and contract numbered 14-06-400-2427, dated May 15, 1962, between the United States and the Emery Water Conservancy District to provide for the cost of such drainage works to be paid from the Colorado River storage project basin fund with repayment to be based on ability of irrigation water users to repay as determined by the Secretary.

TITLE VIII

BELLE FOURCHE DAM REHABILITATION, SOUTH DAKOTA

SEC. 801. The Secretary of the Interior is authorized to construct, operate, and maintain an adequate spillway and to improve the upstream slope protection of Belle Fourche Dam, Belle Fourche project, Belle Fourche, South Dakota, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto) and the provisions of this title.

43 USC 391 note.

SEC. 802. Construction authorized by this title shall be for the safety of Belle Fourche Dam and shall not provide additional conservation storage capacity or develop benefits over and above those provided by the original dam and reservoir. Nothing in this title shall be construed to reduce the amount of project costs allocated to reimbursable purposes heretofore authorized.

Construction purposes.

SEC. 803. Reimbursement of costs associated with improving upstream slope protection on Belle Fourche Dam shall be limited to an amount equal to the estimated annual savings to the Belle Fourche Irrigation District in operation and maintenance expense over the remaining life of the district's repayment contract with the United States. The Secretary is hereby authorized to enter into an amendatory repayment contract with the Belle Fourche Irrigation District to effect such reimbursement without interest. All other costs of construction authorized by this title shall be nonreimbursable.

Amendatory repayment contract.

SEC. 804. There is hereby authorized to be appropriated for the construction authorized by this title the sum of \$3,620,000 (April 1974

Appropriation.

price levels) plus or minus such amounts, if any, as may be justified by reason of changes in construction costs as indicated by engineering cost indices applicable to the types of construction involved.

TITLE IX

GLENDON UNIT ROAD RECONSTRUCTION, WYOMING

SEC. 901. The Secretary of the Interior is authorized to relocate, reconstruct, and rehabilitate the road that was initially relocated in connection with the construction of Glendo Dam and Reservoir to provide a safe, durable, two-lane highway for public use.

Appropriation.

SEC. 902. There is hereby authorized to be appropriated for the relocation, reconstruction, and rehabilitation of said highway the sum of \$284,000 (January 1974 price levels) plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuation in construction cost indices applicable to the types of construction involved herein.

TITLE X

NUECES RIVER PROJECT, TEXAS

43 USC 600g.

43 USC 391
note.

SEC. 1001. The Secretary of the Interior is authorized to construct, operate, and maintain the Nueces River project, Texas, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and the provisions of this title and the plan set out in the report of the Secretary on this project with such modification of, omissions from, or additions to the works, as the Secretary may find proper and necessary for the purposes of storing, regulating, and furnishing water for municipal and industrial use, conserving and developing fish and wildlife resources, and providing outdoor recreation opportunities. The principal features of the project shall consist of the Choke Canyon Dam and Reservoir on the Frio River and public outdoor recreation and sport fishing facilities.

Costs, repayment.
43 USC 600g-1.

43 USC 390b.

SEC. 1002. (a) Costs of the project, allocated to municipal and industrial water supply, shall be repayable to the United States in not more than forty years under either the provisions of the Federal reclamation laws or under the provisions of the Water Supply Act of 1958 (title III of Public Law 85-500, 72 Stat. 319, and Acts mandatory thereof or supplementary thereto): *Provided*, That, in either case, repayment of costs allocated to municipal and industrial water supply shall include interest on the unamortized balance.

(b) The interest rate used for computing interest during construction and interest on the unpaid balance of the reimbursable costs of the project allocated to municipal and industrial water supply shall be determined by the Secretary of the Treasury, as of the beginning of the fiscal year in which construction of the project is commenced, on the basis of the computed average interest payable by the Treasury upon its outstanding marketable public obligations which are neither due nor callable for redemption for fifteen years from date of issue.

Water delivery,
reimbursable
construction
costs repayment,
contracts.
43 USC 600g-2.

SEC. 1003. (a) The Secretary is authorized to enter into a contract with a qualified entity or entities, for delivery of water and for repayment of the balance of the reimbursable construction costs.

(b) Construction of the project shall not be commenced until a suitable contract has been executed by the Secretary with a qualified entity or entities.

(c) Such contract may be entered into without regard to the last sentence of section 9, subsection (c), of the Reclamation Project Act of 1939.

43 USC 485h.

(d) Upon execution of the contract referred to in section 1003(a) above, and upon completion of construction of the project, the Secretary shall transfer to a qualified contracting entity or entities the care, operation, and maintenance of the project works, and, after such transfer is made, will credit annually against the contractors repayment obligation that portion of the year's joint operation and maintenance costs which, if the United States had continued to operate the project, would have been allocated to fish and wildlife and recreation purposes. Prior to assuming care, operation, and maintenance of the project works the contracting entity or entities shall agree to operate them in accordance with regulations prescribed by the Secretary of the Interior with respect to fish and wildlife and recreation.

Maintenance and general operations of the project works, transfer.

(e) Upon complete payment of the obligation assumed, including appropriate interest charges, the contracting entity or entities their designee or designees, shall have a permanent right to use the reservoir and related facilities of the Nueces River project in accordance with said contract.

SEC. 1004. The conservation and development of the fish and wildlife resources and the enhancement of recreation opportunities in connection with the Nueces River project shall be in accordance with provisions of the Federal Water Project Recreation Act (79 Stat. 213).

Fish, wildlife and recreation conservation and development.

SEC. 1005. There is hereby authorized to be appropriated for construction of the Nueces River project, Texas, the sum of \$50,000,000 (January 1974 prices), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein: *Provided*, That, prior to appropriation of any Federal funds, a qualified local entity shall, pursuant to a contract satisfactory to the Secretary, agree to advance on a schedule mutually acceptable to the local entity and the Secretary, the sum of not less than \$15,000,000 representing a non-Federal contribution toward implementation of this title.

43 USC 600g-3.
16 USC 4601-12.
Appropriation.
43 USC 600g-4.

Upon completion of the work authorized herein, the aforesaid \$15,000,000 shall be applied as a credit to the repayment obligation of the local entity for municipal and industrial water service.

The Secretary is authorized and directed, upon receipt of the aforesaid advance to proceed with postauthorization planning, preparation of designs and specifications, land acquisition, and award of construction contracts pending availability of appropriated funds.

At any time following the first advance of funds by the local entity, said entity may request that the Secretary terminate activities then in progress, return unexpended balances of the funds so advanced, assign to the local entity the rights to any contract in force, convey any real estate acquired by the advanced funds and provide any data, drawings, or other items of value procured with advanced funds to the local entity; and such request shall be binding upon the Secretary.

TITLE XI

FRYINGPAN-ARKANSAS PROJECT, COLORADO

SEC. 1101. Section 7 of the Act entitled "An Act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado", approved August 16, 1962 (76 Stat. 389), is amended by striking out "\$170,000,000 (June 1961 prices)" and inserting in lieu thereof "\$432,000,000 (January 1974 price levels)".

43 USC 616f.

SEC. 1102. For the purpose of increasing the hydroelectric generating capacity the Secretary of the Interior is authorized to construct, operate, and maintain a second one hundred-megawatt unit at the

Mount Elbert pumped storage powerplant site of the Fryingpan-Arkansas project, Colorado. The funds required to construct such unit are included in the amount authorized to be appropriated by section 1101 of this title.

TITLE XII

SAVAGE RAPIDS FISH WAY, OREGON

SEC. 1201. The Secretary of the Interior is hereby authorized and directed to construct the necessary facilities at Savage Rapids Dam, Grants Pass Division, Rogue River Basin, Oregon, to provide for improved anadromous fish passage at the dam. Such improvements will be substantially in accordance with the plan set forth in the joint special report of the Bureau of Reclamation and the Bureau of Sport Fisheries and Wildlife entitled "Anadromous Fish Passage Facilities, Savage Rapids Dam, March 1974". Operation and maintenance of the facilities herein authorized will be in conformity with procedures developed by the Oregon State Game Commission and will be performed by the Grants Pass Irrigation District at no cost to the United States.

Appropriations.

SEC. 1202. There is hereby authorized to be appropriated for construction of the facilities authorized by this Act the sum of \$851,000 (April 1974 price levels), plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein.

Nonreimbursable costs.

SEC. 1203. The cost of all construction authorized by this title shall be nonreimbursable.

TITLE XIII

FEASIBILITY STUDY AUTHORITIES

SEC. 1301. The Secretary of the Interior is hereby authorized to engage in feasibility studies of the following potential water resource development programs:

(1) A total water management study to consider and coordinate the results of other water-related studies concerning Solano County, California.

(2) A municipal and industrial water supply delivery system for delivery of water to the city of Yuma, Arizona.

(3) The Apple Creek unit, Pick-Sloan Missouri Basin program in North Dakota.

TITLE XIV

ELEPHANT BUTTE RECREATION POOL, NEW MEXICO

SEC. 1401. (a) Pending the negotiation of contracts and completion of construction for furnishing water supplies for tributary irrigation units as authorized by section 8 of the Act of Congress dated June 13, 1962 (Public Law 87-483; 76 Stat. 96), and subject to the availability of stored water in Heron Reservoir in excess of one hundred thousand acre-feet, which water is not required for existing authorized uses, the Secretary of the Interior is authorized to permit releases from the Heron Reservoir of the San Juan-Chama project to provide storage and establish a minimum recreation pool in Elephant Butte Reservoir. Such releases, to the extent of the available supply, shall be limited to providing fifty thousand acre-feet for the initial recreation pool and up to six thousand acre-feet of water delivered to Elephant Butte Reservoir annually, for a period not exceeding ten years from establishment of the recreation pool, to replace loss by

evaporation and other causes. Authorized releases, as provided above, are subject to and subordinated to any obligations under contracts for San Juan-Chama project water now or hereafter in force and for filling and maintaining a pool in Cochiti Reservoir under the Act of Congress dated March 26, 1964 (Public Law 88-293; 78 Stat. 171). The provisions of section 11(a) of the Act of June 13, 1962 (76 Stat. 96), requiring a contract satisfactory to the Secretary for the use of any water of the San Juan River are hereby expressly waived with respect to the use of water required to establish and maintain a permanent pool in Elephant Butte Reservoir: *Provided, however*, That nothing in this Act shall be construed to diminish, abridge, or impair any water rights of the Jicarilla, Southern Ute, Navajo and Ute Mountain Indians. Releases, as authorized by this title, shall be discontinued or reduced upon a finding by a court of competent jurisdiction that such releases are detrimental to such Indian water rights.

43 USC 615ss.
Water use con-
tract, waiver.

(b) The releases of water from Heron Reservoir authorized herein shall not be permitted unless and until the Rio Grande Compact Commission agrees by resolution that—

(1) the term “usable water” as defined in article I of the Rio Grande Compact shall not include San Juan-Chama project water stored in Elephant Butte Reservoir;

(2) in the determination of “actual spill” as that term is defined in article I of the Rio Grande Compact, neither the spill of “credit water”, as that term is defined in article I of the Rio Grande Compact, shall not occur until all San Juan-Chama project water stored in Elephant Butte Reservoir shall have been spilled; and

(3) the amount of evaporation loss chargeable to San Juan-Chama project water stored in Elephant Butte Reservoir shall be that increment of the evaporation loss from the storage of San Juan-Chama project water; the evaporation loss from the reservoir shall be taken as the difference between the gross evaporation from the water surface of Elephant Butte Reservoir and the rainfall on the same surface.

(c) Fifty per centum of any incremental costs incurred by the Secretary in the implementation of this title shall be borne by a non-Federal entity pursuant to arrangements satisfactory to the Secretary.

SEC. 1402. Nothing contained in this title shall be construed to increase the amount of money heretofore authorized to be appropriated for construction of the Colorado River storage project, any of its units, or of the Rio Grande project.

SEC. 1403. Nothing herein shall be construed to alter, amend, repeal, modify, or be in conflict with the provisions of the Rio Grande compact.

Approved October 27, 1974.

Public Law 93-494

AN ACT

To authorize appropriations for the Indian Claims Commission for fiscal year 1975.

October 27, 1974
[S. 3007]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated not to exceed \$1,450,000 to carry out the provisions of the Indian Claims Commission Act (25 U.S.C. 70), during fiscal year 1975.

Indian Claims
Commission.
Appropriation
authorization.

SEC. 2. The first sentence of the last paragraph in section 2 of the Act of August 13, 1946 (60 Stat. 1050; 25 U.S.C. 70a) is hereby

amended by striking the semicolon and the word “the” after the words “section 250 of title 28” and inserting in lieu thereof a colon and the following: “*Provided*, That expenditures for food, rations, or provisions shall not be deemed payments on the claim. The”.

Approved October 27, 1974.

Public Law 93-495

AN ACT

October 28, 1974
[H. R. 11221]

To increase deposit insurance from \$20,000 to \$40,000, to provide full insurance for public unit deposits of \$100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes.

Federal deposit
insurance, in-
crease.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO AND EXTENSIONS OF PROVISIONS OF LAW RELATING TO FEDERAL REGULATION OF DEPOSITORY INSTITUTIONS

FULL DEPOSIT INSURANCE FOR PUBLIC UNITS

12 USC 1811
note.

SECTION 101. (a) The Federal Deposit Insurance Act is amended—
(1) in subsection (m) of section 3 (12 U.S.C. 1813(m)), by inserting immediately after “depositor” in the first sentence the following: “(other than a depositor referred to in the third sentence of this subsection)”;

Intra.

(2) in subsection (i) of section 7 (12 U.S.C. 1817(i)), by striking out “Trust” and inserting in lieu thereof the following: “Except with respect to trust funds which are owned by a depositor referred to in paragraph (2) of section 11(a) of this Act, trust”; and

(3) in subsection (a) of section 11 (12 U.S.C. 1821(a)), by inserting “(1)” immediately after “(a)”, by striking out “The” in the last sentence and inserting in lieu thereof the following: “Except as provided in paragraph (2), the”, and by inserting at the end of such subsection the following:

Insured banks,
public funds in,
coverage.

“(2) (A) Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of deposit insurance available for the account of any one depositor, in the case of a depositor who is—

“(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank;

“(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in such State;

“(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in the District of Columbia; or

“(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, of the Virgin Islands, of American Samoa, or of Guam, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, or Guam, respectively;

his deposit shall be insured in an amount not to exceed \$100,000 per account.

“(b) The Corporation may limit the aggregate amount of funds that may be invested or deposited in time and savings deposits in any insured bank by any depositor referred to in subparagraph (A) of this paragraph on the basis of the size of any such bank in terms of its assets: *Provided, however*, such limitation may be exceeded by the pledging of acceptable securities to the depositor referred to in subparagraph (A) of this paragraph when and where required.”

(b) Title IV of the National Housing Act is amended—

Savings and
loan associa-
tions, public
funds in, cov-
erage.

(1) in section 401(b) (12 U.S.C. 1724(b)), by striking out “Funds” in the third sentence and inserting in lieu thereof the following: “Except in the case of an insured member referred to in the preceding sentence, funds”;

(2) in section 405(a) (12 U.S.C. 1728(a)), by inserting after “except that no member or investor” the following: “(other than a member or investor referred to in subsection (d))”; and

(3) by adding at the end of section 405 (12 U.S.C. 1728) the following new subsection:

“(d) (1) Notwithstanding any limitation in this subchapter or in any other provision of law relating to the amount of deposit insurance available for any one account, in the case of an insured member who is—

“(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing the same in an insured institution;

“(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in an insured institution in such State;

“(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing the same in an insured institution in the District of Columbia; or

“(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, or of the Virgin Islands, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in an insured institution in the Commonwealth of Puerto Rico or the Virgin Islands, respectively;

the account of such insured member shall be insured in an amount not to exceed \$100,000 per account.

“(2) The Corporation may limit the aggregate amount of funds that may be invested in any insured institution by any insured member referred to in paragraph (1) of this subsection on the basis of the size of any such institution in terms of its assets.”

(c) Subsection (c) of section 207 of the Federal Credit Union Act (12 U.S.C. 1787) is amended by—

Credit unions,
public funds in,
coverage.

(1) inserting “(1)” after “(c)”,

(2) striking out “For the purposes of this subsection,” and inserting in lieu thereof the following: “Subject to the provisions of paragraph (2), for the purposes of this subsection,” and

(3) adding at the end thereof the following:

“(2) (A) Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of insurance available for the account of any one depositor or member, in the case of a depositor or member who is—

“(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title;

“(ii) an officer, employee, or agent of any State of the United

States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title in such State;

“(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title in the District of Columbia; or

“(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, of the Panama Canal Zone, or of any territory or possession of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title in the Commonwealth of Puerto Rico, the Panama Canal Zone, or any such territory or possession, respectively;

his account shall be insured in an amount not to exceed \$100,000 per account.

“(B) The Administrator may limit the aggregate amount of funds that may be invested or deposited in any credit union insured in accordance with this title by any depositor or member referred to in subparagraph (A) on the basis of the size of any such credit union in terms of its assets.”

(d) Section 107(7) of the Federal Credit Union Act (12 U.S.C. 1757(7)) is amended by adding at the end thereof the following: “and to receive from an officer, employee, or agent of those nonmember units of Federal, State, or local governments and political subdivisions thereof enumerated in section 207 of this Act (12 U.S.C. 1787) and in the manner so prescribed payments on shares, share certificates, and share deposits;”.

12 USC 1464.

(e) Section 5(b)(2) of the Home Owners' Loan Act of 1933 is amended by inserting immediately after “security,” “may be surety as defined by the Board”.

Study,
42 USC 4275
note.

(f)(1) The Advisory Commission on Intergovernmental Relations (hereinafter referred to as the “Commission”) shall conduct a study of the impact of this section on funds available for housing and on State and local bond markets.

Report to
Congress.

(2) The Commission shall make a report to the Congress of the results of its study not later than two years after the date of enactment of this Act.

(3) There is authorized to be appropriated to the Commission such sums as may be necessary to carry out this subsection.

12 USC 1813
note.

(g) This section and the amendments made by it shall take effect on the thirtieth day beginning after the date of enactment of this Act.

INCREASED CEILING ON DEPOSIT INSURANCE: FEDERAL DEPOSIT INSURANCE CORPORATION

SEC. 102. (a) The following provisions of the Federal Deposit Insurance Act are amended by striking out “\$20,000” each place it appears therein and inserting in lieu thereof “\$40,000”:

- (1) The first sentence of section 3(m) (12 U.S.C. 1813(m)).
- (2) The first sentence of section 7(i) (12 U.S.C. 1817(i)).
- (3) The last sentence of section 11(a) (12 U.S.C. 1821(a)).
- (4) The fifth sentence of section 11(i) (12 U.S.C. 1821(i)).

12 USC 1813
note.

(b) The amendments made by this section are not applicable to any claim arising out of the closing of a bank prior to the effective date of this section.

Effective date,
12 USC 1813
note.

(c) The amendments made by this section shall take effect on the thirtieth day beginning after the date of enactment of this Act.

INCREASED CEILING ON DEPOSIT INSURANCE: FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 103. (a) The following provisions of title IV of the National Housing Act are amended by striking out "\$20,000" each place it appears therein and inserting in lieu thereof "\$40,000":

12 USC 1724.

(1) Section 401(b) (12 U.S.C. 1724(b)).

(2) Section 405(a) (12 U.S.C. 1728(a)).

(b) The amendments made by this section are not applicable to any claim arising out of a default, as defined in section 401(d) of the National Housing Act, where the appointment of a conservator, receiver, or other legal custodian as set forth in that section becomes effective prior to the effective date of this section.

12 USC 1724 note.

(c) The amendments made by this section shall take effect on the thirtieth day beginning after the date of enactment of this Act.

Effective date.
12 USC 1724 note.

INCREASED CEILING ON DEPOSIT INSURANCE: INSURED CREDIT UNIONS

SEC. 104. (a) The first sentence of section 207(c) of title II of the Federal Credit Union Act (12 U.S.C. 1787 (c)) is amended by striking out "\$20,000" and inserting in lieu thereof "\$40,000".

(b) The amendment made by this section is not applicable to any claim arising out of the closing of a credit union for liquidation on account of bankruptcy or insolvency pursuant to section 207 of title II of the Federal Credit Union Act (12 U.S.C. 1787) prior to the effective date of this section.

12 USC 1787 note.

(c) The amendment made by this section shall take effect on the thirtieth day beginning after the date of enactment of this Act.

Effective date.
12 USC 1787 note.

CONVERSION OF SAVINGS AND LOAN ASSOCIATIONS

SEC. 105. (a) Section 403(b) of the National Housing Act, as amended (12 U.S.C. 1726(b)), is amended by adding at the end thereof the following new sentence: "As used in this subsection the term 'reserves' shall, to such extent as the Corporation may provide, include capital stock and other items, as defined by the Corporation."

"Reserves."

(b) Section 12(i) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78l(i)), is amended to read as follows:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Act or institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation, the powers, functions, and duties vested in the Commission to administer and enforce sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16, (1) with respect to national banks and banks operating under the Code of Law for the District of Columbia are vested in the Comptroller of the Currency, (2) with respect to all other member banks of the Federal Reserve System are vested in the Board of Governors of the Federal Reserve System, (3) with respect to all other insured banks are vested in the Federal Deposit Insurance Corporation, and (4) with respect to institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation are vested in the Federal Home Loan Bank Board. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall have the power to make such rules and regulations as may be necessary for the execution of the functions vested in them as provided in this subsection. In carrying out their responsibilities under this subsection, the agencies named in the first sentence of this subsection shall issue substantially similar regulations to regulations and rules issued by the

12 USC 1811 note.

15 USC 78l, 78m, 78n, 78p.

15 USC 78l,
78m, 78n, 78p.

Publication in
Federal Regis-
ter.

Commission under sections 12, 13, 14(a), 14(c), 14(d), 14(f) and 16, unless they find that implementation of substantially similar regulations with respect to insured banks and insured institutions are not necessary or appropriate in the public interest or for protection of investors, and publish such findings, and the detailed reasons therefor, in the Federal Register. Such regulations of the above-named agencies, or the reasons for failure to publish such substantially similar regulations to those of the Commission, shall be published in the Federal Register within 120 days of the date of enactment of this subsection, and, thereafter, within 60 days of any changes made by the Commission in its relevant regulations and rules."

(c) Paragraph (5) of subsection (1) of section 407 of the National Housing Act, as amended (12 U.S.C. 1730(1)(5)), is amended by inserting after "disclosures" a comma and the following: "including proxy statements and the solicitation of proxies thereby."

(d) Subsection (j) of section 402 of the National Housing Act, as amended (12 U.S.C. 1725(j)), is amended to read as follows:

"(j)(1) Except as otherwise provided in this subsection, until June 30, 1976, the Corporation shall not approve, under regulations adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933, by order or otherwise, a conversion from the mutual to stock form of organization involving or to involve an insured institution, except that this sentence shall not be deemed to limit now or hereafter the authority of the Corporation to approve conversions in supervisory cases. The Corporation may by rule, regulation, or otherwise and under such civil penalties (which may be cumulative to any other remedies) as it may prescribe take whatever action it deems necessary or appropriate to implement or enforce this subsection.

12 USC 1464.

(2) The number of applications for conversion which the Corporation may approve pursuant to such regulations prior to such date shall be determined by the Corporation but shall not in any case be in excess of 1 per centum of the total number of all insured institutions in existence on the date of enactment, exclusive of the number of applications submitted for filing prior to May 22, 1973. *Provided*, that the Corporation shall process to final determination any application submitted for filing prior to May 22, 1973, pursuant to regulations in effect and adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933: with further proviso that, with respect to a plan of conversion of any such applicant which, before May 22, 1973, has given written public notice to its accountholders of adoption of a plan of conversion or has obtained waiver forms from substantially all its new accountholders subsequent to the giving of such notice, such plan need not require payment for stock distributed to accountholders as of a record date prior to the date of such notice.

"(3) Notwithstanding any other provision of law, an insured institution converting in accordance with this subsection may retain its Federal charter. The Corporation shall not, however, permit the conversion of Federally chartered associations in States the laws of which do not authorize the operation of State chartered stock associations, except that the prohibition contained in this sentence shall not apply to the District of Columbia, the Commonwealth of Puerto Rico, or a State where all insured institutions domiciled therein are Federally chartered.

"(4) Any aggrieved person may obtain review of a final action of the Federal Home Loan Bank Board or the Corporation which approves, with or without conditions, or disapproves a plan of conversion pursuant to this subsection only by complying with the provisions of subsection (k) of section 408 of this title (12 U.S.C. 1730a(k)) within the time limit and in the manner therein prescribed,

which provisions shall apply in all respects as if such final action were an order the review of which is therein provided for, except that such time limit shall commence upon publication of notice of such final action in the Federal Register or upon the giving of such general notice of such final action as is required by or approved under regulations of the Corporation, whichever is later.

Publication in
Federal Regis-
ter.

“(5) The Corporation shall, at least annually and more often as circumstances require, render reports to the Congress on the exercise of its authority under this subsection.

Reports to
Congress.

“(6) In implementing the provisions of this subsection the Corporation shall regulate the approvals granted so as to achieve (A) as much geographical dispersion as practicable; (B) an equitable distribution with respect to the size of converting institutions; (C) an appropriate distribution between State chartered and Federally chartered institutions; (D) timeliness of filing; (E) flexibility to the extent possible in plans of conversion taking into account the characteristics of particular converting institutions; (F) the meeting of capital needs; and (G) such other reasonable results as it may consider necessary or appropriate in the public interest.”

MORATORIUM ON CONVERSION OF FEDERAL DEPOSIT INSURANCE CORPORATION INSURED INSTITUTIONS

SEC. 106. Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by adding at the end thereof the following new subsection:

“(10) Until June 30, 1976, the responsible agency shall not grant any approval required by law which has the practical effect of permitting a conversion from the mutual to the stock form of organization, including approval of any application pending on the date of enactment of this subsection, except that this sentence shall not be deemed to limit now or hereafter the authority of the responsible agency to grant approvals in cases where the responsible agency finds that it must act in order to maintain the safety, soundness, and stability of an insured bank. The responsible agency may by rule, regulation, or otherwise and under such civil penalties (which shall be cumulative to any other remedies) as it may prescribe take whatever action it deems necessary or appropriate to implement or enforce this subsection.”

EXTENSION OF FLEXIBLE REGULATION OF INTEREST RATES AUTHORITY

SEC. 107. Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out “December 31, 1974” and inserting in lieu thereof “December 31, 1975”.

12 USC 461
note.

INCREASE DOLLARS LIMITATION ON THE COST FOR CONSTRUCTION OF FEDERAL RESERVE BANK BRANCH BUILDINGS

SEC. 108. The ninth paragraph of section 10 of the Federal Reserve Act, as amended (12 U.S.C. 522), is amended by striking out “\$60,000,000” and inserting in lieu thereof “\$140,000,000”.

PURCHASE OF UNITED STATES OBLIGATIONS BY FEDERAL RESERVE BANKS

SEC. 109. (a) Section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out “November 1, 1973” and inserting in lieu thereof “November 1, 1975” and by striking out “October 31, 1973” and inserting in lieu thereof “October 31, 1975”.

SUPERVISORY AUTHORITY OF THE BOARD OF GOVERNORS OF THE FEDERAL
RESERVE SYSTEM OVER BANK HOLDING COMPANIES AND THEIR NON-
BANKING SUBSIDIARIES

SEC. 110. Subsection (b) of section 8 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(b)), is amended by adding at the end thereof the following new paragraph:

“(3) This subsection and subsections (c), (d), (h), (i), (k), (l), (m), and (n) of this section shall apply to any bank holding company, and to any subsidiary (other than a bank) of a holding company, as those terms are defined in the Bank Holding Company Act of 1956, in the same manner as they apply to a State member insured bank.”

12 USC 1841
note.

INDEPENDENCE OF FINANCIAL REGULATORY AGENCIES

12 USC 250.

SEC. 111. No officer or agency of the United States shall have any authority to require the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, or the National Credit Union Administration to submit legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress if such recommendations, testimony, or comments to the Congress include a statement indicating that the views expressed therein are those of the agency submitting them and do not necessarily represent the views of the President.

INCREASE IN AUTHORITY OF THE TREASURY TO PURCHASE FEDERAL HOME
LOAN BANK OBLIGATIONS

SEC. 112. Subsection (i) of section 11 of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1431(i)), is amended as follows:

(1) In the fourth sentence of the first paragraph, strike out “subsection” both places it appears and insert in lieu thereof “paragraph”.

(2) Strike out the second paragraph and insert in lieu thereof the following:

“In addition to obligations authorized to be purchased by the preceding paragraph, the Secretary of the Treasury is authorized to purchase any obligations issued pursuant to this section in amounts not to exceed \$2,000,000,000. The authority provided in this paragraph shall expire August 10, 1975.

“Notwithstanding the foregoing, the authority provided in this subsection may be exercised during any calendar quarter beginning after the date of enactment of the Depository Institutions Amendments of 1974 only if the Secretary of the Treasury and the Chairman of the Federal Home Loan Bank Board certify to the Congress that (1) alternative means cannot be effectively employed to permit members of the Home Loan Bank System to continue to supply reasonable amounts of funds to the mortgage market, and (2) the ability to supply such funds is substantially impaired because of monetary stringency and a high level of interest rates. Any funds borrowed under this subsection shall be repaid by the Home Loan Banks at the earliest practicable date.”

Repayment of
funds.

AUTHORITY OF THE FEDERAL HOME LOAN MORTGAGE CORPORATION
TO PURCHASE MORTGAGES FROM STATE INSURED INSTITUTIONS

12 USC 1454.

SEC. 113. The first sentence of section 305(a)(1) of the Federal Home Loan Mortgage Corporation Act is amended by inserting “or

from any financial institution the deposits or accounts of which are insured under the laws of any State if the total amount of time and savings deposits held in all such institutions in that State is more than 20 per centum of the total amount of such deposits in all banks, building and loan, savings and loan, and homestead associations (including cooperative banks) in that State” immediately after “agency of the United States”.

TECHNICAL AMENDMENT

SEC. 114. (a) Section 7(d) (2) of the Act of August 16, 1973 (Public Law 93-100), is amended by striking out “the Commonwealth of Puerto Rico,”. 12 USC 548
note.

(b) The amendment made by subsection (a) applies with respect to any taxable year or other taxable period beginning on or after August 16, 1973.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION SECONDARY RESERVE ADJUSTMENT

SEC. 115. Paragraph (1) of subsection (d) of section 404 of the National Housing Act, as amended (12 U.S.C. 1727), is amended by inserting “(A)” immediately after “(d) (1)” and by adding at the end thereof the following:

“(B) (i) As used in this subparagraph (B), ‘minimum net reduction year’ means a year in which, at the close of December 31, the aggregate of the primary reserve and secondary reserve equals or exceeds 1¼ per centum of the total amount of all accounts of insured members of all insured institutions, and ‘beginning balance’ means, with respect to each insured institution, the amount of such institution’s pro rata share, if any, of the secondary reserve as of the close of December 31, 1973, plus any amount or amounts which, after such close, shall have been transferred to such institution under the last sentence of subsection (e) of this section. “Minimum net
reduction year.”

“Beginning
balance.”

“(ii) In May of each year succeeding each of the first ten minimum net reduction years occurring after December 31, 1973, the Corporation shall reduce the amount of each insured institution’s pro rata share, if any, of the secondary reserve as of the preceding December 31 by making to the extent available, a cash refund to each such institution of the difference, if any, between such pro rata share and the applicable percentage of its beginning balance prescribed in the following table:

	Percent of begin- ning balance
“Minimum net reduction year:	
1 -----	98. 1818182
2 -----	94. 5454546
3 -----	89. 0909091
4 -----	81. 8181818
5 -----	72. 7272727
6 -----	61. 8181818
7 -----	49. 0909091
8 -----	34. 5454546
9 -----	18. 1818182
10 -----	0. 0000000”.

CREDIT UNION MANAGEMENT: REASONABLE HEALTH AND ACCIDENT INSURANCE NOT CONSIDERED COMPENSATION

SEC. 116. Section 111 of the Federal Credit Union Act (12 U.S.C. 1761) is amended by striking the period at the end thereof and adding “: *Provided, however,* That reasonable health, accident, and similar insurance protection shall not be considered compensation under regulations promulgated by the Administrator.”.

TITLE II—NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

ESTABLISHMENT

12 USC 2401.

SEC. 201. There is established the National Commission on Electronic Fund Transfers (hereinafter referred to as the "Commission") which shall be an independent instrumentality of the United States.

MEMBERSHIP

12 USC 2402.

SEC. 202. (a) The Commission shall be composed of twenty-six members as follows:

(1) the Chairman of the Board of Governors of the Federal Reserve System or his delegate;

(2) the Attorney General or his delegate;

(3) the Comptroller of the Currency or his delegate;

(4) the Chairman of the Federal Home Loan Bank Board or his delegate;

(5) the Administrator of the National Credit Union Administration or his delegate;

(6) the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation or his delegate;

(7) the Chairman of the Federal Communications Commission or his delegate;

(8) the Postmaster General or his delegate;

(9) the Secretary of the Treasury or his delegate;

(10) the Chairman of the Federal Trade Commission or his delegate;

(11) two individuals, appointed by the President, one of whom is an official of a State agency which regulates banking, or similar financial institutions, and one of whom is an official of a State agency which regulates thrift or similar financial institutions;

(12) seven individuals, appointed by the President, who are officers or employees of, or who otherwise represent banking, thrift, or other business entities, including one representative each of commercial banks, mutual savings banks, savings and loan associations, credit unions, retailers, nonbanking institutions offering credit card services, and organizations providing interchange services for credit cards issued by banks;

(13) five individuals, appointed by the President, from private life who are not affiliated with, do not represent and have no substantial interest in any banking, thrift, or other financial institution, including but not limited to credit unions, retailers, and insurance companies;

(14) the Comptroller General of the United States or his delegate; and

(15) the Director of the Office of Technology Assessment.

(b) The Chairperson shall be designated by the President at the time of his appointment from among the members of the Commission and such selection shall be by and with the advice and consent of the Senate unless the appointee holds an office to which he was appointed by and with the advice and consent of the Senate.

(c) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

FUNCTIONS

Study.
12 USC 2403.

SEC. 203. (a) The Commission shall conduct a thorough study and investigation and recommend appropriate administrative action and

legislation necessary in connection with the possible development of public or private electronic fund transfer systems, taking into account, among other things—

- (1) the need to preserve competition among the financial institutions and other business enterprises using such a system;
 - (2) the need to promote competition among financial institutions and to assure Government regulation and involvement or participation in a system competitive with the private sector be kept to a minimum;
 - (3) the need to prevent unfair or discriminatory practices by any financial institution or business enterprise using or desiring to use such a system;
 - (4) the need to afford maximum user and consumer convenience;
 - (5) the need to afford maximum user and consumer rights to privacy and confidentiality;
 - (6) the impact of such a system on economic and monetary policy;
 - (7) the implications of such a system on the availability of credit;
 - (8) the implications of such a system expanding internationally and into other forms of electronic communications; and
 - (9) the need to protect the legal rights of users and consumers.
- (b) The Commission shall make an interim report within one year of its findings and recommendations and at such other times as it deems advisable and shall transmit to the President and to the Congress not later than two years after the date of enactment of this Act a final report of its findings and recommendations. Any such report shall include all hearing transcripts, staff studies, and other material used in preparation of the report. The interim and final reports shall be made available to the public upon transmittal. Sixty days after transmission of its final report the Commission shall cease to exist.
- (c) The Commission shall not be required to obtain the clearance of any Federal agency prior to the transmittal of any interim or final report.

Interim report.

Final report
to President
and Congress.

Termination
date.

POWERS OF COMMISSION

SEC. 204. (a) The Commission may for the purpose of carrying out this Act hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem advisable. The Commission may administer oaths of affirmations to witnesses appearing before it.

Hearings.
12 USC 2404.

(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(c) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) (1) The Commission shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

Subpoenas.

(2) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is con-

ducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

ADMINISTRATION

12 USC 2405.

SEC. 205. (a) The Commission—

(1) may appoint with the advice and consent of the Senate and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed \$150 a day for individuals.

(b) The Comptroller General is authorized to make detailed audits of the books and records of the Commission, and shall report the results of any such audit to the Commission and to the Congress.

5 USC 101 *et seq.*

5 USC 5101, 5331.

5 USC 5332 *note.*

Experts and consultants.

Audits, report to Congress.

COMPENSATION

12 USC 2406.

SEC. 206. (a) A member of the Commission who is an officer or employee of the United States shall serve as a member of the Commission without additional compensation, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

(b) A member of the Commission who is not otherwise an officer or employee of the United States shall be compensated at a rate of \$150 per day when engaged in the performance of his duties as a member of the Commission, and shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

ASSISTANCE OF GOVERNMENT AGENCIES

12 USC 2407.

SEC. 207. (a) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title.

(b) The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Commission may request to assist it in carrying out its functions.

AUTHORIZATION OF APPROPRIATIONS

SEC. 208. There are authorized to be appropriated without fiscal year limitations such sums, not to exceed \$2,000,000, as may be necessary to carry out the provisions of this title.

12 USC 2408.

TITLE III—FAIR CREDIT BILLING

Fair Credit
Billing Act.**§ 301. Short title**

This title may be cited as the "Fair Credit Billing Act".

15 USC 1601
note.**§ 302. Declaration of purpose**

The last sentence of section 102 of the Truth in Lending Act (15 U.S.C. 1601) is amended by striking out the period and inserting in lieu thereof a comma and the following: "and to protect the consumer against inaccurate and unfair credit billing and credit card practices."

§ 303. Definitions of creditor and open end credit plan

The first sentence of section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended to read as follows: "The term 'creditor' refers only to creditors who regularly extend, or arrange for the extension of, credit which is payable by agreement in more than four installments or for which the payment of a finance charge is or may be required, whether in connection with loans, sales of property or services, or otherwise. For the purposes of the requirements imposed under Chapter 4 and sections 127(a)(6), 127(a)(7), 127(a)(8), 127(b)(1), 127(b)(2), 127(b)(3), 127(b)(9), and 127(b)(11) of Chapter 2 of this Title, the term 'creditor' shall also include card issuers whether or not the amount due is payable by agreement in more than four installments or the payment of a finance charge is or may be required, and the Board shall, by regulation, apply these requirements to such card issuers, to the extent appropriate, even though the requirements are by their terms applicable only to creditors offering open end credit plans."

Post, p. 1512.
Infra.
15 USC 1637.**§ 304. Disclosure of fair credit billing rights**

(a) Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637(a)) is amended by adding at the end thereof a new paragraph as follows:

"(8) A statement, in a form prescribed by regulations of the Board of the protection provided by sections 161 and 170 to an obligor and the creditor's responsibilities under sections 162 and 170. With respect to each of two billing cycles per year, at semi-annual intervals, the creditor shall transmit such statement to each obligor to whom the creditor is required to transmit a statement pursuant to section 127(b) for such billing cycle."

Post, pp. 1512,
1515.

(b) Section 127(c) of such Act (15 U.S.C. 1637(c)) is amended to read:

"(c) In the case of any existing account under an open end consumer credit plan having an outstanding balance of more than \$1 at or after the close of the creditor's first full billing cycle under the plan after the effective date of subsection (a) or any amendments thereto, the items described in subsection (a), to the extent applicable and not previously disclosed, shall be disclosed in a notice mailed or delivered to the obligor not later than the time of mailing the next statement required by subsection (b)."

§ 305. Disclosure of billing contact

Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end thereof a new paragraph as follows:

“(11) The address to be used by the creditor for the purpose of receiving billing inquiries from the obligor.”

§ 306. Billing practices

The Truth in Lending Act (15 U.S.C. 1601-1665) is amended by adding at the end thereof a new chapter as follows:

“Chapter 4—CREDIT BILLING

“Sec.

“161. Correction of billing errors.

“162. Regulation of credit reports.

“163. Length of billing period.

“164. Prompt crediting of payments.

“165. Crediting excess payments.

“166. Prompt notification of returns.

“167. Use of cash discounts.

“168. Prohibition of tie-in services.

“169. Prohibition of offsets.

“170. Rights of credit card customers.

“171. Relation to State laws.

“§ 161. Correction of billing errors

15 USC 1666.

“(a) If a creditor, within sixty days after having transmitted to an obligor a statement of the obligor's account in connection with an extension of consumer credit, receives at the address disclosed under section 127(b)(11) a written notice (other than notice on a payment stub or other payment medium supplied by the creditor if the creditor so stipulates with the disclosure required under section 127(a)(8)) from the obligor in which the obligor—

Ante, p. 1511.

Ante, p. 1511.

“(1) sets forth or otherwise enables the creditor to identify the name and account number (if any) of the obligor,

“(2) indicates the obligor's belief that the statement contains a billing error and the amount of such billing error, and

“(3) sets forth the reasons for the obligor's belief (to the extent applicable) that the statement contains a billing error, the creditor shall, unless the obligor has, after giving such written notice and before the expiration of the time limits herein specified, agreed that the statement was correct—

“(A) not later than thirty days after the receipt of the notice, send a written acknowledgement thereof to the obligor, unless the action required in subparagraph (B) is taken within such thirty-day period, and

“(B) not later than two complete billing cycles of the creditor (in no event later than ninety days) after the receipt of the notice and prior to taking any action to collect the amount, or any part thereof, indicated by the obligor under paragraph (2) either—

“(i) make appropriate corrections in the account of the obligor, including the crediting of any finance charges on amounts erroneously billed, and transmit to the obligor a notification of such corrections and the creditor's explanation of any change in the amount indicated by the obligor under paragraph (2) and, if any such change is made and the obligor so requests, copies of documentary evidence of the obligor's indebtedness; or

“(ii) send a written explanation or clarification to the obligor, after having conducted an investigation, setting forth to the extent applicable the reasons why the creditor believes the account of the obligor was correctly shown in the statement and, upon request of the obligor, provide copies of documentary evidence of the obligor's indebtedness. In the case of a billing error where the obligor alleges that the creditor's billing statement reflects goods not delivered to

the obligor or his designee in accordance with the agreement made at the time of the transaction, a creditor may not construe such amount to be correctly shown unless he determines that such goods were actually delivered, mailed, or otherwise sent to the obligor and provides the obligor with a statement of such determination.

After complying with the provisions of this subsection with respect to an alleged billing error, a creditor has no further responsibility under this section if the obligor continues to make substantially the same allegation with respect to such error.

“(b) For the purpose of this section, a ‘billing error’ consists of any of the following:

Definitions.

“(1) A reflection on a statement of an extension of credit which was not made to the obligor or, if made, was not in the amount reflected on such statement.

“(2) A reflection on a statement of an extension of credit for which the obligor requests additional clarification including documentary evidence thereof.

“(3) A reflection on a statement of goods or services not accepted by the obligor or his designee or not delivered to the obligor or his designee in accordance with the agreement made at the time of a transaction.

“(4) The creditor’s failure to reflect properly on a statement a payment made by the obligor or a credit issued to the obligor.

“(5) A computation error or similar error of an accounting nature of the creditor on a statement.

“(6) Any other error described in regulations of the Board.

“(c) For the purposes of this section, ‘action to collect the amount, or any part thereof, indicated by an obligor under paragraph (2)’ does not include the sending of statements of account to the obligor following written notice from the obligor as specified under subsection (a), if—

“(1) the obligor’s account is not restricted or closed because of the failure of the obligor to pay the amount indicated under paragraph (2) of subsection (a), and

“(2) the creditor indicates the payment of such amount is not required pending the creditor’s compliance with this section.

Nothing in this section shall be construed to prohibit any action by a creditor to collect any amount which has not been indicated by the obligor to contain a billing error.

“(d) Pursuant to regulations of the Board, a creditor operating an open end consumer credit plan may not, prior to the sending of the written explanation or clarification required under paragraph (B) (ii), restrict or close an account with respect to which the obligor has indicated pursuant to subsection (a) that he believes such account to contain a billing error solely because of the obligor’s failure to pay the amount indicated to be in error. Nothing in this subsection shall be deemed to prohibit a creditor from applying against the credit limit on the obligor’s account the amount indicated to be in error.

“(e) Any creditor who fails to comply with the requirements of this section or section 162 forfeits any right to collect from the obligor the amount indicated by the obligor under paragraph (2) of subsection (a) of this section, and any finance charges thereon, except that the amount required to be forfeited under this subsection may not exceed \$50.

Noncompliance.

“§ 162. Regulation of credit reports

“(a) After receiving a notice from an obligor as provided in section 161(a), a creditor or his agent may not directly or indirectly threaten

15 USC 1666a.

to report to any person adversely on the obligor's credit rating or credit standing because of the obligor's failure to pay the amount indicated by the obligor under section 161(a)(2), and such amount may not be reported as delinquent to any third party until the creditor has met the requirements of section 161 and has allowed the obligor the same number of days (not less than ten) thereafter to make payment as is provided under the credit agreement with the obligor for the payment of undisputed amounts.

"(b) If a creditor receives a further written notice from an obligor that an amount is still in dispute within the time allowed for payment under subsection (a) of this section, a creditor may not report to any third party that the amount of the obligor is delinquent because the obligor has failed to pay an amount which he has indicated under section 161(a)(2), unless the creditor also reports that the amount is in dispute and, at the same time, notifies the obligor of the name and address of each party to whom the creditor is reporting information concerning the delinquency.

"(c) A creditor shall report any subsequent resolution of any delinquencies reported pursuant to subsection (b) to the parties to whom such delinquencies were initially reported.

"§ 163. Length of billing period

15 USC 1666b.

"(a) If an open end consumer credit plan provides a time period within which an obligor may repay any portion of the credit extended without incurring an additional finance charge, such additional finance charge may not be imposed with respect to such portion of the credit extended for the billing cycle of which such period is a part unless a statement which includes the amount upon which the finance charge for that period is based was mailed at least fourteen days prior to the date specified in the statement by which payment must be made in order to avoid imposition of that finance charge.

"(b) Subsection (a) does not apply in any case where a creditor has been prevented, delayed, or hindered in making timely mailing or delivery of such periodic statement within the time period specified in such subsection because of an act of God, war, natural disaster, strike, or other excusable or justifiable cause, as determined under regulations of the Board.

"§ 164. Prompt crediting of payments

15 USC 1666c.

"Payments received from an obligor under an open end consumer credit plan by the creditor shall be posted promptly to the obligor's account as specified in regulations of the Board. Such regulations shall prevent a finance charge from being imposed on any obligor if the creditor has received the obligor's payment in readily identifiable form in the amount, manner, location, and time indicated by the creditor to avoid the imposition thereof.

"§ 165. Crediting excess payments

15 USC 1666d.

"Whenever an obligor transmits funds to a creditor in excess of the total balance due on an open end consumer credit account, the creditor shall promptly (1) upon request of the obligor refund the amount of the overpayment, or (2) credit such amount to the obligor's account.

"§ 166. Prompt notification of returns

15 USC 1666e.

"With respect to any sales transaction where a credit card has been used to obtain credit, where the seller is a person other than the card issuer, and where the seller accepts or allows a return of the goods or forgiveness of a debit for services which were the subject of such sale, the seller shall promptly transmit to the credit card issuer, a credit statement with respect thereto and the credit card issuer shall credit the account of the obligor for the amount of the transaction.

“§ 167. Use of cash discounts

“(a) With respect to credit card which may be used for extensions of credit in sales transactions in which the seller is a person other than the card issuer, the card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means rather than use a credit card.

15 USC 1666f.

“(b) With respect to any sales transaction, any discount not in excess of 5 per centum offered by the seller for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card shall not constitute a finance charge as determined under section 106, if such discount is offered to all prospective buyers and its availability is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board.

“§ 168. Prohibition of tie-in services

“Notwithstanding any agreement to the contrary, a card issuer may not require a seller, as a condition to participating in a credit card plan, to open an account with or procure any other service from the card issuer or its subsidiary or agent.

15 USC 1666g.

“§ 169. Prohibition of offsets

“(a) A card issuer may not take any action to offset a cardholder's indebtedness arising in connection with a consumer credit transaction under the relevant credit card plan against funds of the cardholder held on deposit with the card issuer unless—

15 USC 1666h.

“(1) such action was previously authorized in writing by the cardholder in accordance with a credit plan whereby the cardholder agrees periodically to pay debts incurred in his open end credit account by permitting the card issuer periodically to deduct all or a portion of such debt from the cardholder's deposit account, and

“(2) such action with respect to any outstanding disputed amount not be taken by the card issuer upon request of the cardholder.

In the case of any credit card account in existence on the effective date of this section, the previous written authorization referred to in clause (1) shall not be required until the date (after such effective date) when such account is renewed, but in no case later than one year after such effective date. Such written authorization shall be deemed to exist if the card issuer has previously notified the cardholder that the use of his credit card account will subject any funds which the card issuer holds in deposit accounts of such cardholder to offset against any amounts due and payable on his credit card account which have not been paid in accordance with the terms of the agreement between the card issuer and the cardholder.

“(b) This section does not alter or affect the right under State law of a card issuer to attach or otherwise levy upon funds of a cardholder held on deposit with the card issuer if that remedy is constitutionally available to creditors generally.

“§ 170. Rights of credit card customers

“(a) Subject to the limitation contained in subsection (b), a card issuer who has issued a credit card to a cardholder pursuant to an open end consumer credit plan shall be subject to all claims (other than tort claims) and defenses arising out of any transaction in which the credit card is used as a method of payment or extension of credit if (1) the obligor has made a good faith attempt to obtain satisfactory resolution of a disagreement or problem relative to the transaction from the person honoring the credit card; (2) the amount of the initial

15 USC 1666i.

transaction exceeds \$50; and (3) the place where the initial transaction occurred was in the same State as the mailing address previously provided by the cardholder or was within 100 miles from such address, except that the limitations set forth in clauses (2) and (3) with respect to an obligor's right to assert claims and defenses against a card issuer shall not be applicable to any transaction in which the person honoring the credit card (A) is the same person as the card issuer, (B) is controlled by the card issuer, (C) is under direct or indirect common control with the card issuer, (D) is a franchised dealer in the card issuer's products or services, or (E) has obtained the order for such transaction through a mail solicitation made by or participated in by the card issuer in which the cardholder is solicited to enter into such transaction by using the credit card issued by the card issuer.

"(b) The amount of claims or defenses asserted by the cardholder may not exceed the amount of credit outstanding with respect to such transaction at the time the cardholder first notifies the card issuer or the person honoring the credit card of such claim or defense. For the purpose of determining the amount of credit outstanding in the preceding sentence, payments and credits to the cardholder's account are deemed to have been applied, in the order indicated, to the payment of: (1) late charges in the order of their entry to the account; (2) finance charges in order of their entry to the account; and (3) debits to the account other than those set forth above, in the order in which each debit entry to the account was made.

"§ 171. Relation to State laws

15 USC 1666j.

"(a) This chapter does not annul, alter, or affect, or exempt any person subject to the provisions of this chapter from complying with, the laws of any State with respect to credit billing practices, except to the extent that those laws are inconsistent with any provision of this chapter, and then only to the extent of the inconsistency. The Board is authorized to determine whether such inconsistencies exist. The Board may not determine that any State law is inconsistent with any provision of this chapter if the Board determines that such law gives greater protection to the consumer.

"(b) The Board shall by regulation exempt from the requirements of this chapter any class of credit transactions within any State if it determines that under the law of that State that class of transactions is subject to requirements substantially similar to those imposed under this chapter or that such law gives greater protection to the consumer, and that there is adequate provision for enforcement."

§ 307. Conforming amendments

(a) The table of chapters of the Truth in Lending Act is amended by adding immediately under item 3 the following:

"4. CREDIT BILLING..... 161"

(b) Section 111(d) of such Act (15 U.S.C. 1610(d)) is amended by striking out "and 130" and inserting in lieu thereof a comma and the following: "130, and 166".

(c) Section 121(a) of such Act (15 U.S.C. 1631(a)) is amended—

(1) by striking out "and upon whom a finance charge is or may be imposed"; and

(2) by inserting "or chapter 4" immediately after "this chapter".

(d) Section 121(b) of such Act (15 U.S.C. 1631(b)) is amended by inserting "or chapter 4" immediately after "this chapter".

(e) Section 122(a) of such Act (15 U.S.C. 1632(a)) is amended by inserting "or chapter 4" immediately after "this chapter".

(f) Section 122(b) of such Act (15 U.S.C. 1632(b)) is amended by inserting “or chapter 4” immediately after “this chapter”.

§ 308. Effective date

This title takes effect upon the expiration of one year after the date of its enactment. 15 USC 1666 note.

TITLE IV—AMENDMENTS TO THE TRUTH IN LENDING ACT

§ 401. Advertising; more-than-four-installment rule

(a) Chapter 3 of the Truth in Lending Act (15 U.S.C. 1661–1665) is amended by adding at the end thereof a new section as follows:

“§ 146. More-than-four-installment rule

“Any advertisement to aid, promote, or assist directly or indirectly the extension of consumer credit repayable in more than four installments shall, unless a finance charge is imposed, clearly and conspicuously state, in accordance with the regulations of the Board:

“‘THE COST OF CREDIT IS INCLUDED IN THE PRICE QUOTED FOR THE GOODS AND SERVICES.’”

(b) The table of sections of such chapter is amended by adding at the end thereof a new item as follows:

“146. More-than-four-installment rule.”.

§ 402. Agricultural credit exemption

Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended by adding at the end thereof a new paragraph as follows:

“(5) Credit transactions primarily for agricultural purposes in which the total amount to be financed exceeds \$25,000.”

§ 403. Administrative enforcement

(a) Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607(a)) is amended by striking out paragraph (4) and by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(b) Section 108(a) of such Act (15 U.S.C. 1607(a)) is amended by adding at the end thereof a new paragraph as follows:

“(6) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.” 12 USC 2001 note.

§ 404. Liens arising by operation of State law

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended—

(1) by striking out “is” the first time it appears in the first sentence of subsection (a) and inserting in lieu thereof “, including any such interest arising by operation of law, is or will be”; and

(2) by inserting after “obligor” the second time it appears in the first sentence of subsection (b) the following: “, including any such interest arising by operation of law,”.

§ 405. Time limit for right of rescission

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended by adding at the end thereof a new subsection as follows:

“(f) An obligor’s right of rescission shall expire three years after the date of consummation of the transaction or upon the sale of the property, whichever occurs earlier, notwithstanding the fact that the disclosures required under this section or any other material dis-

closures required under this chapter have not been delivered to the obligor.”

§ 406. Good faith compliance

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

“(f) No provision of this section or section 112 imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.”

§ 407. Liability for multiple disclosures

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

“(g) The multiple failure to disclose to any person any information required under this chapter to be disclosed in connection with a single account under an open end consumer credit plan, other single consumer credit sale, consumer loan, or other extension of consumer credit, shall entitle the person to a single recovery under this section but continued failure to disclose after a recovery has been granted shall give rise to rights to additional recoveries.”

§ 408. Civil liability

(a) Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended to read as follows:

“(a) Except as otherwise provided in this section, any creditor who fails to comply with any requirement imposed under this chapter or chapter 4 of this title with respect to any person is liable to such person in an amount equal to the sum of—

“(1) any actual damage sustained by such person as a result of the failure;

“(2) (A) in the case of an individual action twice the amount of any finance charge in connection with the transaction, except that the liability under this subparagraph shall not be less than \$100 nor greater than \$1,000; or

“(B) in the case of a class action, such amount as the court may allow, except that as to each member of the class no minimum recovery shall be applicable, and the total recovery in such action shall not be more than the lesser of \$100,000 or 1 per centum of the net worth of the creditor; and

“(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney’s fee as determined by the court.

In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor’s failure of compliance was intentional.”

(b) Section 130(b) of such Act (15 U.S.C. 1640(b)) is amended by inserting after “this section” the first place it appears the following: “for any failure to comply with any requirement imposed under this chapter.”

(c) Section 130(c) of such Act (15 U.S.C. 1640(c)) is amended by striking out “chapter” and inserting in lieu thereof “title”.

(d) Section 130 of such Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

“(h) A person may not take any action to offset any amount for which a creditor is potentially liable to such person under subsection

(a)(2) against any amount owing to such creditor by such person, unless the amount of the creditor's liability to such person has been determined by judgment of a court of competent jurisdiction in an action to which such person was a party."

(e) The amendments made by sections 406, 407, and 408 shall apply in determining the liability of any person under chapter 2 or 4 of the Truth in Lending Act, unless prior to the date of enactment of this Act such liability has been determined by final judgment of a court of competent jurisdiction and no further review of such judgment may be had by appeal or otherwise. 15 USC 1640
note.

§ 409. Full statement of closing costs

Section 121 of the Truth in Lending Act (15 U.S.C. 1631) is amended by adding at the end thereof a new subsection as follows:

"(c) For the purpose of subsection (a), the information required under this chapter shall include a full statement of closing costs to be incurred by the consumer, which shall be presented, in accordance with the regulations of the Board—

"(1) prior to the time when any downpayment is made, or

"(2) in the case of a consumer credit transaction involving real property, at the time the creditor makes a commitment with respect to the transaction.

The Board may provide by regulation that any portion of the information required to be disclosed by this section may be given in the form of estimates where the provider of such information is not in a position to know exact information."

§ 410. Business use of credit cards

(a) Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631-1644) is amended by adding the following new section at the end thereof:

"§ 135. Business credit cards

"The exemption provided by section 104(1) does not apply to the provisions of sections 132, 133, and 134, except that a card issuer and a business or other organization which provides credit cards issued by the same card issuer to ten or more of its employees may by contract agree as to liability of the business or other organization with respect to unauthorized use of such credit cards without regard to the provisions of section 133, but in no case may such business or other organization or card issuer impose liability upon any employee with respect to unauthorized use of such a credit card except in accordance with and subject to the limitations of section 133."

15 USC 1645.
15 USC 1642,
1643, 1644.

(b) The table of sections of such chapter is amended by adding at the end thereof a new item as follows:

"135. Business credit cards."

§ 411. Identification of transaction

Section 127(b)(2) of the Truth in Lending Act (15 U.S.C. 1637(b)(2)) is amended to read as follows:

"(2) The amount and date of each extension of credit during the period and a brief identification on or accompanying the statement of each extension of credit in a form prescribed by regulations of the Board sufficient to enable the obligor to identify the transaction, or relate it to copies of sales vouchers or similar instruments previously furnished."

§ 412. Exemption for State lending agencies

Section 125(e) of the Truth in Lending Act (15 U.S.C. 1635(e)) is amended by striking the period at the end thereof and adding the following: "or to a consumer credit transaction in which an agency of a State is the creditor."

§ 413. Liability of assignees

(a) Chapter 1 of the Truth in Lending Act (15 U.S.C. 1601-1613) is amended by adding at the end thereof a new section as follows:

“§ 115. Liability of assignees

15 USC 1614.

“Except as otherwise specifically provided in this title, any civil action for a violation of this title which may be brought against the original creditor in any credit transaction may be maintained against any subsequent assignee of the original creditor where the violation from which the alleged liability arose is apparent on the face of the instrument assigned unless the assignment is involuntary.”

(b) The analysis of such chapter is amended by adding at the end thereof a new item as follows:

“115. Liability of assignees.”

§ 414. Credit card fraud

Section 134 of the Truth in Lending Act (15 U.S.C. 1644) is amended to read as follows:

“§ 134. Fraudulent use of credit card

“(a) Whoever knowingly in a transaction affecting interstate or foreign commerce, uses or attempts or conspires to use any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card to obtain money, goods, services, or anything else of value which within any one-year period has a value aggregating \$1,000 or more; or

“(b) Whoever, with unlawful or fraudulent intent, transports or attempts or conspires to transport in interstate or foreign commerce a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

“(c) Whoever, with unlawful or fraudulent intent, uses any instrumentality of interstate or foreign commerce to sell or transport a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

“(d) Whoever knowingly receives, conceals, uses, or transport money, goods, services, or anything else of value (except tickets for interstate or foreign transportation) which (1) within any one-year period has a value aggregating \$1,000 or more, (2) has moved in or is part of, or which constitutes interstate or foreign commerce, and (3) has been obtained with a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card; or

“(e) Whoever knowingly receives, conceals, uses, sells, or transports in interstate or foreign commerce one or more tickets for interstate or foreign transportation, which (1) within any one-year period have a value aggregating \$500 or more, and (2) have been purchased or obtained with one or more counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit cards; or

“(f) Whoever in a transaction affecting interstate or foreign commerce furnishes money, property, services, or anything else of value, which within any one-year period has a value aggregating \$1,000 or more, through the use of any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained—

Penalty.

shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.”

§ 415. Grace period for consumers

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended—

(1) by amending subsection (a)(1) to read as follows:

“(1) The conditions under which a finance charge may be imposed, including the time period (if any) within which any credit extended may be repaid without incurring a finance charge, except that the creditor may, at his election and without disclosure, impose no such finance charge if payment is received after the termination of such time period.”; and

(2) by amending subsection (b)(10) to read as follows:

“(10) The date by which or the period (if any) within which, payment must be made to avoid additional finance charges, except that the creditor may, at his election and without disclosure, impose no such additional finance charge if payment is received after such date or the termination of such period.”

§ 416. Effective date

This title takes effect upon the date of its enactment, except that sections 409 and 411 take effect upon the expiration of one year after the date of its enactment. 15 USC 1665a note.

TITLE V—EQUAL CREDIT OPPORTUNITY**§ 501. Short title**

This title may be cited as the “Equal Credit Opportunity Act”.

§ 502. Findings and purpose

The Congress finds that there is a need to insure that the various financial institutions and other firms engaged in the extensions of credit exercise their responsibility to make credit available with fairness, impartiality, and without discrimination on the basis of sex or marital status. Economic stabilization would be enhanced and competition among the various financial institutions and other firms engaged in the extension of credit would be strengthened by an absence of discrimination on the basis of sex or marital status, as well as by the informed use of credit which Congress has heretofore sought to promote. It is the purpose of this Act to require that financial institutions and other firms engaged in the extension of credit make that credit equally available to all creditworthy customers without regard to sex or marital status.

Equal Credit
Opportunity Act.
15 USC 1691
note.
15 USC 1691
note.

§ 503. Amendment to the Consumer Credit Protection Act

The Consumer Credit Protection Act (Public Law 90-321), is amended by adding at the end thereof a new title VII: 15 USC 1601 note.

“TITLE VII—EQUAL CREDIT OPPORTUNITY

“Sec.

“701. Prohibited discrimination.

“702. Definitions.

“703. Regulations.

“704. Administrative enforcement.

“705. Relation to State laws.

“706. Civil liability.

“707. Effective date.

“§ 701. Prohibited discrimination

“(a) It shall be unlawful for any creditor to discriminate against any applicant on the basis of sex or marital status with respect to any aspect of a credit transaction.

“(b) An inquiry of marital status shall not constitute discrimination for purposes of this title if such inquiry is for the purpose of ascer-

15 USC 1691.

taining the creditor's rights and remedies applicable to the particular extension of credit, and not to discriminate in a determination of creditworthiness.

“§ 702. Definitions

15 USC 1691a.

“(a) The definitions and rules of construction set forth in this section are applicable for the purposes of this title.

“(b) The term ‘applicant’ means any person who applies to a creditor directly for an extension, renewal, or continuation of credit, or applies to a creditor indirectly by use of an existing credit plan for an amount exceeding a previously established credit limit.

“(c) The term ‘Board’ refers to the Board of Governors of the Federal Reserve System.

“(d) The term ‘credit’ means the right granted by a creditor to a debtor to defer payment of debt or to incur debts and defer its payment or to purchase property or services and defer payment therefor.

“(e) The term ‘creditor’ means any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who participates in the decision to extend, renew, or continue credit.

“(f) The term ‘person’ means a natural person, a corporation, government or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.

“(g) Any reference to any requirement imposed under this title or any provision thereof includes reference to the regulations of the Board under this title or the provision thereof in question.

“§ 703. Regulations

15 USC 1691b.

“The Board shall prescribe regulations to carry out the purposes of this title. These regulations may contain but are not limited to such classifications, differentiation, or other provision, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith. Such regulations shall be prescribed as soon as possible after the date of enactment of this Act, but in no event later than the effective date of this Act.

“§ 704. Administrative enforcement

15 USC 1691c.

“(a) Compliance with the requirements imposed under this title shall be enforced under:

12 USC 1818.

“(1) Section 8 of the Federal Deposit Insurance Act, in the case of—

“(A) national banks, by the Comptroller of the Currency,

“(B) member banks of the Federal Reserve System (other than national banks), by the Board,

“(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation.

12 USC 1464.

12 USC 1730.

12 USC 1426,
1437.

“(2) Section 5(d) of the Home Owners’ Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions.

12 USC 1751.

“(3) The Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal Credit Union.

“(4) The Acts to regulate commerce, by the Interstate Commerce Commission with respect to any common carrier subject to those Acts.

“(5) The Federal Aviation Act of 1958, by the Civil Aeronautics Board with respect to any air carrier or foreign air carrier subject to that Act. 49 USC 1301
note.

“(6) The Packers and Stockyards Act, 1921 (except as provided in section 406 of that Act), by the Secretary of Agriculture with respect to any activities subject to that Act. 7 USC 181
note.
7 USC 226, 227.

“(7) The Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, and production credit association; 12 USC 2001
note.

“(8) The Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to brokers and dealers; and 15 USC 78a.

“(9) The Small Business Investment Act of 1958, by the Small Business Administration, with respect to small business investment companies. 15 USC 661
note.

“(b) For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law. The exercise of the authorities of any of the agencies referred to in subsection (a) for the purpose of enforcing compliance with any requirement imposed under this title shall in no way preclude the exercise of such authorities for the purpose of enforcing compliance with any other provision of law not relating to the prohibition of discrimination on the basis of sex or marital status with respect to any aspect of a credit transaction.

“(c) Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

15 USC 58.

“(d) The authority of the Board to issue regulations under this title does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this title.

“§ 705. Relation to State laws

“(a) A request for the signature of both parties to a marriage for the purpose of creating a valid lien, passing clear title, waiving inchoate rights to property, or assigning earnings, shall not constitute discrimination under this title: *Provided, however*, That this provision shall not be construed to permit a creditor to take sex or marital

15 USC 1691d.

status into account in connection with the evaluation of creditworthiness of any applicant.

“(b) Consideration or application of State property laws directly or indirectly affecting creditworthiness shall not constitute discrimination for purposes of this title.

“(c) Any provision of State law which prohibits the separate extension of consumer credit to each party to a marriage shall not apply in any case where each party to a marriage voluntarily applies for separate credit from the same creditor: *Provided*, That in any case where such a State law is so preempted, each party to the marriage shall be solely responsible for the debt so contracted.

“(d) When each party to a marriage separately and voluntarily applies for and obtains separate credit accounts with the same creditor, those accounts shall not be aggregated or otherwise combined for purposes of determining permissible finance charges or permissible loan ceilings under the laws of any State or of the United States.

“(e) Except as otherwise provided in this title, the applicant shall have the option of pursuing remedies under the provisions of this title in lieu of, but not in addition to, the remedies provided by the laws of any State or governmental subdivision relating to the prohibition of discrimination on the basis of sex or marital status with respect to any aspect of a credit transaction.

“§ 706. Civil liability

15 USC 1691e.

“(a) Any creditor who fails to comply with any requirement imposed under this title shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such applicant acting either in an individual capacity or as a representative of a class.

“(b) Any creditor who fails to comply with any requirement imposed under this title shall be liable to the aggrieved applicant for punitive damages in an amount not greater than \$10,000, as determined by the court, in addition to any actual damages provided in section 706(a): *Provided, however*, That in pursuing the recovery allowed under this subsection, the applicant may proceed only in an individual capacity and not as a representative of a class.

“(c) Section 706(b) notwithstanding, any creditor who fails to comply with any requirement imposed under this title may be liable for punitive damages in the case of a class action in such amount as the court may allow, except that as to each member of the class no minimum recovery shall be applicable, and the total recovery in such action shall not exceed the lesser of \$100,000 or 1 percent of the net worth of the creditor. In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

“(d) When a creditor fails to comply with any requirement imposed under this title, an aggrieved applicant may institute a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other action.

“(e) In the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court shall be added to any damages awarded by the court under the provisions of subsections (a), (b), and (c) of this section.

“(f) No provision of this title imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule,

regulation, or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

“(g) Without regard to the amount in controversy, any action under this title may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation.

“§ 707. Effective date

“This title takes effect upon the expiration of one year after the date of its enactment.”.

15 USC 1691
note.

TITLE VI—DISPOSITION OF ABANDONED MONEY ORDERS AND TRAVELER'S CHECKS

FINDINGS

SEC. 601. The Congress finds and declares that—

12 USC 2501.

(1) the books and records of banking and financial organizations and business associations engaged in issuing and selling money orders and traveler's checks do not, as a matter of business practice, show the last known addresses of purchasers of such instruments;

(2) a substantial majority of such purchasers reside in the States where such instruments are purchased;

(3) the States wherein the purchasers of money orders and traveler's checks reside should, as a matter of equity among the several States, be entitled to the proceeds of such instruments in the event of abandonment;

(4) it is a burden on interstate commerce that the proceeds of such instruments are not being distributed to the States entitled thereto; and

(5) the cost of maintaining and retrieving addresses of purchasers of money orders and traveler's checks is an additional burden on interstate commerce since it has been determined that most purchasers reside in the State of purchase of such instruments.

DEFINITIONS

SEC. 602. As used in this title—

12 USC 2502.

(1) “banking organization” means any bank, trust company, savings bank, safe deposit company, or a private banker engaged in business in the United States;

(2) “business association” means any corporation (other than a public corporation), joint stock company, business trust, partnership, or any association for business purposes of two or more individuals; and

(3) “financial organization” means any savings and loan association, building and loan association, credit union, or investment company engaged in business in the United States.

STATE ENTITLED TO ESCHEAT OR TAKE CUSTODY

SEC. 603. Where any sum is payable on a money order, traveler's check, or other similar written instrument (other than a third party bank check) on which a banking or financial organization or a business association is directly liable—

12 USC 2503.

(1) if the books and records of such banking or financial organization or business association show the State in which such

money order, traveler's check, or similar written instrument was purchased, that State shall be entitled exclusively to escheat or take custody of the sum payable on such instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum;

(2) if the books and records of such banking or financial organization or business association do not show the State in which such money order, traveler's check, or similar written instrument was purchased, the State in which the banking or financial organization or business association has its principal place of business shall be entitled to escheat or take custody of the sum payable on such money order, traveler's check, or similar written instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum, until another State shall demonstrate by written evidence that it is the State of purchase; or

(3) if the books and records of such banking or financial organizations or business association show the State in which such money order, traveler's check, or similar written instrument was purchased and the laws of the State of purchase do not provide for the escheat or custodial taking of the sum payable on such instrument, the State in which the banking or financial organization or business association has its principal place of business shall be entitled to escheat or take custody of the sum payable on such money order, traveler's check, or similar written instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum, subject to the right of the State of purchase to recover such sum from the State of principal place of business if and when the law of the State of purchase makes provision for escheat or custodial taking of such sum.

APPLICABILITY

12 USC 2501
note.

SEC. 604. This title shall be applicable to sums payable on money orders, traveler's checks, and similar written instruments deemed abandoned on or after February 1, 1965, except to the extent that such sums have been paid over to a State prior to January 1, 1974.

Approved October 28, 1974.

Public Law 93-496

AN ACT

October 28, 1974
[H. R. 15427]

To amend the Rail Passenger Service Act of 1970 to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Amtrak Improvement Act of 1974".

SEC. 2. Section 304(b) of the Rail Passenger Service Act of 1970 (45 U.S.C. 544(b)) is amended by striking out "owned" and inserting in lieu thereof "voted", and by adding at the end thereof the follow-

Amtrak Improve-
ment Act of 1974.
45 USC 501
note.
National Rail-
road Passenger
Corporation, stock
ownership.

ing new sentence: "If any railroad or any person controlling one or more railroads, as defined in section 1(3)(b) of the Interstate Commerce Act (49 U.S.C. 1(3)(b)), owns, directly or indirectly through subsidiaries or affiliated companies, nominees, or any person subject to its direction or control, a number of shares in excess of 33 $\frac{1}{3}$ per centum of the total number of common shares issued and outstanding, such excess number shall, for voting and quorum purposes, be deemed to be not issued and outstanding."

SEC. 3. Section 305 of such Act (45 U.S.C. 545) is amended by adding at the end thereof the following new subsections:

"(f) The Corporation shall, to the maximum extent practicable, directly perform all maintenance, rehabilitation, repair, and refurbishment of rail passenger equipment. Until the Corporation obtains, by purchase, lease, construction, or any other method of acquisition, Corporation-owned or controlled facilities which are adequate for the proper maintenance, repair, rehabilitation, and refurbishment of the rolling stock and other equipment and facilities of the Corporation, the railroads performing such services shall do so as expeditiously as possible.

Passenger
equipment maintenance and repair.

"(g) The Corporation shall advise, consult and cooperate with, and, upon request, is authorized to assist in any other manner the Secretary, the United States Railway Association, the Corps of Engineers, and the Consolidated Rail Corporation in order to facilitate completion and implementation of the Northeast Corridor project, as defined in section 206(a)(3) of the Regional Rail Reorganization Act of 1973, by the earliest practicable date. The Secretary shall assign the highest priority to the completion of such project."

Northeast Corridor project, completion.

45 USC 716.

SEC. 4. Section 305 of such Act is amended by adding at the end thereof the following new subsection:

Customs inspection, procedures.

"(f) The Secretary of the Treasury shall establish and maintain, in cooperation with the Corporation, customs inspection procedures aboard trains operated in international intercity rail passenger service under paragraph (7) of subsection (e) of this section, which procedures will be convenient for passengers and will result in the most rapid possible transit between embarkation and debarkation points on such service."

SEC. 5. (a) Section 403 of such Act (45 U.S.C. 563) is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following new subsection:

Rail service beyond basic system.

"(b) Any State, regional, or local agency may request of the Corporation rail passenger service beyond that included within the basic system. The Corporation shall institute such service if the State, regional, or local agency agrees to reimburse the Corporation for 66 $\frac{2}{3}$ per centum of the solely related costs and associated capital costs of such service, including interest on passenger equipment, less revenues attributable to such service."

(b) Such section 403 is amended by redesignating subsection (d) as subsection (c) and by adding at the end of such subsection the following new sentence: "In carrying out the provisions of this subsection, the Secretary shall give priority to experimental routes designed to extend intercity rail passenger service to the major population area of each of the contiguous 48 States which does not have such service to any large population area designated as part of the basic system."

Experimental routes.
45 USC 563.

45 USC 545.

SEC. 6. Section 305(d)(1) of such Act (45 U.S.C. 305(d)(1)) is amended to read as follows:

“(d)(1) The Corporation is authorized, to the extent financial resources are available—

Intermodal
transportation
terminal, design
and construction.

“(A) to acquire any property which the Secretary, acting in furtherance of his responsibility to design and construct an intermodal transportation terminal at Union Station in the District of Columbia, requests, upon assurance of full reimbursement by the Secretary; and

Intercity rail
passenger serv-
ice, land acqui-
sition.

“(B) to acquire any right-of-way, land, or other property (except right-of-way, land, or other property of a railroad or property of a State or political subdivision thereof or of any other governmental agency), which is required for the construction of tracks or other facilities necessary to provide intercity rail passenger service;

by the exercise of the right of eminent domain, in accordance with the provisions of this subsection, in the district court of the United States for the judicial district in which such property is located or in any such court if a single piece of property is located in more than one judicial district: *Provided*, That such right may only be exercised when the Corporation cannot acquire such property by contract or is unable to agree with the owner as to the amount of compensation to be paid.”.

Financial,
technical, and
advisory assist-
ance.

49 USC 1653.

“(i)(1) The Secretary shall provide financial, technical, and advisory assistance in accordance with this subsection for the purpose of (A) promoting on a feasibility demonstration basis the conversion of not less than three railroad passenger terminals into intermodal transportation terminals; (B) preserving railroad passenger terminals that have a reasonable likelihood of being converted or otherwise maintained pending the formulation of plans for reuse; and (C) stimulating State and local governments, local and regional transportation authorities, common carriers, philanthropic organizations, and other responsible persons to develop plans for the conversion of railroad passenger terminals into intermodal transportation terminals and civic and cultural activity centers.

Criteria.

“(2) Financial assistance for the purpose set forth in paragraph (1)(A) of this subsection shall be granted in accordance with the following criteria: (A) the railroad terminal can be converted to accommodate such other modes of transportation as the Secretary deems appropriate, including motorbus transportation, mass transit (rail or rubber tire), and airline ticket offices and passenger terminal providing direct transportation to area airports; (B) the railroad passenger terminal is listed on the National Register of Historic Places maintained by the Secretary of the Interior; (C) the architectural integrity of the railroad passenger terminal will be preserved and such judgment is concurred in by consultants recommended by the Chairman of the National Endowment of the Arts and the Advisory Council on Historic Preservation and retained for this purpose by the Secretary; (D) to the extent practicable, the use of station facilities for transportation purposes may be combined with use for other civic and cultural activities, especially when such use is recommended by the Advisory Council

on Historic Preservation or the Chairman of the National Endowment for the Arts, or the consultants retained by the Secretary upon their recommendation; and (E) the railroad passenger terminal and the conversion project meet such other criteria as the Secretary shall develop and promulgate in consultation with the Chairman of the National Endowment of the Arts and the Advisory Council on Historic Preservation. The Secretary shall make grants not later than July 1, 1976. The amount of the Federal share of any grant under this paragraph shall not exceed 60 per centum of the total cost of conversion of a railroad passenger terminal into an intermodal transportation terminal.

Grants, Federal
share.

“(3) Financial assistance for the purpose set forth in paragraph (1) (B) of this subsection may be granted in accordance with regulations, to any responsible person (including a governmental entity) who is empowered by applicable law, qualified, prepared, and committed, on an interim basis pending the formulation of plans for reuse, to maintain (and prevent the demolition, dismantling, or further deterioration of) a railroad passenger terminal: *Provided*, That (A) such terminal has, in the opinion of the Secretary, a reasonable likelihood of being converted to or conditioned for reuse as an intermodal transportation terminal, a civic or cultural activities center, or both; and (B) planning activity aimed at conversion or reuse has commenced and is proceeding in a competent manner. Funds appropriated for the purpose of this paragraph and paragraph (1) (B) of this subsection shall be expended in the manner most likely to maximize the preservation of railroad passenger terminals capable reasonably of conversion to intermodal transportation terminals or which are listed in the National Register of Historic Places maintained by the Secretary of the Interior or which are recommended (on the basis of architectural integrity and quality) by the Chairman of the National Endowment for the Arts or the Advisory Council on Historic Preservation. The amount of the Federal share of any grant under this paragraph shall not exceed 60 per centum of the total cost of such interim maintenance for a period not to exceed five years.

“(4) Financial assistance for the purpose set forth in paragraph (1) (C) of this subsection may be granted, in accordance with regulations, to a qualified person (including a governmental entity) who is prepared to develop practicable plans meeting the zoning, land use, and other requirements of the applicable State and local jurisdictions in which the rail passenger terminal is located as well as requirements under this subsection; who shall incorporate into the designs and plans proposed for the conversion of such terminal into an intermodal transportation terminal, a civic or cultural center, or both, features which reasonably appear likely to attract private investors willing to undertake the implementation of such planned conversion and its subsequent maintenance and operation; and who shall complete the designs and plans for such conversion within two years following the approval of the application for Federal financial assistance under this subsection. In making grants under this paragraph, the Secretary shall give preferential consideration to applicants whose completed designs and plans will be implemented and effectuated within three years after the date of completion. Funds appropriated for the purpose of this paragraph and paragraph (1) (C) of this subsection shall be expended in the manner most likely to maximize the conversion and continued public use of railroad passenger terminals which are listed in the National Register of Historic Places maintained by the Secretary of the Interior or which are recommended (on the basis of architectural integrity and quality) by the Advisory Council on Historic Preservation or the Chairman of the National Endowment for

the Arts. The amount of the Federal share of any grant under this paragraph shall not exceed 60 per centum of the total cost of the project or undertaking for which the financial assistance is provided.

Regulations.

"(5) Within ninety days after the date of enactment of this subsection, the Secretary shall issue, and may from time to time amend, regulations with respect to financial assistance under this subsection and procedures for the award of such assistance. Each application for assistance under this subsection shall be made in writing in such form and with such content and other submissions as the Secretary shall require.

"(6) The National Railroad Passenger Corporation shall give preference to using station facilities that would preserve buildings of historical and architectural significance.

Recordkeeping.

"(7) Each recipient of financial assistance under this subsection shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance was given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit. Until the expiration of three years after completion of such project or undertaking, the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such receipts which, in the opinion of the Secretary or the Comptroller General, may be related or pertinent to such financial assistance.

Audit.

Records, accessibility.

Appropriation.

"(8) There is authorized to be appropriated to the Secretary for the purpose set forth in paragraph (1)(A) of this subsection sums not to exceed \$15,000,000; (B) for the purpose set forth in paragraph (1)(B) of this subsection sums not to exceed \$5,000,000; and, (C) for the purpose set forth in paragraph (1)(C) of this subsection sums not to exceed \$5,000,000. Such sums as are appropriated shall remain available until expended.

"Civic and cultural activities."

"(9) As used in this subsection, 'civic and cultural activities' include, but are not limited to, libraries, musical and dramatic presentations, art exhibitions, adult education programs, public meeting place for community groups, convention visitors and others, and facilities for carrying on activities supported in whole or in part under Federal law.

"(10) Nothing in this subsection shall be construed to invalidate the eligibility of any station for funds designed to assist in its preservation or reuse under any other Federal program or statute."

Discontinuance of service.

SEC. 7. Section 404(b) of such Act (45 U.S.C. 564(b)), relating to discontinuance of service by the Corporation, is amended—

(1) by striking out "July 1, 1974" in paragraph (1) and paragraph (3) and inserting in lieu thereof in each such paragraph "July 1, 1975"; and

(2) by striking out "the expiration of the one-year period beginning on the date of enactment of this sentence" in the second sentence of paragraph (2) and inserting in lieu thereof "July 1, 1975".

Appropriation.

SEC. 8. (a) Section 601(a) of such Act (45 U.S.C. 601(a)), relating to authorization for appropriations, is amended (1) by striking out "\$334,300,000" and inserting in lieu thereof "\$534,300,000"; and (2) by adding at the end thereof the following new sentence: "Payments by the Secretary to the Corporation of appropriated funds shall

be made no more frequently than every 90 days, unless the Corporation, for good cause, requests more frequent payment before the expiration of any 90-day period.”.

SEC. 9. (a) Section 602(d) of such Act (45 U.S.C. 602(d)), relating to the maximum amount of guaranteed loans which may be outstanding at any time, is amended by striking out “\$500,000,000” and inserting in lieu thereof “\$900,000,000”.

Guaranty of
loans.

(b) Section 602 of such Act (45 U.S.C. 602) is amended by adding at the end thereof the following new subsections:

“(h) The Secretary shall, within 180 days after the date of enactment of this subsection, issue general guidelines designed to assist the Corporation in the formulation of capital and budgetary plans.

Guidelines.

“(i) Any request made by the Corporation for the guarantee of a loan pursuant to this section, which has been approved by the Board of Directors of the Corporation, shall be approved by the Secretary if, in the discretion of the Secretary, such request falls within the approved capital and budgetary guidelines issued under subsection (h).”.

Approval.

SEC. 10. Section 801(b) of such Act (45 U.S.C. 641(b)) is amended to read as follows:

Enforcement
procedures.

“(b) A civil action may be brought by the Commission to enforce any provision of subsection (a) of this section. The Department of Justice shall represent the Commission in all court proceedings pursuant to this subsection, except that in any case in which the Commission seeks to challenge action or inaction on the part of any party which the Department of Justice is representing, the Commission may be represented by its own attorneys. Unless the Attorney General notifies the Commission within 45 days of a request for representation that he will represent the Commission, such representation may be made by attorneys designated by the Commission. Any action to enforce the provisions of subsection (a) may be maintained in the district court of the United States for any district in which a defendant is found, resides, transacts business, or maintains an agent for service of process. All process in any such suit may be served in any judicial district in which the person to be served is an inhabitant or in which he may be found.”.

SEC. 11. Section 805(2) (A) of such Act (45 U.S.C. 644 (2) (A)) is amended—

Annual audit.

(1) by striking out the first two sentences and inserting in lieu thereof the following: “The Comptroller General of the United States shall conduct annually a performance audit of the activities and transactions of the Corporation in accordance with generally accepted management principles, and under such rules and regulations as may be prescribed by the Comptroller General. Any such audit shall be conducted at such place or places as the Comptroller General may deem appropriate.”; and

(2) by striking out “financial transactions” in the third sentence and inserting in lieu thereof “financial and other transactions”.

SEC. 12. The Rail Passenger Service Act of 1970 is amended by striking out “Rail Passenger Service Act of 1970” each place it appears and inserting in lieu thereof at each such place “Rail Passenger Service Act”.

26 USC 250,
45 USC 501 note.

SEC. 13. The High Speed Ground Transportation Act (49 U.S.C. 1631 et seq.) is amended by adding at the end thereof the following new section:

High-speed
ground transpor-
tation system,
study.

“SEC. 13. (a) The Secretary shall make an investigation and study, for the purpose of determining the social advisability, technical feasi-

49 USC 1643.

bility, and economic practicability, of a high-speed ground transportation system between the cities of Tijuana in the State of Baja California, Mexico, and Vancouver in the Province of British Columbia, Canada, by way of the cities of Seattle in the State of Washington, Portland in the State of Oregon, and Sacramento, San Francisco, Fresno, Los Angeles, and San Diego in the State of California. In carrying out such investigation and study the Secretary shall consider—

“(1) the various means of providing such transportation, including both existing modes and those under development, such as the tracked levitation vehicle;

“(2) the cost of establishing and operating such a system, including any acquisition of necessary rights-of-way;

“(3) the environmental impact of such a system, including the future environmental impact from air and other transportation modes if such a system is not established;

“(4) the factors which would determine the future adequacy and commercial success of any such system, including the speed at which it would operate, the quality of service which could be offered, its cost to potential users, its convenience to potential users, and its ability to expand to meet projected increases in demand;

“(5) the efficiency of energy utilization and impact on energy resources of such a system, including the future impact of existing transportation systems on energy resources if such a system is not established;

“(6) the ability of such a system to be integrated with other local and intrastate transportation systems, both existing and planned, in order to create balanced and comprehensive transit systems;

“(7) coordination with other studies undertaken on the State and local level;

“(8) the impact of the design and location of transportation lines in creating desirable patterns of population distribution and growth; and

“(9) such other matters as he deems appropriate.

“(b) In carrying out any investigation and study pursuant to this section, the Secretary shall consult with, and give consideration to the views of, the Civil Aeronautics Board, the Interstate Commerce Commission, the National Railroad Passenger Corporation, the Corps of Engineers, and regional, State, and local transportation planning agencies. The Secretary may, for the purpose of carrying out such investigation and study, enter into contracts and other agreements with public or private agencies, institutions, organizations, corporations or individuals, without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529; 41 U.S.C. 5).

“(c) The Secretary shall report the results of the study and investigation made pursuant to this section, together with his recommendations, to the Congress and the President no later than January 30, 1977. The Secretary shall submit an interim report to the Congress on January 30, 1976.

“(d) There are authorized to be appropriated not to exceed \$8,000,000 to carry out the provisions of this section.”.

SEC. 14. Section 202(b)(2) of the Interstate Commerce Act (49 U.S.C. 302(b)(2)), is amended by striking the period at the end of the second sentence thereof and by inserting in lieu thereof the following: “: *Provided*, That (1) any amendments of such standards, which

Contract au-
thority.

Reports to Pres-
ident and Con-
gress.

Appropriation.

are determined by the national organization of the State commissions and promulgated by the Commission prior to the initial effective date of such standards shall become effective on such initial effective date; and (2) after such standards become effective initially, any amendments of such standards, which are subsequently determined by the national organization of the State commissions, shall become effective at the time of promulgation or at such other time, subsequent to promulgation by the Commission, as may be determined by such organization."

SEC. 15. Section 4 of the Department of Transportation Act (49 U.S.C. 1653) is amended by inserting the following two new subsections at the end thereof:

"(h)(1) The Secretary is authorized, in consultation with the Secretary of the Interior, to design, plan, and coordinate the construction of a model intermodal transportation terminal at Union Station in the District of Columbia. Such terminal may combine the new railroad passenger station described in paragraph (4) of section 102(a) of Public Law 90-264, as amended, and accommodations for such other modes of transportation as the Secretary deems appropriate. To the extent practicable, the Secretary shall incorporate into the design and plans for such intermodal transportation terminal features which will make such facility a model facility and which will attract private investors willing to undertake the development and construction of the terminal.

Model intermodal
transportation ter-
minal in D.C.

40 USC 802.

"(2) Notwithstanding any provision of Public Law 90-264, as amended, in order to facilitate construction of such model intermodal transportation terminal, the Secretary of the Interior shall lease or transfer such space (including air space), which is not required for purposes of the National Visitor Center, as the Secretary of the Interior holds or may acquire north of the Union Station Building to such party or parties and upon such terms and conditions as the Secretary deems appropriate, notwithstanding section 321 of the Act of June 30, 1932 (40 U.S.C. 303(b)). The Secretary and the Secretary of the Interior may, to the extent required to complete a visitor center, agree to joint use of the concourse.

Lease or trans-
fer of space.

"(3) The design and plans for the intermodal terminal shall be completed within 2 years following enactment of this subsection. The construction of the intermodal terminal shall be completed within 5 years following enactment of this subsection.

Design, plans
and completion
dates.

"(4) There is authorized to be appropriated to the Secretary, for the purposes of carrying out this subsection, such sums as are necessary, not to exceed \$5,000,000.

Appropriation.

"(5) Nothing in this subsection (h) shall be construed as relieving the Washington Terminal Company, its successors or assigns, from the obligation to finance and construct a new railroad passenger station in compliance with the terms of paragraph (4) of section 102(a) of Public Law 90-264 (82 Stat. 43)."

SEC. 16. (a) Section 3(b) of the Department of Transportation Act (49 U.S.C. 1652(b)) is amended by striking out "Under Secretary" each place it appears and inserting in lieu thereof at each such place "Deputy Secretary".

(b) Section 9(p)(1) of the Department of Transportation Act (49 U.S.C. 1657(p)(1)) is amended by striking out "Under Secretary" and inserting in lieu thereof "Deputy Secretary".

(c) Section 5313 of title 5, United States Code, is amended by striking out "(7) Under Secretary of Transportation" and inserting in lieu thereof "(7) Deputy Secretary of Transportation".

Integration of rail service with other modes of transportation, study.

Report to Congress.

45 USC 645 note.

SEC. 17. The Secretary of Transportation shall conduct a study and report to the Congress within one year after the date of enactment of this section on the potential for integrating rail service provided by the National Railroad Passenger Corporation with other modes of transportation, including buses, with particular attention to the transportation needs of rural areas. Such study and report shall include an evaluation of the funding mechanisms to assist increased service by other modes of transportation, including buses, connected to rail service provided by the National Railroad Passenger Corporation where such assistance will provide the opportunity for increased utilization of such rail service, especially by persons residing in rural areas.

Approved October 28, 1974.

Public Law 93-497

AN ACT

October 29, 1974
[H. R. 12281]

To continue until the close of June 30, 1975, the suspension of duties on certain forms of copper, and for other purposes.

Certain copper, duty suspension; Internal Revenue Code of 1954, amendment.

Effective date, 19 USC 1202 note.

26 USC 334 note,
26 USC 334.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That items 911.10 (relating to copper waste and scrap), 911.11 (relating to articles of copper), 911.13 (relating to copper bearing ores and materials), 911.14 (relating to cement copper and copper precipitates), 911.15 (relating to black copper, blister copper, and anode copper), and 911.16 (relating to other unwrought copper) of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) are each amended by striking out "6/30/74" and inserting in lieu thereof "6/30/75".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after July 1, 1974.

SEC. 3. (a) Notwithstanding the provisions of section 334 of the Internal Revenue Code of 1954 (relating to basis of property received in liquidations), no adjustment to the basis of any property distributed in complete liquidation of a corporation prior to July 1, 1957, shall be made for any liability if—

(1) the distributor and distributee did not consider the liability relevant to the value of the stock with respect to which the distribution was made,

(2) the distributor and distributee reasonably relied upon a decision of a United States district court specifically adjudicating the amount of the liability and its affirmance by the appropriate United States court of appeals, and

(3) the amount of the liability so adjudicated was not greater than would be compensated for by insurance.

The provisions of this section apply without regard to whether such decision was subsequently reversed or modified by that United States court of appeals following distribution of such property in complete liquidation.

(b) To the extent that the liability described in subsection (a) is not compensated for by insurance or otherwise, the amount thereof shall be allowed as a deduction under the appropriate provision of the Internal Revenue Code of 1954 for the taxable year in which payment thereof was made and shall be effective in determining income tax liabilities of all taxable years prior thereto.

Approved October 29, 1974.

26 USC 1 et seq.

Public Law 93-498

AN ACT

To reduce losses of life and property, through better fire prevention and control, and for other purposes.

October 29, 1974
[S. 1769]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Fire Prevention and Control Act of 1974".

Federal Fire
Prevention and
Control Act of
1974.
15 USC 2201
note.

FINDINGS

SEC. 2. The Congress finds that—

(1) The National Commission on Fire Prevention and Control, established pursuant to Public Law 90-259, has made an exhaustive and comprehensive examination of the Nation's fire problem, has made detailed findings as to the extent of this problem in terms of human suffering and loss of life and property, and has made ninety thoughtful recommendations.

15 USC 2201.

(2) The United States today has the highest per capita rate of death and property loss from fire of all the major industrialized nations in the world.

15 USC 278f
notes.

(3) Fire is an undue burden affecting all Americans, and fire also constitutes a public health and safety problem of great dimensions. Fire kills 12,000 and scars and injures 300,000 Americans each year, including 50,000 individuals who require extended hospitalization. Almost \$3 billion worth of property is destroyed annually by fire, and the total economic cost of destructive fire in the United States is estimated conservatively to be \$11,000,000,000 per year. Firefighting is the Nation's most hazardous profession.

(4) Such losses of life and property from fire are unacceptable to the Congress.

(5) While fire prevention and control is and should remain a State and local responsibility, the Federal Government must help if a significant reduction in fire losses is to be achieved.

(6) The fire service and the civil defense program in each locality would both benefit from closer cooperation.

(7) The Nation's fire problem is exacerbated by (A) the indifference with which some Americans confront the subject; (B) the Nation's failure to undertake enough research and development into fire and fire-related problems; (C) the scarcity of reliable data and information; (D) the fact that designers and purchasers of buildings and products generally give insufficient attention to fire safety; (E) the fact that many communities lack adequate building and fire prevention codes; and (F) the fact that local fire departments spend about 95 cents of every dollar appropriated to the fire services on efforts to extinguish fires and only about 5 cents on fire prevention.

(8) There is a need for improved professional training and education oriented toward improving the effectiveness of the fire services, including an increased emphasis on preventing fires and on reducing injuries to firefighters.

(9) A national system for the collection, analysis, and dissemination of fire data is needed to help local fire services establish research and action priorities.

(10) The number of specialized medical centers which are properly equipped and staffed for the treatment of burns and the rehabilitation of victims of fires is inadequate.

(11) The unacceptably high rates of death, injury, and property loss from fire can be reduced if the Federal Government establishes a

coordinated program to support and reinforce the fire prevention and control activities of State and local governments.

PURPOSES

15 USC 2202.

SEC. 3. It is declared to be the purpose of Congress in this Act to—

- (1) reduce the Nation's losses caused by fire through better fire prevention and control;
- (2) supplement existing programs of research, training, and education, and to encourage new and improved programs and activities by State and local governments;
- (3) establish the National Fire Prevention and Control Administration and the Fire Research Center within the Department of Commerce; and
- (4) establish an intensified program of research into the treatment of burn and smoke injuries and the rehabilitation of victims of fires within the National Institutes of Health.

DEFINITIONS

15 USC 2203.

SEC. 4. As used in this Act, the term—

- (1) "Academy" means the National Academy for Fire Prevention and Control;
- (2) "Administration" means the National Fire Prevention and Control Administration established pursuant to section 5 of this Act;
- (3) "Administrator" means the Administrator of the National Fire Prevention and Control Administration;
- (4) "fire service" means any organization in any State consisting of personnel, apparatus, and equipment which has as its purpose protecting property and maintaining the safety and welfare of the public from the dangers of fire, including a private fire-fighting brigade. The personnel of any such organization may be paid employees or unpaid volunteers or any combination thereof. The location of any such organization and its responsibility for extinguishment and suppression of fires may include, but need not be limited to, a Federal installation, a State, city, town, borough, parish, county, fire district, fire protection district, rural fire district, or other special district. The terms "fire prevention", "firefighting", and "firecontrol" relate to activities conducted by a fire service;
- (5) "local" means of or pertaining to any city, town, county, special purpose district, unincorporated territory, or other political subdivision of a State;
- (6) "Secretary" means the Secretary of Commerce; and
- (7) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, the Trust Territory of the Pacific Islands and any other territory or possession of the United States.

ESTABLISHMENT OF THE NATIONAL FIRE PREVENTION AND CONTROL ADMINISTRATION

15 USC 2204.

SEC. 5. (a) ESTABLISHMENT OF ADMINISTRATION.—There is hereby established in the Department of Commerce an agency which shall be known as the National Fire Prevention and Control Administration.

(b) ADMINISTRATOR.—There shall be at the head of the Administration the Administrator of the National Fire Prevention and Control Administration. The Administrator shall be appointed by the Presi-

dent, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates (5 U.S.C. 5315). The Administrator shall report and be responsible to the Secretary.

(c) **DEPUTY ADMINISTRATOR.**—There shall be in the Administration a Deputy Administrator of the National Fire Prevention and Control Administration who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316). The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

PUBLIC EDUCATION

SEC. 6. The Administrator is authorized to take all steps necessary to educate the public and to overcome public indifference as to fire and fire prevention. Such steps may include, but are not limited to, publications, audiovisual presentations, and demonstrations. Such public education efforts shall include programs to provide specialized information for those groups of individuals who are particularly vulnerable to fire hazards, such as the young and the elderly. The Administrator shall sponsor and encourage research, testing, and experimentation to determine the most effective means of such public education.

15 USC 2205.

NATIONAL ACADEMY FOR FIRE PREVENTION AND CONTROL

SEC. 7. (a) ESTABLISHMENT.—The Secretary shall establish, at the earliest practicable date, a National Academy for Fire Prevention and Control. The purpose of the Academy shall be to advance the professional development of fire service personnel and of other persons engaged in fire prevention and control activities.

15 USC 2206.

(b) **SUPERINTENDENT.**—The Academy shall be headed by a Superintendent, who shall be appointed by the Secretary. In exercising the powers and authority contained in this section the Superintendent shall be subject to the direction of the Administrator.

(c) **POWERS OF SUPERINTENDENT.**—The Superintendent is authorized to—

(1) develop and revise curricula, standards for admission and performance, and criteria for the awarding of degrees and certifications;

(2) appoint such teaching staff and other personnel as he determines to be necessary or appropriate;

(3) conduct courses and programs of training and education, as defined in subsection (d) of this section;

(4) appoint faculty members and consultants without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and, with respect to temporary and intermittent services, to make appointments to the same extent as is authorized by section 3109 of title 5, United States Code;

5 USC 101 et seq.

(5) establish fees and other charges for attendance at, and subscription to, courses and programs offered by the Academy. Such fees may be modified or waived as determined by the Superintendent;

(6) conduct short courses, seminars, workshops, conferences, and similar education and training activities in all parts and localities of the United States;

(7) enter into such contracts and take such other actions as may be necessary in carrying out the purposes of the Academy; and

(8) consult with officials of the fire services and other interested persons in the exercise of the foregoing powers.

(d) PROGRAM OF THE ACADEMY.—The Superintendent is authorized to—

(1) train fire service personnel in such skills and knowledge as may be useful to advance their ability to prevent and control fires, including, but not limited to—

(A) techniques of fire prevention, fire inspection, firefighting, and fire and arson investigation;

(B) tactics and command of firefighting for present and future fire chiefs and commanders;

(C) administration and management of fire services;

(D) tactical training in the specialized field of aircraft fire control and crash rescue;

(E) tactical training in the specialized field of fire control and rescue aboard waterborne vessels; and

(F) the training of present and future instructors in the aforementioned subjects;

(2) develop model curricula, training programs, and other educational materials suitable for use at other educational institutions, and to make such materials available without charge;

(3) develop and administer a program of correspondence courses to advance the knowledge and skills of fire service personnel;

(4) develop and distribute to appropriate officials model questions suitable for use in conducting entrance and promotional examinations for fire service personnel; and

(5) encourage the inclusion of fire prevention and detection technology and practices in the education and professional practice of architects, builders, city planners, and others engaged in design and planning affected by fire safety problems.

(e) TECHNICAL ASSISTANCE.—The Administrator is authorized, to the extent that he determines it necessary to meet the needs of the Nation, to encourage new programs and to strengthen existing programs of education and training by local fire services, units, and departments, State and local governments, and private institutions, by providing technical assistance and advice to—

(1) vocational training programs in techniques of fire prevention, fire inspection, firefighting, and fire and arson investigation;

(2) fire training courses and programs at junior colleges; and

(3) four-year degree programs in fire engineering at colleges and universities.

Financial assistance.

(f) ASSISTANCE.—The Administrator is authorized to provide assistance to State and local fire service training programs through grants, contracts, or otherwise. Such assistance shall not exceed 4 per centum of the amount authorized to be appropriated in each fiscal year pursuant to section 17 of this Act.

(g) SITE SELECTION.—The Academy shall be located on such site as the Secretary selects, subject to the following provisions:

(1) The Secretary is authorized to appoint a Site Selection Board consisting of the Academy Superintendent and two other members to survey the most suitable sites for the location of the Academy and to make recommendations to the Secretary.

(2) The Site Selection Board in making its recommendations and the Secretary in making his final selection, shall give consideration to the training and facility needs of the Academy, environ-

mental effects, the possibility of using a surplus Government facility, and such other factors as are deemed important and relevant. The Secretary shall make a final site selection not later than 2 years after the date of enactment of this Act.

(h) CONSTRUCTION COSTS.—Of the sums authorized to be appropriated for the purpose of implementing the programs of the Administration, not more than \$9,000,000 shall be available for the construction of facilities of the Academy on the site selected under subsection (g) of this section. Such sums for such construction shall remain available until expended.

(i) EDUCATIONAL AND PROFESSIONAL ASSISTANCE.—The Administrator is authorized to—

(1) provide stipends to students attending Academy courses and programs, in amounts up to 75 per centum of the expense of attendance, as established by the Superintendent;

(2) provide stipends to students attending courses and non-degree training programs approved by the Superintendent at universities, colleges, and junior colleges, in amounts up to 50 per centum of the cost of tuition;

(3) make or enter into contracts to make payments to institutions of higher education for loans, not to exceed \$2,500 per academic year for any individual who is enrolled on a full-time basis in an undergraduate or graduate program of fire research or engineering which is certified by the Superintendent. Loans under this paragraph shall be made on such terms and subject to such conditions as the Superintendent and each institution involved may jointly determine; and

(4) establish and maintain a placement and promotion opportunities center in cooperation with the fire services, for firefighters who wish to learn and take advantage of different or better career opportunities. Such center shall not limit such assistance to students and graduates of the Academy, but shall undertake to assist all fire service personnel.

(j) BOARD OF VISITORS.—Upon establishment of the Academy, the Secretary shall establish a procedure for the selection of professionals in the field of fire safety, fire prevention, fire control, research and development in fire protection, treatment and rehabilitation of fire victims, or local government services management to serve as members of a Board of Visitors for the Academy. Pursuant to such procedure, the Secretary shall select eight such persons to serve as members of such Board of Visitors to serve such terms as the Secretary may prescribe. The function of such Board shall be to review annually the program of the Academy and to make comments and recommendations to the Secretary regarding the operation of the Academy and any improvements therein which such Board deems appropriate. Each member of such Board shall be reimbursed for any expenses actually incurred by him in the performance of his duties as a member of such Board.

(k) ACCREDITATION.—The Superintendent is authorized to establish a Committee on Fire Training and Education which shall inquire into and make recommendations regarding the desirability of establishing a mechanism for accreditation of fire training and education programs and courses, and the role which the Academy should play if such a mechanism is recommended. The Committee shall consist of the Superintendent as Chairman and eighteen other members appointed by the Administrator from among individuals and organizations possessing special knowledge and experience in the field of fire training and education or related fields. The Committee shall submit to the Administrator within two years after its appointment, a full and complete

Committee on
Fire Training and
Education.
Establishment.

Report to Ad-
ministrator.

Termination.

report of its findings and recommendations. Upon the submission of such report, the Committee shall cease to exist. Each appointed member of the Committee shall be reimbursed for expenses actually incurred in the performance of his duties as a member.

(1) **ADMISSION.**—The Superintendent is authorized to admit to the courses and programs of the Academy individuals who are members of the firefighting, rescue, and civil defense forces of the Nation and such other individuals, including candidates for membership in these forces, as he determines can benefit from attendance. Students shall be admitted from any State, with due regard to adequate representation in the student body of all geographic regions of the Nation. In selecting students, the Superintendent may seek nominations and advice from the fire services and other organizations which wish to send students to the Academy.

FIRE TECHNOLOGY

15 USC 2207.

SEC. 8. (a) TECHNOLOGY DEVELOPMENT PROGRAM.—The Administrator shall conduct a continuing program of development, testing, and evaluation of equipment for use by the Nation's fire, rescue, and civil defense services, with the aim of making available improved suppression, protective, auxiliary, and warning devices incorporating the latest technology. Attention shall be given to the standardization, compatibility, and interchangeability of such equipment. Such development, testing, and evaluation activities shall include, but need not be limited to—

(1) safer, less cumbersome articles of protective clothing, including helmets, boots, and coats;

(2) breathing apparatus with the necessary duration of service, reliability, low weight, and ease of operation for practical use;

(3) safe and reliable auxiliary equipment for use in fire prevention, detection, and control, such as fire location detectors, visual and audio communications equipment, and mobile equipment;

(4) special clothing and equipment needed for forest fires, brush fires, oil and gasoline fires, aircraft fires and crash rescue, fires occurring aboard waterborne vessels, and in other special firefighting situations;

(5) fire detectors and related equipment for residential use with high sensitivity and reliability, and which are sufficiently inexpensive to purchase, install, and maintain to insure wide acceptance and use;

(6) in-place fire prevention systems of low cost and of increased reliability and effectiveness;

(7) methods of testing fire alarms and fire protection devices and systems on a non-interference basis;

(8) the development of purchase specifications, standards, and acceptance and validation test procedures for all such equipment and devices; and

(9) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section.

(b) **LIMITATION.**—The Administration shall not engage in the manufacture or sale of any equipment or device developed pursuant to this section, except to the extent that it deems it necessary to adequately develop, test, or evaluate such equipment or device.

(c) **MANAGEMENT STUDIES.**—(1) The Administrator is authorized to conduct, directly or through contracts or grants, studies of the operations and management aspects of fire services, utilizing quantitative techniques, such as operations research, management economics, cost effectiveness studies, and such other techniques and methods as

may be applicable and useful. Such studies shall include, but need not be limited to, the allocation of resources, the optimum location of fire stations, the optimum geographical area for an integrated fire service, the manner of responding to alarms, the operation of citywide and regional fire dispatch centers, firefighting under conditions of civil disturbance, and the effectiveness, frequency, and methods of building inspections.

(2) The Administrator is authorized to conduct, directly or through contracts or grants, research concerning the productivity and efficiency of fire service personnel, the job categories and skills required by fire services under varying conditions, the reduction of injuries to fire service personnel, the most effective fire prevention programs and activities, and techniques for accurately measuring and analyzing the foregoing.

(3) The Administrator is authorized to conduct, directly or through contracts, grants, or other forms of assistance, development, testing, and demonstration projects to the extent deemed necessary to introduce and to encourage the acceptance of new technology, standards, operating methods, command techniques, and management systems for utilization by the fire services.

(4) The Administrator is authorized to assist the Nation's fire services, directly or through contracts, grants, or other forms of assistance, to measure and evaluate, on a cost-benefit basis, the effectiveness of the programs and activities of each fire service and the predictable consequences on the applicable local fire services of coordination or combination, in whole or in part, in a regional, metropolitan, or statewide fire service.

(d) RURAL ASSISTANCE.—The Administrator is authorized to assist the Nation's fire services, directly or through contracts, grants, or other forms of assistance, to sponsor and encourage research into approaches, techniques, systems, and equipment to improve fire prevention and control in the rural and remote areas of the Nation.

(e) COORDINATION.—In establishing and conducting programs under this section, the Administrator shall take full advantage of applicable technological developments made by other departments and agencies of the Federal Government, by State and local governments, and by business, industry, and nonprofit associations.

NATIONAL FIRE DATA CENTER

SEC. 9. (a) GENERAL.—The Administrator shall operate, directly or through contracts or grants, an integrated, comprehensive National Fire Data Center for the selection, analysis, publication, and dissemination of information related to the prevention, occurrence, control, and results of fires of all types. The program of such Data Center shall be designed to (1) provide an accurate nationwide analysis of the fire problem, (2) identify major problem areas, (3) assist in setting priorities, (4) determine possible solutions to problems, and (5) monitor the progress of programs to reduce fire losses. To carry out these functions, the Data Center shall gather and analyze—

15 USC 2208.

Data Center
program, func-
tions.

(1) information on the frequency, causes, spread, and extinguishment of fires;

(2) information on the number of injuries and deaths resulting from fires, including the maximum available information on the specific causes and nature of such injuries and deaths, and information on property losses;

(3) information on the occupational hazards faced by firefighters, including the causes of deaths and injuries arising, directly and indirectly, from firefighting activities;

(4) information on all types of firefighting activities, including inspection practices;

(5) technical information related to building construction, fire properties of materials, and similar information;

(6) information on fire prevention and control laws, systems, methods, techniques, and administrative structures used in foreign nations;

(7) information on the causes, behavior, and best method of control of other types of fire, including, but not limited to, forest fires, brush fires, fire underground, oil blow-out fires, and water-borne fires; and

(8) such other information and data as is deemed useful and applicable.

(b) **METHODS.**—In carrying out the program of the Data Center, the Administrator is authorized to—

(1) develop standardized data reporting methods;

(2) encourage and assist State, local, and other agencies, public and private, in developing and reporting information; and

(3) make full use of existing data gathering and analysis organizations, both public and private.

Information dissemination.

(c) **DISSEMINATION.**—The Administrator shall insure dissemination to the maximum extent possible of fire data collected and developed by the Data Center, and shall make such data, information, and analysis available in appropriate form to Federal agencies, State and local governments, private organizations, industry, business, and other interested persons.

MASTER PLANS

15 USC 2209.

SEC. 10. (a) GENERAL.—The establishment of master plans for fire prevention and control are the responsibility of the States and the political subdivisions thereof. The Administrator is authorized to encourage and assist such States and political subdivisions in such planning activities, consistent with his powers and duties under this Act.

Report to Congress.

(b) **REPORT.**—Four years after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the establishment and effectiveness of master plans in the field of fire prevention and control throughout the Nation. Such report shall include, but need not be limited to—

(1) a summary of the extent and quality of master planning activities;

(2) a summary and evaluation of master plans that have been prepared by States and political subdivisions thereof. Such summary and evaluation shall consider, with respect to each such plan (A) the characteristics of the jurisdiction adopting it, including, but not limited to, density and distribution of population; ratio of volunteer versus paid fire services; geographic location, topography, and climate; per capita rate of death and property loss from fire; size and characteristics of political subdivisions of the governmental units thereof; and socio-economic composition; and (B) the approach to development and implementation of the master plans;

(3) an evaluation of the best approach to the development and implementation of master plans (e.g., central planning by a State agency, regionalized planning within a State coordinated by a State agency, or local planning supplemented and coordinated by a State agency);

(4) an assessment of the costs and benefits of master plans;

(5) a recommendation to Congress on whether Federal financial assistance should be authorized in order that master plans can be developed in all States; and

(6) a model master plan or plans suitable for State and local implementation.

(c) **DEFINITION.**—For the purposes of this section, a “master plan” is one which will result in the planning and implementation in the area involved of a general program of action for fire prevention and control. Such master plan is reasonably expected to include (1) a survey of the resources and personnel of existing fire services and an analysis of the effectiveness of the fire and building codes in such area; (2) an analysis of short and long term fire prevention and control needs in such area; (3) a plan to meet the fire prevention and control needs in such area; and (4) an estimate of cost and realistic plans for financing the implementation of the plan and operation on a continuing basis and a summary of problems that are anticipated in implementing such master plan.

“Master plan.”

REIMBURSEMENT FOR COSTS OF FIREFIGHTING ON FEDERAL PROPERTY

SEC. 11. (a) CLAIM.—Each fire service that engages in the fighting of a fire on property which is under the jurisdiction of the United States may file a claim with the Administrator for the amount of direct expenses and direct losses incurred by such fire service as a result of fighting such fire. The claim shall include such supporting information as the Administrator may prescribe.

15 USC 2210.

(b) **DETERMINATION.**—Upon receipt of a claim filed under subsection (a) of this section, the Administrator shall determine—

(1) what payments, if any, to the fire service or its parent jurisdiction, including taxes or payments in lieu of taxes, the United States has made for the support of fire services on the property in question;

(2) the extent to which the fire service incurred additional firefighting costs, over and above its normal operating costs, in connection with the fire which is the subject of the claim; and

(3) the amount, if any, of the additional costs referred to in paragraph (2) of this subsection which were not adequately covered by the payments referred to in paragraph (1) of this subsection.

(c) **PAYMENT.**—The Secretary shall forward the claim and a copy of the Administrator's determination under subsection (b) (3) of this section to the Secretary of the Treasury. The Secretary of the Treasury shall, upon receipt of the claim and determination, pay such fire service or its parent jurisdiction, from any moneys in the Treasury not otherwise appropriated but subject to reimbursement (from any appropriations which may be available or which may be made available for the purpose) by the Federal department or agency under whose jurisdiction the fire occurred, a sum no greater than the amount determined with respect to the claim under subsection (b) (3) of this section.

(d) **ADJUDICATION.**—In the case of a dispute arising in connection with a claim under this section, the Court of Claims of the United States shall have jurisdiction to adjudicate the claim and enter judgment accordingly.

REVIEW OF CODES

SEC. 12. The Administrator is authorized to review, evaluate, and suggest improvements in State and local fire prevention codes, building codes, and any relevant Federal or private codes and regulations. In evaluating any such code or codes, the Administrator shall consider the human impact of all code requirements, standards, or provisions

State-local fire prevention codes, review.
15 USC 2211.

in terms of comfort and habitability for residents or employees, as well as the fire prevention and control value or potential of each such requirement, standard, or provision.

FIRE SAFETY EFFECTIVENESS STATEMENTS

15 USC 2212.

SEC. 13. The Administrator is authorized to encourage owners and managers of residential multiple-unit, commercial, industrial, and transportation structures to prepare Fire Safety Effectiveness Statements, pursuant to standards, forms, rules, and regulations to be developed and issued by the Administrator.

ANNUAL CONFERENCE

15 USC 2213.

SEC. 14. The Administrator is authorized to organize, or to participate in organizing, an annual conference on fire prevention and control. He may pay, in whole or in part, the cost of such conference and the expenses of some or all of the participants. All of the Nation's fire services shall be eligible to send representatives to each such conference to discuss, exchange ideas on, and participate in educational programs on new techniques in fire prevention and control. Such conferences shall be open to the public.

PUBLIC SAFETY AWARDS

15 USC 2214.

SEC. 15. (a) ESTABLISHMENT.—There are hereby established two classes of honorary awards for the recognition of outstanding and distinguished service by public safety officers—

(1) the President's Award For Outstanding Public Safety Service ("President's Award"); and

(2) the Secretary's Award For Distinguished Public Safety Service ("Secretary's Award").

(b) DESCRIPTION.—(1) The President's Award shall be presented by the President of the United States to public safety officers for extraordinary valor in the line of duty or for outstanding contribution to public safety.

(2) The Secretary's Award shall be presented by the Secretary, the Secretary of Defense, or by the Attorney General to public safety officers for distinguished service in the field of public safety.

(c) SELECTION.—The Secretary, the Secretary of Defense, and the Attorney General shall advise and assist the President in the selection of individuals to whom the President's Award shall be tendered and in the course of performing such duties they shall seek and review nominations for such awards which are submitted to them by Federal, State, county, and local government officials. They shall annually transmit to the President the names of those individuals determined by them to merit the award, together with the reasons therefor. Recipients of the President's Award shall be selected by the President.

(d) LIMITATION.—(1) There shall not be presented in any one calendar year in excess of twelve President's Awards.

(2) There shall be no limitation on the number of Secretary's Awards presented.

(e) AWARD.—(1) Each President's Award shall consist of—

(A) a medal suitably inscribed, bearing such devices and emblems, and struck from such material as the Secretary of the Treasury, after consultation with the Secretary, the Secretary of Defense, and the Attorney General deems appropriate. The Secretary of the Treasury shall cause the medal to be struck and furnished to the President; and

(B) an appropriate citation.

(2) Each Secretary's Award shall consist of an appropriate citation.

(f) REGULATIONS.—The Secretary, the Secretary of Defense, and the Attorney General are authorized and directed to issue jointly such regulations as may be necessary to carry out this section.

(g) DEFINITIONS.—As used in this section, the term "public safety officer" means a person serving a public agency, with or without compensation, as—

"Public safety officer."

- (1) a firefighter;
- (2) a law enforcement officer, including a corrections or court officer; or
- (3) a civil defense officer.

ANNUAL REPORT

SEC. 16. The Secretary shall report to the Congress and the President not later than June 30 of the year following the date of enactment of this Act and each year thereafter on all activities relating to fire prevention and control, and all measures taken to implement and carry out this Act during the preceding calendar year. Such report shall include, but need not be limited to—

Report to Congress and President.
15 USC 2215.

(a) a thorough appraisal, including statistical analysis, estimates, and long-term projections of the human and economic losses due to fire;

(b) a survey and summary, in such detail as is deemed advisable, of the research and technology program undertaken or sponsored pursuant to this Act;

(c) a summary of the activities of the Academy for the preceding 12 months, including, but not limited to—

- (1) an explanation of the curriculum of study;
- (2) a description of the standards of admission and performance;
- (3) the criteria for the awarding of degrees and certificates; and

(4) a statistical compilation of the number of students attending the Academy and receiving degrees or certificates;

(d) a summary of the activities undertaken to assist the Nation's fire services;

(e) a summary of the public education programs undertaken;

(f) an analysis of the extent of participation in preparing and submitting Fire Safety Effectiveness Statements;

(g) a summary of outstanding problems confronting the administration of this Act, in order of priority;

(h) such recommendations for additional legislation as are deemed necessary or appropriate; and

(i) a summary of reviews, evaluations, and suggested improvements in State and local fire prevention and building codes, fire services, and any relevant Federal or private codes, regulations, and fire services.

AUTHORIZATION OF APPROPRIATIONS

SEC. 17. There are authorized to be appropriated to carry out the foregoing provisions of this Act, except section 11 of this Act, such sums as are necessary, not to exceed \$10,000,000 for the fiscal year ending June 30, 1975, and not to exceed \$15,000,000 for the fiscal year ending June 30, 1976.

15 USC 2216.

FIRE RESEARCH CENTER

SEC. 18. The Act of March 3, 1901 (15 U.S.C. 278), is amended by striking out sections 16 and 17 (as added by title I of the Fire Preven-

15 USC 278f,
278g.

Establishment.
15 USC 278f.

tion and Control Act of 1968) and by inserting in lieu thereof the following new section:

"SEC. 16. (a) There is hereby established within the Department of Commerce a Fire Research Center which shall have the mission of performing and supporting research on all aspects of fire with the aim of providing scientific and technical knowledge applicable to the prevention and control of fires. The content and priorities of the research program shall be determined in consultation with the Administrator of the National Fire Prevention and Control Administration. In implementing this section, the Secretary is authorized to conduct, directly or through contracts or grants, a fire research program, including—

"(1) basic and applied fire research for the purpose of arriving at an understanding of the fundamental processes underlying all aspects of fire. Such research shall include scientific investigations of—

"(A) the physics and chemistry of combustion processes;

"(B) the dynamics of flame ignition, flame spread, and flame extinguishment;

"(C) the composition of combustion products developed by various sources and under various environmental conditions;

"(D) the early stages of fires in buildings and other structures, structural subsystems and structural components in all other types of fires, including, but not limited to, forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires, with the aim of improving early detection capability;

"(E) the behavior of fires involving all types of buildings and other structures and their contents (including mobile homes and highrise buildings, construction materials, floor and wall coverings, coatings, furnishings, and other combustible materials), and all other types of fires, including forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires;

"(F) the unique fire hazards arising from the transportation and use, in industrial and professional practices, of combustible gases, fluids, and materials;

"(G) design concepts for providing increased fire safety consistent with habitability, comfort, and human impact in buildings and other structures; and

"(H) such other aspects of the fire process as may be deemed useful in pursuing the objectives of the fire research program;

"(2) research into the biological, physiological, and psychological factors affecting human victims of fire, and the performance of individual members of fire services, including—

"(A) the biological and physiological effects of toxic substances encountered in fires;

"(B) the trauma, cardiac conditions, and other hazards resulting from exposure to fire;

"(C) the development of simple and reliable tests for determining the cause of death from fires;

"(D) improved methods of providing first aid to victims of fires;

"(E) psychological and motivational characteristics of persons who engage in arson, and the prediction and cure of such behavior;

"(F) the conditions of stress encountered by firefighters, the effects of such stress, and the alleviation and reduction of such conditions; and

“(G) such other biological, psychological, and physiological effects of fire as have significance for purposes of control or prevention of fires; and

“(3) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section.

“The Secretary shall insure that the results and advances arising from the work of the research program are disseminated broadly. He shall encourage the incorporation, to the extent applicable and practicable, of such results and advances in building codes, fire codes, and other relevant codes, test methods, fire service operations and training, and standards. The Secretary is authorized to encourage and assist in the development and adoption of uniform codes, test methods, and standards aimed at reducing fire losses and costs of fire protection.

“(b) For the purposes of this section there is authorized to be appropriated not to exceed \$3,500,000 for the fiscal year ending June 30, 1975 and not to exceed \$4,000,000 for the fiscal year ending June 30, 1976.”

Appropriation.

VICTIMS OF FIRE

SEC. 19. (a) PROGRAM.—The Secretary of Health, Education, and Welfare shall establish, within the National Institutes of Health and in cooperation with the Secretary, an expanded program of research on burns, treatment of burn injuries, and rehabilitation of victims of fires. The National Institutes of Health shall—

42 USC 290a.

(1) sponsor and encourage the establishment throughout the Nation of twenty-five additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs, and twenty-five additional burn units, which shall comprise specialized facilities in general hospitals used only for burn victims;

(2) provide training and continuing support of specialists to staff the new burn centers and burn units;

(3) sponsor and encourage the establishment of ninety burn programs in general hospitals which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries; and

(7) sponsor and support other research and training programs in the treatment and rehabilitation of burn injury victims.

(b) AUTHORIZATION OF APPROPRIATION.—For purposes of this section, there are authorized to be appropriated not to exceed \$5,000,000 for the fiscal year ending June 30, 1975 and not to exceed \$8,000,000 for the fiscal year ending June 30, 1976.

PUBLIC ACCESS TO INFORMATION

SEC. 20. Copies of any document, report, statement, or information received or sent by the Secretary or the Administrator shall be made available to the public pursuant to the provisions of section 552 of title 5, United States Code: *Provided*, That, notwithstanding the provisions of subsection (b) of such section and of section 1905 of title 18, United States Code, the Secretary may disclose information which concerns or relates to a trade secret—

15 USC 2217.

(1) upon request, to other Federal Government departments and agencies for official use;

- (2) upon request, to any committee of Congress having jurisdiction over the subject matter to which the information relates;
- (3) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and
- (4) to the public when he determines such disclosure to be necessary in order to protect health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to which the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to health and safety).

ADMINISTRATIVE PROVISIONS

15 USC 2218.

SEC. 21. (a) ASSISTANCE.—Each department, agency, and instrumentality of the executive branch of the Federal Government and each independent regulatory agency of the United States is authorized and directed to furnish to the Administrator, upon written request, on a reimbursable basis or otherwise, such assistance as the Administrator deems necessary to carry out his functions and duties pursuant to this Act, including, but not limited to, transfer of personnel with their consent and without prejudice to their position and ratings.

(b) POWERS.—With respect to this Act, the Administrator is authorized to—

(1) enter into, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) such contracts, grants, leases, cooperative agreements, or other transactions as may be necessary to carry out the provisions of this Act;

(2) accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665(b));

(3) purchase, lease, or otherwise acquire, own, hold, improve, use, or deal in and with any property (real, personal, or mixed, tangible or intangible), or interest in property, wherever situated; and sell, convey, mortgage, pledge, lease, exchange, or otherwise dispose of property and assets;

(4) procure temporary and intermittent services to the same extent as is authorized under section 3109 of title 5, United States Code, but at rates not to exceed \$100 a day for qualified experts; and

(5) establish such rules, regulations, and procedures as are necessary to carry out the provisions of this Act.

(c) AUDIT.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipients of contracts, grants, or other forms of assistance that are pertinent to its activities under this Act for the purpose of audit or to determine if a proposed activity is in the public interest.

(d) INVENTIONS AND DISCOVERIES.—All property rights with respect to inventions and discoveries, which are made in the course of or under contract with any government agency pursuant to this Act, shall be subject to the basic policies set forth in the President's Statement of Government Patent Policy issued August 23, 1971, or such revisions of that statement of policy as may subsequently be promulgated and published in the Federal Register.

(e) COORDINATION.—To the extent practicable, the Administrator shall utilize existing programs, data, information, and facilities already available in other Federal Government departments and agencies and, where appropriate, existing research organizations, centers,

Comptroller
General, access
to records.

Publication in
Federal Register.

and universities. The Administrator shall provide liaison at an appropriate organizational level to assure coordination of his activities with State and local government agencies, departments, bureaus, or offices concerned with any matter related to programs of fire prevention and control and with private and other Federal organizations and offices so concerned.

ASSISTANCE TO CONSUMER PRODUCT SAFETY COMMISSION

SEC. 22. Upon request, the Administrator shall assist the Consumer Product Safety Commission in the development of fire safety standards or codes for consumer products, as defined in the Consumer Product Safety Act (15 U.S.C. 2051 et seq.).

15 USC 2219.

CONFORMING AMENDMENTS

SEC. 23. Section 12 of the Act of February 14, 1903, as amended (15 U.S.C. 1511), is amended to read as follows:

“BUREAUS IN DEPARTMENT

“SEC. 12. The following named bureaus, administrations, services, offices, and programs of the public service, and all that pertains thereto, shall be under the jurisdiction and subject to the control of the Secretary of Commerce:

- “(a) National Oceanic and Atmospheric Administration;
- “(b) United States Travel Service;
- “(c) Maritime Administration;
- “(d) National Bureau of Standards;
- “(e) Patent Office;
- “(f) Bureau of the Census;
- “(g) National Fire Prevention and Control Administration; and
- “(h) such other bureaus or other organizational units as the Secretary of Commerce may from time to time establish in accordance with law.”

Approved October 29, 1974.

Public Law 93-499

AN ACT

To extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk, and for other purposes.

October 29, 1974
[H. R. 7780]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) items 905.30 and 905.31 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) are each amended by striking out “11/7/73”

Certain silk
yarns, duty sus-
pension, exten-
sion; Internal
Revenue Code of
1954, amendments.

and inserting in lieu thereof "11/7/75"; and such item 905.31 is further amended by striking out "and item 308.51".

Effective date.
19 USC 1202
note.

(b) The amendments made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

19 USC 1202
note.

(c) Upon request therefor filed with the customs officer concerned on or before the sixtieth day after the date of the enactment of this Act, the entry or withdrawal of any article—

(1) which was made after November 7, 1973, and before the date of the enactment of this Act, and

(2) with respect to which there would have been no duty if the amendments made by subsection (a) applied to such entry or withdrawal,

19 USC 1514.

shall notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.

Mining, treat-
ment processes.
26 USC 613.

SEC. 2. (a) Section 613(c)(4)(E) of the Internal Revenue Code of 1954 (relating to treatment processes considered as mining) is amended by inserting after "phosphate rock," the following: "the decarbonation of trona,".

Effective date.
26 USC 613
note.

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1970.

Sec. 3. Wagering tax amendments.

26 USC 4401.

(a) TAX ON WAGERS.—Section 4401 of the Internal Revenue Code of 1954 (relating to imposition of tax on wagers) is amended by striking out "10 percent" and inserting in lieu thereof "2 percent".

26 USC 4411.

(b) OCCUPATIONAL TAX.—Section 4411 of the Internal Revenue Code of 1954 (relating to imposition of occupational taxes) is amended by striking out "\$50" and inserting in lieu thereof "\$500".

(c) DISCLOSURE OF WAGERING TAX INFORMATION.—

(1) Subchapter C of Chapter 35 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

26 USC 4424.

"Sec. 4424. Disclosure of wagering tax information.

"(a) GENERAL RULE.—Except as otherwise provided in this section, neither the Secretary or his delegate nor any other officer or employee of the Treasury Department may divulge or make known in any manner whatever to any person—

"(1) any original, copy, or abstract of any return, payment, or registration made pursuant to this chapter,

"(2) any record required for making any such return, payment, or registration, which the Secretary or his delegate is permitted by the taxpayer to examine or which is produced pursuant to section 7602, or

26 USC 7602.

"(3) any information come at by the exploitation of any such return, payment, registration, or record.

“(b) **PERMISSIBLE DISCLOSURE.**—A disclosure otherwise prohibited by subsection (a) may be made in connection with the administration or civil or criminal enforcement of any tax imposed by this title. However, any document or information so disclosed may not be—

“(1) divulged or made known in any manner whatever by any officer or employee of the United States to any person except in connection with the administration or civil or criminal enforcement of this title, nor

“(2) used, directly or indirectly, in any criminal prosecution for any offense occurring before the date of enactment of this section.

“(c) **USE OF DOCUMENTS POSSESSED BY TAXPAYER.**—Except in connection with the administration or civil or criminal enforcement of any tax imposed by this title—

“(1) any stamp denoting payment of the special tax under this chapter,

“(2) any original, copy, or abstract possessed by a taxpayer of any return, payment, or registration made by such taxpayer pursuant to this chapter, and

“(3) any information come at by the exploitation of any such document,

shall not be used against such taxpayer in any criminal proceeding.

“(d) **INSPECTION BY COMMITTEES OF CONGRESS.**—Section 6103(d) shall apply with respect to any return, payment, or registration made pursuant to this chapter.”

26 USC 6103.

(2) The table of sections for such subchapter is amended by adding at the end thereof the following:

“SEC. 4424. Disclosure of wagering tax in information.”

(d) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendments made by this section take effect on December 1, 1974, and shall apply only with respect to wagers placed on or after such date.

26 USC 4401 note.

(2) **TRANSITIONAL RULES.**—

(A) Any person who, on December 1, 1974, is engaged in an activity which makes him liable for payment of the tax imposed by section 4411 of the Internal Revenue Code of 1954 (as in effect on such date) shall be treated as commencing such activity on such date for purposes of such section and section 4901 of such Code.

26 USC 4411 note.

26 USC 4411.

26 USC 4901.

(B) Any person who, before December 1, 1974.—

(i) became liable for and paid the tax imposed by section 4411 of the Internal Revenue Code of 1954 (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be liable for any additional tax under such section for such year, and

Occupational tax, liability.

(ii) registered under section 4412 of such Code (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be required to reregister under such section for such year.

26 USC 4412.

Approved October 29, 1974.

Public Law 93-500

AN ACT

October 29, 1974
[S. 3792]

To amend and extend the Export Administration Act of 1969.

Export Adminis-
tration Amend-
ments of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

50 USC app.
2402 note.

SECTION 1. This Act may be cited as the "Export Administration Amendments of 1974".

SHORT SUPPLY POLICY

50 USC app.
2402.

SEC. 2. Section 3(2) (A) of the Export Administration Act of 1969 is amended by striking out "abnormal".

MONITORING AND CONSULTATION

50 USC app.
2403.

SEC. 3. (a) Section 4 of the Export Administration Act of 1969 is amended by redesignating subsections (c) through (e) thereof as subsections (d) through (f), respectively, and by inserting after subsection (b) a new subsection (c) as follows:

7 USC 612c-3.

"(c) (1) To effectuate the policy set forth in section 3(2) (A) of this Act, the Secretary of Commerce shall monitor exports, and contracts for exports, of any article, material, or supply (other than a commodity which is subject to the reporting requirements of section 812 of the Agricultural Act of 1970) when the volume of such exports in relation to domestic supply contributes, or may contribute, to an increase in domestic prices or a domestic shortage, and such price increase or shortage has, or may have, a serious adverse impact on the economy or any sector thereof. Information which the Secretary requires to be furnished in effecting such monitoring shall be confidential, except as provided in paragraph (2) of this subsection.

Reports.

"(2) The results of such monitoring shall, to the extent practicable, be aggregated and included in weekly reports setting forth, with respect to each article, material, or supply monitored, actual and anticipated exports, the destination by country, and the domestic and worldwide price, supply, and demand. Such reports may be made monthly if the Secretary determines that there is insufficient information to justify weekly reports."

Shortages and
increased prices,
quarterly report.
50 USC app.
2409.

(b) Section 10 of such Act is amended—

(1) by inserting "(a)" after "Sec. 10."; and

(2) by adding at the end thereof the following:

Supra.

"(b) (1) The quarterly report required for the first quarter of 1975 and every second report thereafter shall include summaries of the information contained in the reports required by section 4(c) (2) of this Act, together with an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for articles, materials, or supplies subject to monitoring under this Act, (B) the worldwide supply of such articles, materials, and supplies, and (C) actions taken by other nations in response to such shortages or increased prices.

"(2) Each such quarterly report shall also contain an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for commodities subject to the reporting requirements of section 812 of the Agricultural Act of 1970, (B) the worldwide supply of such commodities, and (C) actions being taken by other nations in response to such shortages or increased prices. The Secretary of Agriculture shall fully cooperate

with the Secretary of Commerce in providing all information required by the Secretary of Commerce in making such analysis.”.

(c) Section 5(a) of such Act is amended—

50 USC app.
2404.

(1) by striking out “hereunder” in the first sentence and inserting in lieu thereof the words “or monitored under this Act”; and

(2) by inserting immediately after such first sentence the following: “Such departments and agencies shall fully cooperate in rendering such advice and information.”.

(d) Section 5(a) of such Act is further amended by adding the following at the end thereof: “In addition, the Secretary of Commerce shall consult with the Federal Energy Administration to determine whether monitoring under section 4 of this Act is warranted with respect to exports of facilities, machinery, or equipment normally and principally used, or intended to be used, in the production, conversion, or transportation of fuels and energy (except nuclear energy), including but not limited to, drilling rigs, platforms, and equipment; petroleum refineries, natural gas processing, liquefaction, and gasification plants; facilities for production of synthetic natural gas or synthetic crude oil; oil and gas pipelines, pumping stations, and associated equipment; and vessels for transporting oil, gas, coal, and other fuels.”.

Fuel and
energy, facilities
and equipment.
50 USC app.
2403.

INTERNATIONAL COOPERATION TO SECURE ACCESS TO SUPPLIES

SEC. 4. (a) Section 2 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraph:

50 USC app.
2401.

“(5) Unreasonable restrictions on access to world supplies can cause worldwide political and economic instability, interfere with free international trade, and retard the growth and development of nations.”

(b) Section 3(3) (A) of such Act is amended by striking out “with which the United States has defense treaty commitments”.

50 USC app.
2402.

(c) Section 3(5) of such Act is amended—

(1) by striking out the word “and” immediately preceding clause (B); and

(2) by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: “and (C) to foster international cooperation and the development of international rules and institutions to assure reasonable access to world supplies.”.

HIGH TECHNOLOGY EXPORTS

SEC. 5. (a) Section 4 of the Export Administration Act of 1969, as amended by section 3 of this Act, is amended by adding at the end thereof the following new subsection:

50 USC app.
2403.

“(g) Any export license application required by the exercise of authority under this Act to effectuate the policies of section 3(1) (B) or 3(2) (C) shall be approved or disapproved not later than 90 days after its submission. If additional time is required, the Secretary of Commerce or other official exercising authority under this Act shall inform the applicant of the circumstances requiring such additional time and give an estimate of when his decision will be made.”

(b) Section 5(c) (1) of such Act is amended by striking out the next to the last sentence thereof and inserting in lieu thereof the following: “Each such committee shall consist of representatives of United States industry and Government, including the Departments of Commerce, Defense, and State, and, when appropriate, other Government departments and agencies.”.

50 USC app.
2404.

(c) Section 5(c) of such Act is amended by adding at the end thereof the following new paragraph:

“(5) To facilitate the work of the technical advisory committees, the Secretary of Commerce, in conjunction with other departments

and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security, pertaining to the reasons for the export controls which are in effect or contemplated for the grouping of articles, materials, and supplies with respect to which that committee furnishes advice.”.

50 USC app.
2409 note.

50 USC app.
2409.

Ante, p. 1553.

(d) Not later than one year after the date of enactment of this Act, the Secretary of Commerce shall include in a quarterly report under section 10 of the Export Administration Act of 1969 an accounting of actions taken to expedite the processing of export license applications as required under section 4(g) of the Export Administration Act of 1969.

OPPORTUNITY TO COMMENT ON LICENSING

50 USC app.
2404.

SEC. 6. Section 5(b) of the Export Administration Act of 1969 is amended—

- (1) by inserting “(1)” after “(b)”;
- (2) by adding at the end thereof the following:

Publication in
Federal Register.

50 USC app.
2402.

“(2) Upon imposing quantitative restrictions on exports of any article, material, or supply to carry out the policy stated in section 3(2) (A) of this Act, the Secretary of Commerce shall include in his notice published in the Federal Register an invitation to all interested parties to submit written comments within 15 days from the date of publication on the impact of such restrictions and the method of licensing used to implement them.”.

TECHNICAL AND CONFORMING CHANGES

SEC. 7. Section 4(d) of the Export Administration Act of 1969, as redesignated by section 3 of this Act, is amended to read as follows:

“(d) Nothing in this Act or the rules or regulations hereunder shall be construed to require authority or permission to export, except where required by the President to effect the policies set forth in section 3 of this Act.”.

HARDSHIP RELIEF

SEC. 8. The Export Administration Act of 1969 is amended by inserting after section 4 the following new section:

“PROCEDURES FOR HARDSHIP RELIEF FROM EXPORT CONTROLS

50 USC app.
2403a.

“SEC. 4A. (a) Any person who, in his domestic manufacturing process or other domestic business operation, utilizes a product produced abroad in whole or in part from a commodity historically obtained from the United States but which has been made subject to export controls, or any person who historically has exported such a commodity, may transmit a petition of hardship to the Secretary of Commerce requesting an exemption from such controls in order to alleviate any unique hardship resulting from the imposition of such controls. A petition under this section shall be in such form as the Secretary of Commerce shall prescribe and shall contain information demonstrating the need for the relief requested.

“(b) Not later than 30 days after receipt of any petition under subsection (a), the Secretary of Commerce shall transmit a written decision to the petitioner granting or denying the requested relief. Such decision shall contain a statement setting forth the Secretary’s basis for the grant or denial. Any exemption granted may be subject to such conditions as the Secretary deems appropriate.

“(c) For purposes of this section, the Secretary’s decision with respect to the grant or denial of relief from unique hardship resulting

directly or indirectly from the imposition of controls shall reflect the Secretary's consideration of such factors as—

“(1) Whether denial would cause a unique hardship to the applicant which can be alleviated only by granting an exception to the applicable regulations. In determining whether relief shall be granted, the Secretary will take into account:

“(A) ownership of material for which there is no practicable domestic market by virtue of the location or nature of the material;

“(B) potential serious financial loss to the applicant if not granted an exception;

“(C) inability to obtain, except through import, an item essential for domestic use which is produced abroad from the commodity under control;

“(D) the extent to which denial would conflict, to the particular detriment of the applicant, with other national policies including those reflected in any international agreement to which the United States is a party;

“(E) possible adverse effects on the economy (including unemployment) in any locality or region of the United States; and

“(F) other relevant factors, including the applicant's lack of an exporting history during any base period that may be established with respect to export quotas for the particular commodity.

“(2) The effect a finding in favor of the applicant would have on attainment of the basic objectives of the short supply control program.

In all cases, the desire to sell at higher prices and thereby obtain greater profits will not be considered as evidence of a unique hardship, nor will circumstances where the hardship is due to imprudent acts or failure to act on the part of the appellant.”

INTERAGENCY REVIEW

SEC. 9. Section 4 of the Export Administration Act of 1969, as amended by sections 3 and 5 of this Act, is amended by adding at the end thereof the following new subsection:

“(h) (1) The Congress finds that the defense posture of the United States may be seriously compromised if the Nation's goods and technology are exported to a controlled country without an adequate and knowledgeable assessment being made to determine whether export of such goods and technology will significantly increase the military capability of such country. It is the purpose of this subsection to provide for such an assessment and to authorize the Secretary of Defense to review any proposed export of goods or technology to any such country and, whenever he determines that the export of such goods or technology will significantly increase the military capability of such country, to recommend to the President that such export be disapproved.

Recommendation
to President.

“(2) Notwithstanding any other provision of law, the Secretary of Defense shall determine, in consultation with the export control office to which licensing requests are made, the types and categories of transactions which should be reviewed by him to carry out the purpose of this subsection. Whenever a license or other authority is requested for the export of such goods or technology to any controlled country, the appropriate export control office or agency to whom such request is made shall notify the Secretary of Defense of such request, and such office may not issue any license or other authority pursuant to such request prior to the expiration of the period within which the

President may disapprove such export. The Secretary of Defense shall carefully consider all notifications submitted to him pursuant to this subsection and, not later than 30 days after notification of the request shall—

“(A) recommend to the President that he disapprove any request for the export of any goods or technology to any controlled country if he determines that the export of such goods or technology will significantly increase the military capability of such country;

“(B) notify such office or agency that he will interpose no objection if appropriate conditions designed to achieve the purposes of this Act are imposed; or

“(C) indicate that he does not intend to interpose an objection to the export of such goods or technology.

Presidential
disapproval.

If the President notifies such office or agency, within 30 days after receiving a recommendation from the Secretary, that he disapproves such export, no license or other authorization may be issued for the export of such goods or technology to such country.

Presidential
statement to
Congress.

“(3) Whenever the President exercises his authority under this subsection to modify or overrule a recommendation made by the Secretary of Defense pursuant to this section, the President shall submit to the Congress a statement indicating his decision together with the recommendation of the Secretary of Defense.

Definitions.

“(4) As used in this subsection—

“(A) the term ‘goods or technology’ means—

“(i) machinery, equipment, capital goods, or computer software; or

“(ii) any license or other arrangement for the use of any patent, trade secret, design, or plan with respect to any item described in clause (i);

“(B) the term ‘export control office’ means any office or agency of the United States Government whose approval or permission is required pursuant to existing law for the export of goods or technology; and

“(C) the term ‘controlled country’ means any Communist country as defined under section 620(f) of the Foreign Assistance Act of 1961.”

EXPORT FEES AND LICENSES

SEC. 10. Section 4 of the Export Administration Act of 1969, as amended by sections 3, 5, and 9 of this Act, is amended by adding at the end thereof the following:

50 USC app.
2402.

“(i) In imposing export controls to effectuate the policy stated in section 3(2) (A) of this Act, the President’s authority shall include but not be limited to, the imposition of export license fees.”

ECONOMIC POLICY ACTIONS

50 USC app.
2402.

SEC. 11. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraph:

“(7) It is the policy of the United States to use export controls, including license fees, to secure the removal by foreign countries of restrictions on access to supplies where such restrictions have or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make every reasonable effort to secure the removal or reduction of such restrictions, policies, or actions through international cooperation and agreement before resorting to the imposition of controls on the export of materials from the United States:

Provided, That no action taken in fulfillment of the policy set forth in this paragraph shall apply to the export of medicine or medical supplies." Medicine,
exemption.

ALLOCATION OF LICENSES

SEC. 12. Section 4(b) (1) of the Export Administration Act of 1969 is amended by adding at the end thereof the following: "In curtailing the exportation of any articles, materials, or supplies to effectuate the policy set forth in section 3 (2) (A) of this Act, the President is authorized and directed to allocate a portion of export licenses on the basis of factors other than a prior history of exportation." 50 USC app.
2403.

50 USC app.
2402.

EXPIRATION DATE

SEC. 13. Section 14 of the Export Administration Act of 1969 is amended by striking "September 30, 1974" and inserting in lieu thereof "September 30, 1976". 50 USC app.
2413.

PRESIDENTIAL REVIEW

SEC. 14. The President is directed to review all laws, regulations issued thereunder by the Atomic Energy Commission, the Department of Commerce, and other Government agencies, governing the export and re-export of materials, supplies, articles, technical data or other information relating to the design, fabrication, development, supply, repair or replacement of any nuclear facility or any part thereof, and to report within six months to the Congress on the adequacy of such regulations to prevent the proliferation of nuclear capability for non-peaceful purposes. The President is also directed to review domestic and international nuclear safeguards and to report within six months to the Congress on the adequacy of such safeguards to prevent the proliferation, diversion or theft of all such nuclear materials and on efforts by the United States and other countries to strengthen international nuclear safeguards in anticipation of the Review Conference scheduled to be held in February 1975 pursuant to Article VIII, section 3 of the Treaty on the Non-Proliferation of Nuclear Weapons." 42 USC 2153
note.

Report to
Congress.

21 UST 483.

Approved October 29, 1974.

Public Law 93-501

AN ACT

To authorize the regulation of interest rates payable on obligations issued by affiliates of certain depository institutions, and for other purposes.

October 29, 1974
[S. 3838]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Debt obligations,
Issuance and
sale, regulation.

TITLE I—REGULATION OF INTEREST RATES ON CERTAIN OBLIGATIONS

SEC. 101. Section 19(a) of the Federal Reserve Act (12 U.S.C. 461) is amended by inserting "and, regardless of the use of the proceeds," immediately before "shall be deemed a deposit".

(b) The amendment made by subsection (a) shall not apply to any bank holding company which has filed prior to the date of enactment of this Act an irrevocable declaration with the Board of Governors of the Federal Reserve System to divest itself of all of its banks under section 4 of the Bank Holding Company Act, or to any debt obligation which is an exempted security under section 3(a)(3) of the Securities Act of 1933. 12 USC 461
note.

12 USC 1843.

15 USC 77c.

SEC. 102. (a) The sixth sentence of section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by striking out “for the purpose of obtaining funds to be used in the banking business”.

12 USC 1828
note.

(b) The amendment made by subsection (a) shall not apply to any bank holding company which has filed prior to the date of enactment of this Act an irrevocable declaration with the Board of Governors of the Federal Reserve System to divest itself of all of its banks under section 4 of the Bank Holding Company Act, or to any debt obligation which is an exempted security under section 3(a)(3) of the Securities Act of 1933.

SEC. 103. Section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended as follows:

(1) by adding at the end of subsection (a) thereof the following new sentences: “The provisions of this subsection shall apply, in the discretion of the Board, to an obligation issued by an affiliate of an institution which is an insured institution as defined in section 401(a) of the National Housing Act (12 U.S.C. 1724(a)). The Board is authorized to define by regulation the terms used in this section, except that the Board may not, under the additional authority conferred by this sentence and the preceding sentence, define as a deposit any debt obligation which is an exempted security under section 3(a)(3) of the Securities Act of 1933.”;

(2) by striking out “institution subject to this section” in subsection (b) thereof and inserting in lieu thereof “person or organization”; and

(3) by striking out “nonmember institution” and “institution” in subsection (c) thereof and inserting in lieu thereof “person or organization” in both places.

TITLE II—INTEREST RATE AMENDMENTS REGARDING STATE USURY CEILINGS ON BUSINESS LOANS

SEC. 201. Section 5197 of the Revised Statutes, as amended (12 U.S.C. 85), is amended by inserting in the first and second sentences before the phrase “whichever may be the greater”, the following: “or in the case of business or agricultural loans in the amount of \$25,000 or more, at a rate of 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district where the bank is located,”.

SEC. 202. The Federal Deposit Insurance Act (12 U.S.C. 1811–31) is amended by adding at the end thereof the following:

“SEC. 24. (a) In order to prevent discrimination against State-chartered insured banks with respect to interest rates, if the applicable rate prescribed in this subsection exceeds the rate such State bank would be permitted to charge in the absence of this subsection, a State bank may in the case of business or agricultural loans in the amount of \$25,000 or more, notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this section, take, receive, reserve, and charge on any loan or discount made, or upon any note, bill or exchange, or other evidence of debt, interest at a rate of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district where the bank is located, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run.

“(b) If the rate prescribed in subsection (a) exceeds the rate such State bank would be permitted to charge in the absence of this paragraph, and such State fixed rate is thereby preempted by the rate

State-chartered
insured banks,
interest rates,
limitation.
12 USC 1831a.

Interest over-
charge, forfeiture.

described in subsection (a), the taking, receiving, reserving, or charging a greater rate of interest than is allowed by subsection (a), when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover in a civil action commenced in a court of appropriate jurisdiction not later than two years after the date of such payment, an amount equal to twice the amount of the interest paid from the State bank taking or receiving such interest."

Interest pay-
ment recovery.

SEC. 203. Title IV of the National Housing Act (12 U.S.C. 1724-1730(d)) is amended by adding at the end thereof the following:

"SEC. 412. (a) If the applicable rate prescribed in this section exceeds the rate an insured institution would be permitted to charge in the absence of this section, such institution may in the case of business or agricultural loans in the amount of \$25,000 or more, notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this section, take, receive, reserve, and charge on any loan or discount made, or upon any note, bill of exchange, or other evidence of debt, interest at a rate of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district where the institution is located, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run.

Savings and loan
accounts, interest
rate charges, limita-
tion.

12 USC 1730e.

"(b) If the rate prescribed in subsection (a) exceeds the rate such institution would be permitted to charge in the absence of this section, and such State fixed rate is thereby preempted by the rate described in subsection (a), the taking, receiving, reserving, or charging a greater rate of interest than that prescribed by subsection (a), when knowingly done, shall be deemed a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover, in a civil action commenced in a court of appropriate jurisdiction not later than two years after the date of such payment, an amount equal to twice the amount of the interest paid from the institution taking or receiving such interest."

Interest over-
charge, forfeiture.

Interest pay-
ment recovery.

SEC. 204. Section 308 of the Small Business Investment Act of 1958, as amended (15 U.S.C. 661), is amended by adding at the end thereof the following:

15 USC 687.

"(h) (1) In order to facilitate the orderly and necessary flow of long-term loans and equity funds to small business concerns, as defined in the Small Business Act, if the maximum interest rate permitted by the Small Business Administration exceeds the rate a small business investment company would be permitted to charge in the absence of this subsection, such small business investment company may in the case of business loans in the amount of \$25,000 or more, notwithstanding any State constitution or statute, which is hereby preempted for the purposes of this section, take, receive, reserve, and charge on any such loan, interest at a rate of not more than 5 per centum in excess of the discount rate on ninety-day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district where the small business investment company is located.

Small business
investment com-
panies, interest
charges, limita-
tion.
15 USC 631
note.

"(2) If the rate prescribed in paragraph (1) exceeds the rate such small business investment company would be permitted to charge in the absence of this subsection, and such State fixed rate is thereby preempted by the rate described in paragraph (1), the taking, receiving, reserving or charging a greater rate than is allowed by paragraph (1),

Interest over-
charge, forfeiture.

Interest pay-
ment recovery.

12 USC 1831a
note.

Effective date.
12 USC 1831a
note.

when knowingly done, shall be deemed a forfeiture of the entire interest which the loan carries with it, or which has been agreed to be paid thereon. If such greater rate of interest has been paid, the person who paid it may recover, in a civil action commenced in a court of appropriate jurisdiction not later than two years after the date of such payment, an amount equal to twice the amount of interest paid from the small business investment company taking or receiving such interest."

SEC. 205. If any provision of this title or the application of such provision to any person or circumstance shall be held invalid, the remainder of the title and the application of such provision to any person or circumstance other than that as to which it is held invalid shall not be affected thereby.

SEC. 206. The amendments made by this title shall apply to any loan made in any State after the date of enactment of this title, but prior to the earlier of July 1, 1977, or the date (after the date of enactment of this title) on which the State enacts a provision of law which prohibits the charging of interest at the rates provided in the amendments made by this title.

TITLE III—APPLICABILITY OF STATE USURY CEILINGS TO CERTAIN OBLIGATIONS ISSUED BY BANKS AND AFFILIATES

12 USC 461.

12 USC 371b-1.

SEC. 301. Section 19 of the Federal Reserve Act is amended by adding at the end thereof the following new subsection:

"(k) No member bank or affiliate thereof, or any successor or assignee of such member bank or affiliate or any endorser, guarantor, or surety of such member bank or affiliate may plead, raise, or claim directly or by counterclaim, setoff, or otherwise, with respect to any deposit or obligation of such member bank or affiliate, any defense, right, or benefit under any provision of a statute or constitution of a State or of a territory of the United States, or of any law of the District of Columbia, regulating or limiting the rate of interest which may be charged, taken, received, or reserved, and any such provision is hereby preempted, and no civil or criminal penalty which would otherwise be applicable under such provision shall apply to such member bank or affiliate or to any other person."

SEC. 302. Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end thereof the following new subsection:

"(k) No insured nonmember bank or affiliate thereof, or any successor or assignee of such bank or affiliate or any endorser, guarantor, or surety of such bank or affiliate may plead, raise, or claim, directly or by counterclaim, setoff, or otherwise, with respect to any deposit or obligation of such bank or affiliate, any defense, right, or benefit under any provision of a statute or constitution of a State or of a territory of the United States, or of any law of the District of Columbia, regulating or limiting the rate of interest which may be charged, taken, received, or reserved, and any such provision is hereby preempted, and no civil or criminal penalty which would otherwise be applicable under such provision shall apply to such bank or affiliate or to any other person."

SEC. 303. Section 5B of the Federal Home Loan Bank Act (12 U.S.C. 1425b) is amended by adding at the end thereof the following new subsection:

"(e) No member or nonmember association, institution, or bank or affiliate thereof, or any successor or assignee, or any endorser, guarantor, or surety thereof may plead, raise, or claim, directly or by counterclaim, setoff, or otherwise, with respect to any deposit or obligation of such member or nonmember association, institution, bank or affiliate,

any defense, right, or benefit under any provision of a statute or constitution of a State or of a territory of the United States, or of any law of the District of Columbia, regulating or limiting the rate of interest which may be charged, taken, received, or reserved, and any such provision is hereby preempted, and no civil or criminal penalty which would otherwise be applicable under such provision shall apply to such member or nonmember association, institution, bank, or affiliate or to any other person."

SEC. 304. The amendments made by this title shall apply to any deposit made or obligation issued in any State after the date of enactment of this title, but prior to the earlier of (1) July 1, 1977 or (2) the date (after such date of enactment) on which the State enacts a provision of law which limits the amount of interest which may be charged in connection with deposits or obligations referred to in the amendments made by this title.

Approved October 29, 1974.

Effective date.
12 USC 371b-1
note.

Public Law 93-502

AN ACT

To amend section 552 of title 5, United States Code, known as the Freedom of Information Act.

November 21, 1974
[H. R. 12471]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the fourth sentence of section 552(a) (2) of title 5, United States Code, is amended to read as follows: "Each agency shall also maintain and make available for public inspection and copying current indexes providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required by this paragraph to be made available or published. Each agency shall promptly publish, quarterly or more frequently, and distribute (by sale or otherwise) copies of each index or supplements thereto unless it determines by order published in the Federal Register that the publication would be unnecessary and impracticable, in which case the agency shall nonetheless provide copies of such index on request at a cost not to exceed the direct cost of duplication."

Public informa-
tion.

Indexes, publica-
tion and distribu-
tion.

Publication in
Federal Register.

(b) (1) Section 552(a) (3) of title 5, United States Code, is amended to read as follows:

Records, avail-
ability to public.

"(3) Except with respect to the records made available under paragraphs (1) and (2) of this subsection, each agency, upon any request for records which (A) reasonably describes such records and (B) is made in accordance with published rules stating the time, place, fees (if any), and procedures to be followed, shall make the records promptly available to any person."

(2) Section 552(a) of title 5, United States Code, is amended by redesignating paragraph (4), and all references thereto, as paragraph (5) and by inserting immediately after paragraph (3) the following new paragraph:

Document search
and duplication
fees, regula-
tions.

"(4) (A) In order to carry out the provisions of this section, each agency shall promulgate regulations, pursuant to notice and receipt of public comment, specifying a uniform schedule of fees applicable to all constituent units of such agency. Such fees shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication. Documents shall be furnished without charge or at a reduced charge where the agency determines that waiver or reduction of the fee is in the public interest because furnishing the information can be considered as primarily benefiting the general public.

Withheld agency records, court examination.

“(B) On complaint, the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, or in the District of Columbia, has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant. In such a case the court shall determine the matter do novo, and may examine the contents of such agency records in camera to determine whether such records or any part thereof shall be withheld under any of the exemptions set forth in subsection (b) of this section, and the burden is on the agency to sustain its action.

Complaints, response by defendant.

“(C) Notwithstanding any other provision of law, the defendant shall serve an answer or otherwise plead to any complaint made under this subsection within thirty days after service upon the defendant of the pleading in which such complaint is made, unless the court otherwise directs for good cause shown.

“(D) Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this subsection, and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

Attorney fees and costs.

“(E) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this section in which the complainant has substantially prevailed.

CSC proceeding against officer or employee.

“(F) Whenever the court orders the production of any agency records improperly withheld from the complainant and assesses against the United States reasonable attorney fees and other litigation costs, and the court additionally issues a written finding that the circumstances surrounding the withholding raise questions whether agency personnel acted arbitrarily or capriciously with respect to the withholding, the Civil Service Commission shall promptly initiate a proceeding to determine whether disciplinary action is warranted against the officer or employee who was primarily responsible for the withholding. The Commission, after investigation and consideration of the evidence submitted, shall submit its findings and recommendations to the administrative authority of the agency concerned and shall send copies of the findings and recommendations to the officer or employee or his representative. The administrative authority shall take the corrective action that the Commission recommends.

Noncompliance, penalty.

“(G) In the event of noncompliance with the order of the court, the district court may punish for contempt the responsible employee, and in the case of a uniformed service, the responsible member.”.

Administrative deadlines.

(c) Section 552(a) of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

“(6) (A) Each agency, upon any request for records made under paragraph (1), (2), or (3) of this subsection, shall—

“(i) determine within ten days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of any such request whether to comply with such request and shall immediately notify the person making such request of such determination and the reasons therefor, and of the right of such person to appeal to the head of the agency any adverse determination; and

“(ii) make a determination with respect to any appeal within twenty days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of such appeal. If on appeal the denial of the request for records is in whole or in part upheld, the agency shall notify the person making such request of the provisions for judicial review of that determination under paragraph (4) of this subsection.

“(B) In unusual circumstances as specified in this subparagraph, the time limits prescribed in either clause (i) or clause (ii) of subparagraph (A) may be extended by written notice to the person making such request setting forth the reasons for such extension and the date on which a determination is expected to be dispatched. No such notice shall specify a date that would result in an extension for more than ten working days. As used in this subparagraph, ‘unusual circumstances’ means, but only to the extent reasonably necessary to the proper processing of the particular request—

“‘Unusual circumstances.’”

“(i) the need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request;

“(ii) the need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records which are demanded in a single request; or

“(iii) the need for consultation, which shall be conducted with all practicable speed, with another agency having a substantial interest in the determination of the request or among two or more components of the agency having substantial subject-matter interest therein.

“(C) Any person making a request to any agency for records under paragraph (1), (2), or (3) of this subsection shall be deemed to have exhausted his administrative remedies with respect to such request if the agency fails to comply with the applicable time limit provisions of this paragraph. If the Government can show exceptional circumstances exist and that the agency is exercising due diligence in responding to the request, the court may retain jurisdiction and allow the agency additional time to complete its review of the records. Upon any determination by an agency to comply with a request for records, the records shall be made promptly available to such person making such request. Any notification of denial of any request for records under this subsection shall set forth the names and titles or positions of each person responsible for the denial of such request.”

Time extension for agency review.

SEC. 2. (a) Section 552(b)(1) of title 5, United States Code, is amended to read as follows:

National defense and foreign policy, exemption.

“(1) (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified pursuant to such Executive order;”

(b) Section 552(b)(7) of title 5, United States Code, is amended to read as follows:

Investigatory records for law enforcement purposes, exemption.

“(7) investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would (A) interfere with enforcement proceedings, (B) deprive a person of a right to a fair trial or an impartial adjudication, (C) constitute an unwarranted invasion of personal privacy, (D) disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source, (E) disclose investigative techniques and procedures, or (F) endanger

the life or physical safety of law enforcement personnel;”.

Segregable portions of records.

(c) Section 552(b) of title 5, United States Code, is amended by adding at the end the following: “Any reasonably segregable portion of a record shall be provided to any person requesting such record after deletion of the portions which are exempt under this subsection.”.

Reports to Speaker of the House and President of the Senate.

SEC. 3. Section 552 of title 5, United States Code, is amended by adding at the end thereof the following new subsections:

Contents.

“(d) On or before March 1 of each calendar year, each agency shall submit a report covering the preceding calendar year to the Speaker of the House of Representatives and President of the Senate for referral to the appropriate committees of the Congress. The report shall include—

Ante, p. 1562.

“(1) the number of determinations made by such agency not to comply with requests for records made to such agency under subsection (a) and the reasons for each such determination;

“(2) the number of appeals made by persons under subsection (a) (6), the result of such appeals, and the reason for the action upon each appeal that results in a denial of information;

“(3) the names and titles or positions of each person responsible for the denial of records requested under this section, and the number of instances of participation for each;

“(4) the results of each proceeding conducted pursuant to subsection (a) (4) (F), including a report of the disciplinary action taken against the officer or employee who was primarily responsible for improperly withholding records or an explanation of why disciplinary action was not taken;

“(5) a copy of every rule made by such agency regarding this section;

“(6) a copy of the fee schedule and the total amount of fees collected by the agency for making records available under this section; and

“(7) such other information as indicates efforts to administer fully this section.

Annual report.

The Attorney General shall submit an annual report on or before March 1 of each calendar year which shall include for the prior calendar year a listing of the number of cases arising under this section, the exemption involved in each case, the disposition of such case, and the cost, fees, and penalties assessed under subsections (a) (4) (E), (F), and (G). Such report shall also include a description of the efforts undertaken by the Department of Justice to encourage agency compliance with this section.

Ante, p. 1561.

“Agency.”
5 USC 551.

“(e) For purposes of this section, the term ‘agency’ as defined in section 551(1) of this title includes any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency.”.

Effective date.
5 USC 552
note.

SEC. 4. The amendments made by this Act shall take effect on the ninetieth day beginning after the date of enactment of this Act.

CARL ALBERT

Speaker of the House of Representatives.

JAMES O. EASTLAND

President of the Senate pro tempore.

IN THE HOUSE OF REPRESENTATIVES, U.S.,

November 20, 1974.

The House of Representatives having proceeded to reconsider the bill (H.R. 12471) entitled "An Act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest:

W. PAT JENNINGS

Clerk.

By W. Raymond Colley

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS

Clerk.

By W. Raymond Colley

IN THE SENATE OF THE UNITED STATES,

November 21, 1974.

The Senate having proceeded to reconsider the bill (H. R. 12471) entitled "An Act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act", returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

FRANCIS R. VALEO

Secretary.

Public Law 93-503

AN ACT

To amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems.

November 26, 1974
[S. 386]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Mass Transportation Assistance Act of 1974".

National Mass
Transportation
Assistance Act
of 1974.
49 USC 1601b
note.

FINDINGS

49 USC 1601b.

SEC. 2. The Congress finds that—

(1) over 70 per centum of the Nation's population lives in urban areas;

(2) transportation is the lifeblood of an urbanized society and the health and welfare of that society depends upon the provision of efficient economical and convenient transportation within and between its urban area;

(3) for many years the mass transportation industry satisfied the transportation needs of the urban areas of the country capably and profitably;

(4) in recent years the maintenance of even minimal mass transportation service in urban areas has become so financially burdensome as to threaten the continuation of this essential public service;

(5) the termination of such service or the continued increase in its cost to the user is undesirable, and may have a particularly serious adverse effect upon the welfare of a substantial number of lower income persons;

(6) some urban areas are now engaged in developing preliminary plans for, or are actually carrying out, comprehensive projects to revitalize their mass transportation operations; and

(7) immediate substantial Federal assistance is needed to enable many mass transportation systems to continue to provide vital service.

TITLE I—INCREASED MASS TRANSPORTATION ASSISTANCE

AUTHORIZATION

49 USC 1603.

SEC. 101. (a) The first sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out "\$6,100,000,000" and inserting in lieu thereof "\$10,925,000,000".

Post, p. 1567.*Supra*.

(b) Section 4(c) of such Act is further amended by adding at the end thereof the following new sentence: "Of the total amount available to finance activities under this Act (other than under section 5) on and after the date of the enactment of the National Mass Transportation Assistance Act of 1974, not to exceed \$500,000,000 shall be available exclusively for assistance in areas other than urbanized areas (as defined in section 5(a)(3))."

TRANSPORTATION PLANNING

49 USC 1602.

SEC. 102. Section 3(a) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "SEC. 3. (a)";

(2) by redesignating clauses (1) and (2) of the third sentence as clauses (A) and (B) respectively;

(3) by striking out the sixth and seventh sentences; and

(4) by adding at the end thereof the following:

“(2) It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States in the development of long-range plans and programs which are properly coordinated with plans for improvements in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. The development of projects in urbanized areas under this section shall be based upon a continuing, cooperative, and comprehensive planning process covering all modes of surface transportation and carried on by the States and the governing bodies of local communities in accordance with this paragraph. The Secretary shall not approve any project in an urbanized area after July 1, 1976, under this section unless he finds that such project is based on a continuing comprehensive transportation planning process carried on in conformance with the objectives stated in this paragraph.”

FORMULA GRANT PROGRAM

SEC. 103. (a) The Urban Mass Transportation Act of 1964 is amended by striking out section 5 and inserting in lieu thereof the following new section:

49 USC 1604.

“URBAN MASS TRANSIT PROGRAM

“SEC. 5. (a) As used in this section—

Definitions.

“(1) the term ‘construction’ means the supervising, inspecting, actual building, and all expenses incidental to the acquisition, construction, or reconstruction of facilities and equipment for use in mass transportation, including designing, engineering, locating, surveying, mapping, acquisition of rights-of-way, relocation assistance, and acquisition and replacement of housing sites;

“(2) the term ‘Governor’ means the Governor, or his designate, of any one of the fifty States or of Puerto Rico, and the Mayor of the District of Columbia; and

“(3) the term ‘urbanized area’ means an area so designated by the Bureau of the Census, within boundaries which shall be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary, and which shall at a minimum, in the case of any such area, encompass the entire urbanized area within the State as designated by the Bureau of the Census.

“(b)(1) The Secretary shall apportion for expenditure in fiscal years 1975 through 1980 the sums authorized by subsection (c). Such sums shall be made available for expenditure in urbanized areas or parts thereof on the basis of a formula under which urbanized areas or part thereof will be entitled to receive an amount equal to the sum of—

Apportionment formula.

“(A) one-half of the total amount so apportioned multiplied by the ratio which the population of such urbanized area or part thereof, as designated by the Bureau of the Census, bears to the total population of all the urbanized areas in all the States as shown by the latest available Federal census; and

“(B) one-half of the total amount so apportioned multiplied by a ratio for that urbanized area determined on the basis of population weighted by a factor of density, as determined by the Secretary.

“Density.”

As used in the preceding sentence, the term ‘density’ means the number of inhabitants per square mile.

“(2) The Governor, responsible local officials and publicly-owned operators of mass transportation services, in accordance with the procedures required under section (g) (1), with the concurrence of the Secretary, shall designate a recipient to receive and dispense the funds apportioned under paragraph (1) that are attributable to urbanized areas of two hundred thousand or more population. In any case in which a statewide or regional agency or instrumentality is responsible under State laws for the financing, construction and operation, directly, by lease, contract, or otherwise, of public transportation services, such agency or instrumentality shall be the recipient to receive and dispense such funds. The term ‘designated recipient’ as used in this Act shall refer to the recipient selected according to the procedures required by this paragraph.

“Designated recipient.”

“(3) Sums apportioned under paragraph (1) not made available for expenditure by designated recipients in accordance with the terms of paragraph (2) shall be made available to the Governor for expenditure in urbanized areas or parts thereof in accordance with the procedures required under subsection (g) (1).

“(c) (1) To finance grants under this section, the Secretary may incur obligations on behalf of the United States in the form of grants, contracts, agreements, or otherwise in an aggregate amount not to exceed \$3,975,000,000. There are authorized to be appropriated for liquidation of the obligations incurred under this paragraph not to exceed \$300,000,000 prior to the close of fiscal year 1975; not to exceed \$500,000,000 prior to the close of fiscal year 1976; not to exceed \$650,000,000 prior to the close of fiscal year 1977; not to exceed \$775,000,000 prior to the close of fiscal year 1978; not to exceed \$850,000,000 prior to the close of fiscal year 1979; and not to exceed \$900,000,000 prior to the close of fiscal year 1980. Sums so appropriated shall remain available until expended.

Appropriation.

“(2) Sums apportioned under this section shall be available for obligation by the Governor or designated recipient for a period of two years following the close of the fiscal year for which such sums are apportioned, and any amounts so apportioned remaining unobligated at the end of such period shall lapse and shall be returned to the Treasury for deposit as miscellaneous receipts.

“(d) (1) The Secretary may approve as a project under this section, on such terms and conditions as he may prescribe, (A) the acquisition, construction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service, and (B) the payment of operating expenses to improve or to continue such service by operation, lease, contract, or otherwise.

Regulations.

“(2) The Secretary shall issue such regulations as he deems necessary to administer this subsection and subsection (e), including regulations regarding maintenance of effort by States, local governments, and local public bodies, the appropriate definition of operating expenses, and requirements for improving the efficiency of transit services.

Construction grants, limitation.

“(e) The Federal grant for any construction project under this section shall not exceed 80 per centum of the cost of the construction project, as determined under section 4(a) of this Act. The Federal

grant for any project for the payment of subsidies for operating expenses shall not exceed 50 per centum of the cost of such operating expense project. The remainder shall be provided in cash, from sources other than Federal funds or revenues from the operation of public mass transportation systems. Any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital.

“(f) Federal funds available for expenditure for mass transportation projects under this section shall be supplementary to and not in substitution for the average amount of State and local government funds and other transit revenues such as advertising, concessions, and property leases, expended on the operation of mass transportation service in the area involved for the two fiscal years preceding the fiscal year for which the funds are made available; but nothing in this sentence shall be construed as preventing State or local tax revenues which are used for the operation of mass transportation service in the area involved from being credited (to the extent necessary) toward the non-Federal share of the cost of the project for purposes of the preceding sentence.

“(g) (1) It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States in the development of long-range plans and programs which are properly coordinated with plans for improvement in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. The development of projects in urbanized areas under this section shall be based upon a continuing, cooperative, and comprehensive planning process covering all modes of surface transportation and carried on by the States and the governing bodies of local communities in accordance with this paragraph. The Secretary shall not approve any project in an urbanized area after July 1, 1976, under this section unless he finds that such project is based on a continuing comprehensive transportation planning process carried on in conformance with the objectives stated in this paragraph.

Long-range
plans and
programs.

“(2) The Governor or designated recipient shall submit to the Secretary for his approval a program of projects for utilization of the funds authorized, which shall be based on the continuing comprehensive planning process of paragraph (1). The Secretary shall act upon programs submitted to him as soon as practicable, and he may approve a program in whole or in part.

Program of
projects, sub-
mittal to Secretary
of Transportation.

“(3) An applicant for assistance under this section (other than a Governor) shall submit the program or programs to the Governor of the State affected, concurrently with submission to the Secretary. If within thirty days thereafter the Governor submits comments to the Secretary, the Secretary shall consider such comments before taking final action on the program or programs.

Submittal to
Governor.

“(h) (1) The Governor or the designated recipient of the urbanized area shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and his entering into a grant or contract agreement with respect to any such project shall be a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

Surveys, plans,
and specifica-
tions.

"(2) In approving any project under this section, the Secretary shall assure that possible adverse economic, social, and environmental effects relating to the proposed project have been fully considered in developing the project, and that the final decisions on the project are made in the best overall public interest, taking into consideration the need for fast, safe, and efficient transportation, public services, and conservation of environment and natural resources, and the costs of eliminating or minimizing any such adverse effects, including—

"(A) air, noise, and water pollution;

"(B) destruction or disruption of manmade and natural resources, esthetic values, community cohesion, and the availability of public facilities and services;

"(C) adverse employment effects, and tax and property value losses;

"(D) injurious displacement of people, businesses, and farms; and

"(E) disruption of desirable community and regional growth.

Hearings.

"(i) Upon submission for approval of a proposed project under this section, the Governor or the designated recipient of the urbanized area shall certify to the Secretary that he or it has conducted public hearings (or has afforded the opportunity for such hearings) and that these hearings included (or were scheduled to include) consideration of the economic and social effects of such project, its impact on the environment, including requirements under the Clean Air Act, the Federal Water Pollution Control Act, and other applicable Federal environmental statutes, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community. Such certification shall be accompanied by (1) a report which indicates the consideration given to the economic, social, environmental, and other effects of the proposed project, including, for construction projects, the effects of its location or design, and the consideration given to the various alternatives which were raised during the hearing or which were otherwise considered, and (2) upon the Secretary's request, a copy of the transcript of the hearings.

42 USC 1857
note.
33 USC 1151
note.

"(j) (1) The Secretary may discharge any of his responsibilities under this action with respect to a project under this section upon the request of any Governor or designated recipient of the urbanized area by accepting a certification by the Governor or his designee, or by the designated recipient of the urbanized area, if he finds that such project will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this section.

Final inspection or review.

"(2) The Secretary shall make a final inspection or review of each such project upon its completion and shall require an adequate report of its estimated and actual cost, as well as such other information as he determines to be necessary.

Guidelines and regulations.

"(3) The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this subsection.

"(4) Acceptance by the Secretary of a certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"(5) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any other Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), section 4(f) of the Department of Transportation Act (49 U.S.C. 1653(f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 200(d) et seq.), title VIII of the Act of April 11, 1968 (Public Law 90-284, 42 U.S.C. 3601 et seq.), and the Uniform Relocation

42 USC 2000d.

Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

“(k) (1) As soon as practicable after the plans, specifications, and estimates for a specific project under this section have been approved, the Secretary shall enter into a formal project agreement with the Governor, his designee or the designated recipient of the urbanized area. Such project agreement shall make provision for non-Federal funds required for the State’s or designated recipient’s pro rata share of the cost of the project.

42 USC 4601
note.
Formal project
agreement.

“(2) The Secretary may rely upon representations made by the applicant with respect to the arrangements or agreements made by the Governor or the designated recipient where a part of the project involved is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

“(3) The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant or contract made pursuant to this section, on such terms and conditions as he may prescribe.

31 USC 529.

“(1) The Secretary shall not approve any project under this section unless he finds that such project is needed to carry out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and is necessary for the sound, economic, and desirable development of such area, and that the applicant or responsible agency has the legal, financial, and technical capacity to carry out the proposed project. A project under this section may not be undertaken unless the responsible public officials of the urbanized area in which the project is located have been consulted and, except for projects solely to pay subsidies for operating expenses, their views considered with respect to the corridor, location, and design of the project.

“(m) The Secretary shall not approve any project under this section unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment of the project financed with assistance under this section will not exceed one-half of the rates generally applicable to other persons at peak hours, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise.

Fares for el-
derly and
handicapped
persons.

“(n) (1) The provisions of section 13(c) and section 3(e) (4) shall apply in carrying out mass transportation projects under this section.

49 USC 1609,
1602.

“(2) The provision of assistance under this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.”

5 USC 1501.

(b) Section 4(a) of such Act is amended by striking out “Except as specified in section 5, no” and inserting in lieu thereof “No”.

49 USC 1603.

ELIGIBILITY OF QUASI-PUBLIC DEVELOPMENT CORPORATIONS

SEC. 104. (a) The first sentence of section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting “(1)” after “financing”, and by inserting before the period at the end thereof the

49 USC 1602.

following: “, and (2) the establishment and organization of public or quasi-public transit corridor development corporations or entities”.

49 USC 1602.

(b) The second sentence of section 3(a) of such Act is amended to read as follows: “Eligible facilities and equipment may include personal property including buses and other rolling stock and real property including land (but not public highways), within the entire zone affected by the construction and operation of transit improvements, including station sites, needed for an efficient and coordinated mass transportation system which is compatible with socially, economically, and environmentally sound patterns of land use.”

COORDINATION OF URBAN MASS TRANSIT PROGRAMS WITH MODEL CITIES PROGRAMS

42 USC 3303.

SEC. 105. Section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and

(2) by inserting after paragraph (3) the following new paragraph:

49 USC 1602.

“(4) any program which includes a transportation component as a project or activity to be undertaken meets the requirements of section 3(e) of the Urban Mass Transportation Act of 1964;”.

PROCUREMENT

49 USC 1602.

SEC. 106. The fifth sentence of section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof the following: “, nor shall any grant or loan funds be used to support procurements utilizing exclusionary or discriminatory specifications”.

INVESTIGATION OF SAFETY HAZARDS IN URBAN MASS TRANSPORTATION SYSTEMS

49 USC 1604a.

SEC. 107. The Secretary of Transportation shall investigate unsafe conditions in any facility, equipment, or manner of operation financed under this Act which creates a serious hazard of death or injury for the purpose of determining its nature and extent and the means which might best be employed to eliminate or correct it. If the Secretary determines that such facility, equipment, or manner of operation is unsafe, he shall require the State or local public body or agency to submit to the Secretary a plan for correcting the unsafe facility, equipment, or manner of operation, and the Secretary may withhold further financial assistance to the applicant until such plan is approved or implemented.

FARES FOR ELDERLY AND HANDICAPPED PERSONS

49 USC 1604b.

SEC. 108. Nothing contained in this title shall require the charging of fares to elderly and handicapped persons.

SCHOOL BUS OPERATIONS

49 USC 1602.

SEC. 109. (a) Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof (immediately after subsection (f)) the following new subsection:

“(g) No Federal financial assistance shall be provided under this Act for the construction or operation of facilities and equipment for

use in providing public mass transportation service to any applicant for such assistance unless such applicant and the Secretary shall have first entered into an agreement that such applicant will not engage in schoolbus operations, exclusively for the transportation of students and school personnel, in competition with private schoolbus operators. This subsection shall not apply to an applicant with respect to operation of a schoolbus program if the applicant operates a school system in the area to be served and operates a separate and exclusive schoolbus program for this school system. This subsection shall not apply unless private schoolbus operators are able to provide adequate transportation, at reasonable rates, and in conformance with applicable safety standards; and this subsection shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting schoolchildren and personnel along with facilities to be used therefor) was so engaged in schoolbus operations any time during the twelve-month period immediately prior to the date of the enactment of this subsection. A violation of an agreement under this subsection shall bar such applicant from receiving any other Federal financial assistance under this Act."

(b) The first sentence of section 3(f) of such Act is amended by striking out "purchase of buses" each place it appears and inserting in lieu thereof "purchase or operation of buses".

49 USC 1602.

ALTERNATE USE OF CAPITAL GRANTS

SEC. 110. Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof (after the new subsection added by section 109 of this Act) the following new subsection:

49 USC 1602.

"(h) Notwithstanding any other provision of this Act, or of any contract or agreement entered into under this Act, up to one-half of any financial assistance provided under this Act (other than under section 5) to any State or local public body or agency thereof for the fiscal year 1975 or any subsequent fiscal year may, at the option of such State or local public body or agency, be used exclusively for the payment of operating expenses (incurred in connection with the provision of mass transportation service in an urban area or areas) to improve or to continue such service, if the Secretary finds (in any case where the financial assistance to be so used was originally provided for another project) that effective arrangements have been made to substitute and, by the end of the fiscal year following the fiscal year for which such sums are used, make available (for such other project) an equal amount of State or local funds (in addition to any State or local funds otherwise required by this Act to be contributed toward the cost of such project). Any amounts used for the payment of operating expenses pursuant to this subsection shall be subject to such terms and conditions (including the requirement for local matching contributions), required for the payment of operating expenses under other provisions of this Act, as the Secretary may deem necessary and appropriate."

DATA AND FINANCIAL REPORTING SYSTEMS

SEC. 111. Section 15 of the Urban Mass Transportation Act of 1964 is amended by striking out the entire section and inserting in lieu thereof the following:

49 USC 1611.

"REPORTING SYSTEM

"SEC. 15. (a) The Secretary shall by January 10, 1977, develop, test, and prescribe a reporting system to accumulate public mass transportation financial and operating information by uniform categories and a uniform system of accounts and records. Such systems shall be designed to assist in meeting the needs of individual public mass transportation systems, Federal, State, and local governments, and the public for information on which to base planning for public transportation services, and shall contain information appropriate to assist in the making of public sector investment decisions at all levels of government. The Secretary is authorized to develop and test these systems in consultation with interested persons and organizations. The Secretary is authorized to carry out this subsection independently, or by grant or contract (including working arrangements with other Federal, State, or local government agencies). The Secretary is authorized to request and receive such information or data as he deems appropriate from public or private sources.

Ante, p. 1567.

"(b) After July 1, 1978, the Secretary shall not make any grant under section 5 unless the applicant for such grant and any person or organization to receive benefits directly from that grant are each subject to both the reporting system and the uniform system of accounts and records prescribed under subsection (a) of this section."

TITLE II—FARE-FREE MASS TRANSPORTATION

DEMONSTRATIONS

49 USC 1605
note.

SEC. 201. The Secretary of Transportation (hereinafter referred to as the "Secretary") shall enter into such contracts or other arrangements as may be necessary for research and the development, establishment, and operation of demonstration projects to determine the feasibility of fare-free urban mass transportation systems.

Federal grants,
limitation,
49 USC 1605
note.

SEC. 202. Federal grants or payments for the purpose of assisting such projects shall cover not to exceed 80 per centum of the cost of the project involved, including operating costs and the amortization of capital costs for any fiscal year for which such contract or other arrangement is in effect.

49 USC 1605
note.

SEC. 203. The Secretary shall select cities or metropolitan areas for such projects in accordance with the following:

(1) to the extent practicable, such cities or metropolitan areas shall have a failing or nonexistent or marginally profitable transit system, a decaying central city, automobile-caused air pollution problems, and an immobile central city population;

(2) several projects should be selected from cities or metropolitan areas of differing sizes and populations;

(3) a high level of innovative service must be provided including the provision of crosstown and other transportation service to the extent necessary for central city residents and others to reach employment, shopping, and recreation; and

(4) to the extent practicable, projects utilizing different modes of mass transportation shall be approved.

Study.
49 USC 1605
note.

SEC. 204. The Secretary shall study fare-free systems assisted pursuant to this title, and other financially assisted urban mass transportation systems providing reduced fares for the purpose of determining the following:

(1) the effects of such systems on (i) vehicle traffic and attendant air pollution, congestion, and noise, (ii) the mobility of urban residents, and (iii) the economic viability of central city business;

(2) the mode of mass transportation that can best meet the desired objectives;

(3) the extent to which frivolous ridership increases as a result of reduced fare or fare-free systems;

(4) the extent to which the need for urban highways might be reduced as a result of reduced fare or fare-free systems; and

(5) the best means of financing reduced fare or fare-free transportation on a continuing basis.

SEC. 205. The Secretary shall make annual reports to the Congress on the information gathered pursuant to section 204 of this title and shall make a final report of his findings, including any recommendations he might have to implement such findings, not later than June 30, 1975.

Reports to
Congress.
49 USC 1605
note.

SEC. 206. In carrying out the provisions of this title, the Secretary shall provide advisory participation by interested State and local government authorities, mass transportation systems management personnel, employee representatives, mass transportation riders, and any other persons that he may deem necessary or appropriate.

49 USC 1605
note.

SEC. 207. There are hereby authorized to be appropriated not to exceed \$20,000,000 for each of the fiscal years ending on June 30, 1975, and June 30, 1976, respectively, to carry out the provisions of this title.

Appropriation.
49 USC 1605
note.

TITLE III—RAILROAD GRADE CROSSINGS

SEC. 301. The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Hammond, Indiana, for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings. The Federal share payable on account of such project shall be that provided in section 120 of title 23, United States Code.

Hammond, Ind.,
demonstration
project.
49 USC 1605
note.

SEC. 302. There are authorized to be appropriated to carry out this title not to exceed \$14,000,000, except that two-thirds of all funds expended under authority of this section in any fiscal year shall be appropriated out of the Highway Trust Fund.

Appropriation.
49 USC 1605
note.

Approved November 26, 1974.

Public Law 93-504

AN ACT

To eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps.

November 29, 1974
[S. 3204]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to incorporate the Naval Sea Cadet Corps", approved September 10, 1962 (36 U.S.C. 1042), is amended by striking out "boys" and inserting in lieu thereof "young people".

Naval Sea
Cadet Corps.

Approved November 29, 1974.

Public Law 93-505

AN ACT

November 30, 1974
[S. 2457]

To amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators.

Amateur radio
operators, aliens,
Operation in
U.S.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That subsection (1) of section 303 of the Communications Act of 1934, as amended (47 U.S.C. 303(1)), is amended by deleting paragraphs (2) and (3) and inserting the following:

“(2) Notwithstanding paragraph (1) of this subsection, an individual to whom a radio station is licensed under the provisions of this Act may be issued an operator’s license to operate that station.

47 USC 301.

“(3) In addition to amateur operator licenses which the Commission may issue to aliens pursuant to paragraph (2) of this subsection, and notwithstanding section 301 of this Act and paragraph (1) of this subsection, the Commission may issue authorizations, under such conditions and terms as it may prescribe, to permit an alien licensed by his government as an amateur radio operator to operate his amateur radio station licensed by his government in the United States, its possessions, and the Commonwealth of Puerto Rico provided there is in effect a bilateral agreement between the United States and the alien’s government for such operation on a reciprocal basis by United States amateur radio operators. Other provisions of this Act and of the Administrative Procedure Act shall not be applicable to any request or application for or modification, suspension, or cancellation of any such authorization.”

Bilateral agree-
ment.

5 USC note
prec. 551.

SEC. 2. Section 310 of the Communications Act of 1934, as amended (47 U.S.C. 310), is amended by deleting subsection (a), redesignating subsection (b) as subsection (d) and inserting the following new subsections (a), (b), and (c):

License restric-
tions.

“(a) The station license required under this Act shall not be granted to or held by any foreign government or the representative thereof.

“(b) No broadcast or common carrier or aeronautical en route or aeronautical fixed radio station license shall be granted to or held by—

“(1) any alien or the representative of any alien;

“(2) any corporation organized under the laws of any foreign government;

“(3) any corporation of which any officer or director is an alien or of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country;

“(4) any corporation directly or indirectly controlled by any other corporation of which any officer or more than one-fourth of the directors are aliens, or of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country, if the Commission finds that the public interest will be served by the refusal or revocation of such license.

“(c) In addition to amateur station licenses which the Commission may issue to aliens pursuant to this Act, the Commission may issue authorizations, under such conditions and terms as it may prescribe, to permit an alien licensed by his government as an amateur radio operator to operate his amateur radio station licensed by his government in the United States, its possessions, and the Commonwealth of Puerto Rico provided there is in effect a bilateral agreement between the United States and the alien’s government for such operation on a reciprocal basis by United States amateur radio operators. Other provisions of this Act and of the Administrative Procedure Act shall not be applicable to any request or application for or modification, suspension, or cancellation of any such authorization.”

Bilateral agree-
ment.

5 USC note
prec. 551.

Approved November 30, 1974.

Public Law 93-506

AN ACT

November 30, 1974
[S. 1479]

To amend subsection (b) of section 214 and subsection (c) (1) of section 222 of the Communications Act of 1934, as amended, in order to designate the Secretary of Defense (rather than the Secretaries of the Army and the Navy) as the person entitled to receive official notice of the filing of certain applications in the common carrier service and to provide notice to the Secretary of State where under section 214 applications involve service to foreign points.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 214 of the Communications Act of 1934, as amended (47 U.S.C. 214(b)), is amended by deleting from the first sentence thereof “the Secretary of the Army, the Secretary of the Navy,” and inserting in lieu thereof “the Secretary of Defense, the Secretary of State (with respect to such applications involving service to foreign points),”

Federal Commu-
nications Com-
mission.

Certain common
carrier applica-
tions, notice.

SEC. 2. That subsection (c) (1) of section 222 of the Communications Act of 1934, as amended, is amended by deleting from the first sentence thereof “the Secretary of the Army,” and “the Secretary of the Navy,” and inserting in lieu thereof “the Secretary of Defense,” immediately after “Secretary of State,” in such sentence.

47 USC 222.

Approved November 30, 1974.

Public Law 93-507

AN ACT

November 30, 1974
[S. 1227]

To amend section 415 of the Communications Act of 1934, as amended, to provide for a two-year period of limitations in proceedings against carriers for the recovery of overcharges or damages not based on overcharges.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsections (a), (b), and (c) of section 415 of the Communications Act of 1934, as amended (47 U.S.C. 415), are amended to read as follows:

Communications
common carriers.
Proceedings by
or against, limi-
tation period, ex-
tension.

“(a) All actions at law by carriers for recovery of their lawful charges, or any part thereof, shall be begun, within two years from the time the cause of action accrues, and not after.

“(b) All complaints against carriers for the recovery of damages not based on overcharges shall be filed with the Commission within two years from the time the cause of action accrues, and not after, subject to subsection (d) of this section.

“(c) For recovery of overcharges action at law shall be begun or complaint filed with the Commission against carriers within two years from the time the cause of action accrues, and not after, subject to subsection (d) of this section, except that if claim for the overcharge has been presented in writing to the carrier within the two-year period of limitation said period shall be extended to include two years from the time notice in writing is given by the carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.”

Approved November 30, 1974.

Public Law 93-508

December 3, 1974
[H. R. 12628]

AN ACT

To amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Vietnam Era Veterans’ Readjustment Assistance Act of 1974”.

Vietnam Era
Veterans’ Read-
justment Assist-
ance Act of 1974.
38 USC 1501
note.

TITLE I—VOCATIONAL REHABILITATION AND EDUCATIONAL AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

38 USC 1501.

(1) by inserting in section 1501(2) a comma and “all appropriate individualized tutorial assistance,” after “counseling”;

38 USC 1502.

(2) by striking out in section 1502(a) all after “if such disability” and inserting in lieu thereof “arose out of service during World War II or thereafter.”; and

(3) by amending the table contained in section 1504(b) to read as follows:

Subsistence allowances.
38 USC 1504.

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
Institutional:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$201	\$249	\$293	\$21
Three-quarter-time.....	151	188	221	17
Half-time.....	100	125	147	11
Farm cooperative, apprentice, or other on-the-job training:				
Full-time.....	175	212	245	17".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by striking out in the last sentence of section 1677(b) "\$220" and inserting in lieu thereof "\$260";

Flight training.
38 USC 1677.

(2) by amending the table contained in section 1682(a) (1) to read as follows:

Educational assistance allowances.
38 USC 1682.

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
Institutional:				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$270	\$321	\$366	\$22
Three-quarter-time.....	203	240	275	17
Half-time.....	135	160	182	11
Cooperative.....	217	255	289	17";

(3) by striking out in section 1682(b) "\$220" and inserting in lieu thereof "\$260";

(4) by amending the table contained in section 1682(c) (2) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time.....	\$217	\$255	\$289	\$17
Three-quarter-time.....	163	191	218	13
Half-time.....	109	128	145	9";

and

38 USC 1696.

(5) by striking out in section 1696(b) "\$220" and inserting in lieu thereof "\$260".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

Allowance
computation.
38 USC 1732.

(1) by amending section 1732(a) (1) to read as follows:

"(a) (1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate prescribed in section 1682(a) (1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.";

(2) by striking out in section 1732(a) (2) all after and including "of (A)" and inserting in lieu thereof "prescribed in section 1682(b) (2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.";

(3) by striking out in section 1732(b) "\$177" and inserting in lieu thereof "\$209"; and

(4) by amending section 1742(a) to read as follows:

38 USC 1742.
Special training
allowance.

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of \$260 per month. If the charges for tuition and fees applicable to any such course are more than \$82 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed \$82 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each \$8.69 that the special training allowance paid exceeds the basic monthly allowance."

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

Correspondence
courses.
38 USC 1786.
On-job training
allowance.
38 USC 1787.

(1) by striking out in section 1786(a) (2) "\$220" and inserting in lieu thereof "\$260";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
First 6 months.....	\$189	\$212	\$232	The amount in column IV, plus the following for each dependent in excess of two:
Second 6 months.....	142	164	184	\$9
Third 6 months.....	95	117	137	9
Fourth and any succeeding 6-month periods.	47	70	90	9";

and

(3) by amending section 1787(b) (2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be

computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.”.

SEC. 105. (a) The Administrator shall carry out directly a thorough study and investigation of the administrative difficulties and opportunities or abuse that would be occasioned by enactment of some form of variable tuition assistance allowance program, with reference to such difficulties and abuses experienced by the Veterans' Administration after the end of World War II in carrying out the provisions of Veterans' Regulation Numbered 1(a), relating to the payment of tuition and related expenses for veterans of World War II pursuing a program of education or training under the Servicemen's Readjustment Act of 1944, and to any such difficulties and abuses presently being experienced by the Veterans' Administration in carrying out existing tuition assistance programs under title 38, United States Code, including chapter 31 vocational rehabilitation, correspondence courses, flight training and PREP, and of ways in which any such difficulties and abuses could be avoided or minimized through legislative or administrative action so as to ensure an expeditious, orderly, and effective implementation of any tuition assistance allowance program.

Tuition assistance allowance program abuses, study.
38 USC 1780 note.

58 Stat. 284.

38 USC 1501.

(b) In carrying out the study and investigation required by subsection (a), the Administrator shall consult with and solicit the views and suggestions of interested veterans' organizations, educational groups and associations, persons receiving assistance under chapters 31, 34, 35 and 36 of title 38, United States Code, other Federal departments and agencies, and other interested parties.

38 USC 1501, 1651, 1700, 1770.

(c) The Administrator shall report to the Congress and the President not later than one year after the date of enactment of this Act on the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

Report to Congress and the President.

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a)(3) of title 38, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof “unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).”.

SEC. 202. Section 1661 of title 38, United States Code, is amended by—

Entitlement.

(1) inserting in subsection (a) before the period at the end thereof “plus an additional number of months, not exceeding nine, as may be utilized in pursuit of a program of education leading to a standard undergraduate college degree”; and

(2) striking out in subsection (c) “subsection (b)” and inserting in lieu thereof “subsections (a) and (b)”.

SEC. 203. Section 1673 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a) (2) to read as follows:

Sales or sales management courses, disapproval.

“(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or”;

(2) by inserting in subsection (a) (3) “(or the advertising for which he finds contains significant avocational or recreational themes)” after “character”; and

(3) by amending subsection (d) to read as follows:

Other disapproved courses.

38 USC 1690, 1695.

“(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title.”.

SEC. 204. Section 1682 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

Refresher training.
38 USC 1671.

“(d) (1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has ‘already qualified,’ a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran’s knowledge and skills and to be instructed in the technological advances which have occurred in such veteran’s field of employment during and since the period of such veteran’s active military service.

“(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a) (1) or in subsection (c) (2) of this section, whichever is applicable.

Ante, p. 1579.

“(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.”.

Ante, p. 1581.

Veteran-student services.

SEC. 205. Section 1685 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) all of that portion of the second sentence preceding “during a semester” and inserting in

lieu thereof "Such work-study allowance shall be paid in the amount of \$625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours";

(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid \$250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as \$625 bears to two hundred and fifty hours."; and

(3) by striking out in subsection (c) "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 206. Section 1692(b) of title 38, United States Code, is amended as follows:

Special supplementary assistance.

(1) by striking out "\$50" and inserting in lieu thereof "\$60";

(2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and

(3) by striking out "\$450" and inserting in lieu thereof "\$720".

SEC. 207. Section 1723 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a) (2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

Sales or sales management courses, disapproval.

(2) by inserting in subsection (a) (3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character";

(3) by striking out in subsection (c) "any course of institutional on-farm training,"; and

(4) by striking out in subsection (d) "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 208. Section 1732 of title 38, United States Code, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"Farm cooperative" programs, assistance.

"(c) (1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week),

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682(c) (2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents."

Ante, p. 1579.

38 USC 1780.

SEC. 209. Section 1780(a) (2) is amended by inserting "(or customary vacation periods connected therewith)" after "holidays".

SEC. 210. Chapter 36 of title 38, United States Code, is amended as follows:

38 USC 1774.

Administrative expenses, allowance.

(1) by amending section 1774(b) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursable under this section	Allowable for administrative expense
\$5,000 or less-----	\$550.
Over \$5,000 but not exceeding \$10,000--	\$1,000.
Over \$10,000 but not exceeding \$35,000--	\$1,000 for the first \$10,000 plus \$925 for each additional \$5,000 or fraction thereof.
Over \$35,000 but not exceeding \$40,000--	\$6,050.
Over \$40,000 but not exceeding \$75,000--	\$6,050 for the first \$40,000 plus \$800 for each additional \$5,000 or fraction thereof.
Over \$75,000 but not exceeding \$80,000--	\$12,000.
Over \$80,000-----	\$12,000 for the first \$80,000 plus \$700 for each additional \$5,000 or fraction thereof."

and

(2) by amending section 1784(b) to read as follows:

38 USC 1784.

Reporting fee.

38 USC 1651,
1700.

38 USC 1780.

“(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying \$3 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 34 or 35 of this title, or \$4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d) (5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.”

SEC. 211. Section 1788(a) of title 38, United States Code, is amended as follows:

Measurement of
courses.

(1) by striking out in clause (1) “below the college level” and inserting in lieu thereof a comma and “not leading to a standard college degree,”;

(2) by striking out in clause (2) “below the college level” and inserting in lieu thereof a comma and “not leading to a standard college degree,”;

(3) by striking out in clause (6) “below the college level” and inserting in lieu thereof “not leading to a standard college degree”; and

(4) by adding at the end of such subsection the following:

“Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.”

SEC. 212. (a) Chapter 36 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

38 USC 1796.

“§ 1796. Limitation on certain advertising, sales, and enrollment practices

“(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

38 USC 1794.

“(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

38 USC 1651,
1700.Report to Con-
gress.

“(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.”

(b) The table of sections at the beginning of chapter 36 of such title is amended by inserting

“1796. Limitation on certain advertising, sales, and enrollment practices.”
below

“1795. Limitation on period of assistance under two or more programs.”

SEC. 213. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

38 USC 219.

“§ 219. Evaluation and data collection

“(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

“(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.

“(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

Studies, tabu-
lation and anal-
yses, availabil-
ity to public and
congressional
committees.

“§ 220. Coordination of other Federal programs affecting veterans and their dependents

38 USC 220.

“The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title.”

(b) The table of sections at the beginning of chapter 3 of such title is amended by adding

“219. Evaluation and data collection.

“220. Coordination of other Federal programs affecting veterans and their dependents.”

below

“218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.”

SEC. 214. Subchapter IV of chapter 3 of title 38, United States Code, is amended as follows:

Outreach serv-
ices program.

(1) by inserting in section 241 “in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons)” after “outreach services”;

38 USC 241.

(2) by inserting in clause (2) “to eligible veterans and eligible dependents” after “information” the first time it appears;

(3) by striking out in section 242(b) “may implement such special telephone service” and inserting in lieu thereof “shall establish and carry out all possible programs and services, including special telephone facilities.”;

38 USC 242.

(4) redesignating sections 243 and 244 as 244 and 245, respectively, and adding the following new section after section 242:

38 USC 243,
244.

“§ 243. Veterans' representatives

38 USC 243.

“(a) (1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

38 USC 1652.

38 USC 1501,
1651, 1700, 1770.

“(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

“(3) The functions of such veterans' representatives shall be to—

Functions.

“(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

“(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

“(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans’ Administration policies or procedures;

“(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

“(E) coordinate Veterans’ Administration matters with, and provide appropriate briefings to, all on-campus veterans’ groups, working particularly closely with veterans’ coordinators at educational institutions receiving veterans’ cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as ‘V.C.I. institutions’);

“(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

“(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

“(H) carry out such other activities as may be assigned by the director of the Veterans’ Administration regional office, established under section 230 of this title.

“(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans’ representatives to a particular educational institution, the director of the appropriate Veterans’ Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans’ representatives to other educational institutions in such region where he determines that such additional veterans’ representatives are necessary, or, with the approval of the chief benefits officer of the Veterans’ Administration, assign such veterans’ representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

“(5) The functions of a veterans’ representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs’ functions at V.C.I. institutions.

“(b) The Administrator shall establish rules and procedures to guide veterans’ representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that the activities of veterans’ representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title.”; and

(5) amending section 244 (as redesignated by clause (4) of this subsection) of such title by—

(A) striking out “may” and inserting in lieu thereof “shall”; and

20 USC
1070e-1.

38 USC 241.

38 USC 230.

Rules and
procedures.

38 USC 3402.

Ante, p. 1587.

(B) inserting “and provide for” after “conduct” in paragraph

(5).

(b) The table of sections at the beginning of such chapter is amended by striking out

“243. Utilization of other agencies.

“244. Report to Congress.”

and inserting in lieu thereof

“243. Veterans’ representatives.

“244. Utilization of other agencies.

“245. Report to Congress.”.

TITLE III—VETERANS AND DEPENDENTS EDUCATION LOAN PROGRAM

SEC. 301. (a) Chapter 36 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

“Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

“§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

38 USC 1798.

“(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b) (1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

“(b) (1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

“(2) (A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

“(B) The term ‘total amount of financial resources’ of any veteran or person for any year means the total of the following:

“‘Total amount of financial resources.’”

“(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

“(ii) The amount of cash assets of the veteran or person.

“(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

20 USC 1061.

“(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

“(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

“(C) The term ‘actual cost of attendance’ means, subject to such regulations as the Administrator may provide, the actual per-student

“‘Actual cost of attendance.’”

charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

Loan limitation.

38 USC 1661,
1710.

Eligibility.

“(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed \$270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of \$600 in any one regular academic year.

“(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

“(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and predetermined professional or vocational objective;

20 USC 1071.

“(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

“(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

Restrictions.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

“(d) Any agreement between the Administrator and a veteran or person under this subchapter—

“(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

“(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

“(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than a rate determined by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of loans made under this subchapter, except that no interest shall accrue prior to the beginning date of repayment; and

“(4) shall provide that the loan shall be made without security and without endorsement.

Defaulted loan.

“(e) (1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

Death or disability,
liability discharge.

“(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

“(3) The Administrator shall submit to the Committees on Veterans’ Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans’ Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and default rate at each educational institution along with a comparison of the collective default experience and default rate at all such institutions.

Report to congressional committees.

Ante, p. 1578.

“§ 1799. Revolving fund; insurance

38 USC 1799.

“(a) There is hereby established in the Treasury of the United States a revolving fund to be known as the ‘Veterans’ Administration Education Loan Fund’ (hereinafter in this section referred to as the ‘Fund’).

Veterans’ Administration Education Loan Fund.
Establishment.

“(b) The Fund shall be available to the Administrator, without fiscal year limitation, for the making of loans under this subchapter.

“(c) There shall be deposited in the Fund (1) by transfer from current and future appropriations for readjustment benefits such amounts as may be necessary to establish and supplement the Fund in order to meet the requirements of the Fund, and (2) all collections of fees and principal and interest (including overpayments declared under section 1798(e) of this title) on loans made under this subchapter.

Transfer of funds.

Ante, p. 1589.

“(d) The Administrator shall determine annually whether there has developed in the Fund a surplus which, in his judgment, is more than necessary to meet the needs of the Fund, and such surplus, if any, shall be deemed to have been appropriated for readjustment benefits.

Surplus funds, use.

“(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter; and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof.”

Fee.

Limitation.

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

“SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

“1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.

“1799. Revolving fund; insurance.”.

SEC. 302. (a) Subchapter IV of chapter 34 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 1686. Education loans

38 USC 1686.

“Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”.

(b) The table of sections at the beginning of such chapter is amended by inserting

Ante, p. 1589;
Supra.

“1686. Education loans.”

below

“1685. Veteran-student services.”.

SEC. 303. (a) Subchapter IV of chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following new section:

38 USC 1737.

“§ 1737. Education loans*Ante*, pp. 1589, 1591.

“Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.”.

(b) The table of sections at the beginning of such chapter is amended by inserting

“1737. Education loans.”

below

“1736. Specialized vocational training courses.”.

TITLE IV—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS’ REEMPLOYMENT RIGHTS

SEC. 401. Chapter 41 of title 38, United States Code, is amended as follows:

(a) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) a new paragraph (2) as follows:

“Eligible person.”

“(2) the term ‘eligible person’ means—

“(A) the spouse of any person who died of a service-connected disability,

“(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

“(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.”.

38 USC 2002.

(b) Section 2002 is amended by (1) inserting “and eligible persons” after “eligible veterans” and (2) inserting “and persons” after “such veterans”.

38 USC 2003.

(c) Section 2003 is amended by—

(1) striking out in the first sentence “250,000 veterans” and inserting in lieu thereof “250,000 veterans and eligible persons”;

(2) striking out in the fourth sentence “veterans” and inserting in lieu thereof “veterans and eligible persons”;

(3) inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence “and eligible persons” after “eligible veterans” each time the latter term appears in such clauses;

(4) inserting in clause (3) of the fifth sentence “or an eligible person’s” after “eligible veteran’s”; and

(5) inserting in clause (4) of the fifth sentence “and persons” after “such veterans”.

38 USC 2005.

(d) Section 2005 is amended by inserting “and eligible persons” after “eligible veterans”.

38 USC 2006.

(e) The last sentence of section 2006(a) is amended by striking out “veterans” and inserting in lieu thereof “eligible veterans and eligible persons”.

38 USC 2007.

(f) Section 2007 is amended by—

(1) inserting in subsection (a)(1) “and each eligible person” after “active duty,”;

(2) redesignating subsection (b) as subsection (c) and inserting the following new subsection (b):

“(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency’s plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.”; and

Performance standards.

38 USC 2011.

(3) striking out in the second sentence of subsection (c) (as redesignated by clause (2) of this subsection) “and other eligible veterans” and inserting in lieu thereof “other eligible veterans, and eligible persons”.

SEC. 402. Chapter 42 of title 38, United States Code, is amended as follows:

(1) by inserting in the first sentence of section 2012(a) “in the amount of \$10,000 or more” after “contract” where it first appears, by striking out “, in employing persons to carry out such contract,” in such sentence, and by striking out “give special emphasis to the employment of” and inserting in lieu thereof “take affirmative action to employ and advance in employment” in such sentence;

Employment under Federal contracts.
38 USC 2012.

(2) by striking out in the third sentence of section 2012(a) “The” and inserting in lieu thereof “In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the”; and

(3) by striking out in the first sentence of section 2012(b) “giving special emphasis in employment to” and inserting in lieu thereof “the employment of”.

SEC. 403. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

“§ 2014. Employment within the Federal Government

38 USC 2014.

“(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

“(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

Veterans readjustment appointments, eligibility.

5 USC 5332 and note.
5 USC 3302 note.

38 USC 1652.
Ante, p. 1581.
38 USC 1788.

Termination date.

Disabled veterans.

29 USC 791.

Review and evaluation.

Reports, publication.

Report to Congress.

"Veteran" and "disabled veteran."

"(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions, and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

"(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

"(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

"(f) Notwithstanding section 2011 of this title, the terms 'veteran' and 'disabled veteran' as used in this section shall have the meaning provided for under generally applicable civil service law and regulations."

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

"2014. Employment within the Federal Government."

SEC. 404. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 43—Veterans' Reemployment Rights

"Sec.

"2021. Right to reemployment of inducted persons; benefits protected.

"2022. Enforcement procedures.

"2023. Reemployment by the United States, territory, possession, or the District of Columbia.

"2024. Rights of persons who enlist or are called to active duty; Reserves.

"2025. Assistance in obtaining reemployment.

"2026. Prior rights for reemployment.

38 USC 2021.

"§ 2021. Right to reemployment of inducted persons; benefits protected

50 USC app. 451.

50 USC app. 459.

"(a) In the case of any person who is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service), and (2) makes application for reemployment within ninety days after such person is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

“(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

U.S. Government
employment.

“(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

“(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;

“(B) if such position was in the employ of a State, or political subdivision thereof, or a private employer, such person shall—

State or private
employment.

“(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

“(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

Noncompliance
of employer.

“(b) (1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

“(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment, or reemployment.

Status rights.

Reserve component members.

“(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

State employee.

“(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

38 USC 2022.

“§ 2022. Enforcement procedures

Ante, p. 1594.

Post, p. 1598.

“If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021 (a), (b) (1), or (b) (3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

Hearing.

38 USC 2023.

“§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

Ante, p. 1594.

“(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

“(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

“(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia.

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term ‘agency in the executive branch of the Government’ means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the United States Postal Service and the Postal Rate Commission).

“(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine

Regulations.

Compliance order; compensation for loss of wages.

“Agency in the executive branch of the Government.”

Restoration to legislative position.
Ante, p. 1594.

Transfer to executive position.

whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

Restoration to
judicial position.

Ante, p. 1594.

“(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

38 USC 2024.

“§ 2024. Rights of persons who enlist or are called to active duty; Reserves

“(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all of the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

50 USC app.
451.

“(b) (1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided for by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

“(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for

reemployment rights under subsection (b) (1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

Additional ac-
tive duty.

“(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

Duty for less
than three months.

50 USC app.
451.
Six-month dis-
charge period.

5 USC 101 et
seq.

“(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021 (a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee

Leave of ab-
sence for active
or inactive duty
training.
Ante, p. 1594.

covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

Induction period considered as leave of absence.
Ante, p. 1594.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted to return to such employee's position in accordance with the provisions of subsection (d) of this section.

Active and inactive duty training.

"(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 206, 301, 309, 402, or 1002 of title 37, is considered inactive duty training.

38 USC 2025.

"§ 2025. Assistance in obtaining reemployment

"The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

38 USC 2026.

"§ 2026. Prior rights for reemployment

"In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed."

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof

"43. Veterans' Reemployment Rights----- 2021".

SEC. 405. Section 9 of the Military Selective Service Act is amended by—

- (1) repealing subsections (b) through (h); and
- (2) redesignating subsections (i) and (j) as subsections (b) and (c), respectively.

50 USC app.
459.

Repeal.

TITLE V—EFFECTIVE DATES

SEC. 501. Title I of this Act shall become effective on September 1, 1974. ^{38 USC 1501 note.}

SEC. 502. Title III of this Act shall become effective on January 1, 1975, except that eligible persons shall, upon application, be entitled (and all such persons shall be notified by the Administrator of Veterans' Affairs of such entitlement) to a loan under the new subchapter III of chapter 36 of title 38, United States Code, as added by section 301 of this Act, the terms of which take into account the full amount of the actual cost of attendance (as defined in section 1798(b)(2)(C) of such title) which such persons incurred for the academic year beginning on or about September 1, 1974. ^{38 USC 1798 note}

Ante, p. 1589.

SEC. 503. Titles II and IV of this Act shall become effective on the date of their enactment. ^{38 USC 1652 note.}

CARL ALBERT

Speaker of the House of Representatives.

JAMES O. EASTLAND

President of the Senate pro tempore.

IN THE HOUSE OF REPRESENTATIVES, U.S.,

December 3, 1974.

The House of Representatives having proceeded to reconsider the bill (H. R. 12628) entitled "An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest.

W. PAT JENNINGS
Clerk.

By W. Raymond Colley

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS
Clerk.

By W. Raymond Colley

IN THE SENATE OF THE UNITED STATES,
December 3, 1974.

The Senate having proceeded to reconsider the bill (H. R. 12628) entitled "An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes", returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

FRANCIS R. VALEO
Secretary.

By Darrell St. Claire

Assistant Secretary

Public Law 93-509

AN ACT

December 3, 1974

[H. R. 17434]

To amend the National Wildlife Refuge System Administration Act of 1966 to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “National Wildlife Refuge System Administration Act Amendments of 1974”.

SEC. 2. Section 4(d) of the Act of October 15, 1966 (80 Stat. 928, 16 U.S.C. 668dd(d)), is amended—

(1) by striking out “(1)” and “(2)” and inserting in lieu thereof “(A)” and “(B)”, respectively;

(2) by inserting “(1)” immediately after “(d)”; and

(3) by adding at the end thereof the following new paragraph:

“(2) Notwithstanding any other provision of law, the Secretary of the Interior may not grant to any Federal, State, or local agency or to any private individual or organization any right-of-way, easement, or reservation in, over, across, through, or under any area within the system in connection with any use permitted by him under paragraph (1)(B) of this subsection unless the grantee pays to the Secretary, at the option of the Secretary, either (A) in lump sum the fair market value (determined by the Secretary as of the date of conveyance to the grantee) of the right-of-way, easement, or reservation; or (B) annually in advance the fair market rental value (determined by the Secretary) of the right-of-way, easement, or reservation. If any Federal, State, or local agency is exempted from such payment by any other provision of Federal law, such agency shall otherwise compensate the Secretary by any other means agreeable to the Secretary, including, but not limited to, making other land available or the loan of equipment or personnel; except that (A) any such compensation shall relate to, and be consistent with, the objectives of the National Wildlife Refuge System, and (B) the Secretary may waive such requirement for compensation if he finds such requirement impracticable or unnecessary. All sums received by the Secretary of the Interior pursuant to this paragraph shall, after payment of any necessary expenses incurred by him in administering this paragraph, be deposited into the Migratory Bird Conservation Fund and shall be available to carry out the provisions for land acquisition of the Migratory Bird Conservation Act (16 U.S.C. 715 et seq.) and the Migratory Bird Hunting Stamp Act (16 U.S.C. 718 et seq.).”

SEC. 3. Section 4(d)(2) of the Act of October 15, 1966 (as added by this Act), shall apply with respect to any right-of-way, easement, or reservation granted by the Secretary of the Interior on or after the date of the enactment of this Act, including any right-of-way, easement, or reservation granted on or after such date in connection with any use permitted by him pursuant to section 4(d)(2) of the Act of October 15, 1966 (as in effect before the date of the enactment of this Act).

SEC. 4. That section 401(e) of the Act of January 15, 1935 (16 U.S.C. 715s(e)), is amended to read as follows:

“(e) Any moneys remaining in the fund after all payments under this section are made for any fiscal year shall be transferred to the Migratory Bird Conservation Fund and shall be available for land acquisition under the provisions of the Migratory Bird Conservation Act (16 U.S.C. 715 et seq.); except that the funds available for the

National Wildlife Refuge System Administration Act Amendments of 1974.
16 USC 668dd note.

Rights-of-way, easements, or reservations, payment of fair market value.

Date of applicability.
16 USC 668dd note.

Transfer of surplus funds.

16 USC 710.

management of the National Wildlife Refuge System or for enforcement of the Migratory Bird Treaty Act shall not be diminished by the amendments made to this subsection by the National Wildlife Refuge System Administration Act Amendments of 1974, unless by specific Act of Congress.”

Approved December 3, 1974.

Public Law 93-510

December 5, 1974
[S. 2299]

AN ACT

To provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes.

Joint Funding
Simplification
Act of 1974.
42 USC 4251
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Joint Funding Simplification Act of 1974”.

PURPOSE

42 USC 4251.

SEC. 2. The purpose of this Act is to enable State and local governments and private, nonprofit organizations to use Federal assistance more effectively and efficiently, and to adapt that assistance more readily to their particular needs through the wider use of projects drawing upon resources available from more than one Federal agency, program, or appropriation. It is the further purpose of this Act to encourage Federal-State arrangements under which local governments and private, nonprofit organizations may more effectively and efficiently combine State and Federal resources in support of projects of common interest to the governments and organizations concerned.

BASIC RESPONSIBILITIES OF THE PRESIDENT AND HEADS OF FEDERAL AGENCIES

Regulations.
42 USC 4252.

SEC. 3. (a) The President shall promulgate such regulations as may be necessary or appropriate to assure that this Act is applied by all Federal agencies in a consistent manner and in accordance with its purposes. He may, for this purpose, require that Federal agencies adopt or prescribe procedures that will assure that applicants for assistance to projects funded pursuant to the provisions of this Act make appropriate efforts (1) to secure the views and recommendations of non-Federal agencies that may be significantly affected by such projects, and (2) to resolve questions of common interest to those agencies prior to submission of any application.

(b) Subject to such regulations as the President may prescribe, and to other applicable law, the heads of Federal agencies, by internal agency order or interagency agreement, may take the following actions:

(1) Identification of related programs likely to be particularly suitable or appropriate for providing joint support for specific kinds of projects thereunder.

(2) Development and promulgation of guidelines, model or illustrative projects, joint or common application forms, and other material or guidance to assist in the planning and development of projects drawing support from different programs.

(3) Review of administratively established program requirements in order to determine which of those requirements may impede joint support of projects thereunder and the extent to which such requirements may be modified, making such modifica-

tions where appropriate.

(4) Establishment of common technical or administrative rules with respect to related programs to assist in the joint use of funds in the support of specific projects or classes of projects under such programs.

(5) Creation of joint or common application processing and project supervision procedures or mechanisms including procedures for designating lead agencies to assume responsibilities for processing applications on behalf of several agencies and for designation of managing agencies to assume responsibilities for project supervision on behalf of several agencies.

(c) The head of each Federal agency shall be responsible for taking actions, to the maximum extent permitted under applicable law, that will further the purpose of this Act with respect to Federal assistance programs administered by his agency. Each Federal agency head shall also consult and cooperate with the heads of other Federal agencies in order similarly to promote the purposes of this Act with respect to Federal assistance programs of different agencies that may be used jointly in support of projects undertaken by State or local governments, or private, nonprofit organizations.

APPLICATION PROCESSING

SEC. 4. Actions taken by Federal agency heads pursuant to this Act that relate to the processing of applications or requests for assistance under two or more Federal programs in support of any project shall be designed to assure, so far as reasonably possible, that (1) all required reviews and approvals are handled expeditiously; (2) full account is taken of any special considerations of timing that are made known by the applicant that would affect the feasibility of a jointly funded project; (3) the applicant is required to deal with a minimum number of Federal representatives, acting separately or as a common board or panel; (4) the applicant is promptly informed of decisions with respect to an application and of any special problems or impediments that may affect the feasibility of Federal provision of assistance on a joint basis; and (5) the applicant is not required by representatives of any one Federal agency or program to obtain information or assurances concerning the requirements or actions of another Federal agency that could more appropriately be secured through direct communication among the Federal agencies involved.

42 USC 4253.

SPECIAL AUTHORITIES—BASIC CONDITIONS

SEC. 5. Where appropriate to further the purposes of this Act, and subject to the conditions prescribed in this section, heads of Federal agencies may use the authorities described in sections 6, 7, and 8 (relating to the establishment of uniform technical or administrative requirements, delegation of powers and responsibilities, and establishment of joint management funds) with respect to projects assisted under more than one Federal assistance program. These authorities shall be exercised only pursuant to regulations prescribed by the President. Those regulations shall include criteria or procedures to assure that the authorities are limited in use to problems that cannot be adequately dealt with through other actions pursuant to this Act or other applicable law, that they are applied only as necessary to promote expeditious processing of applications or effective and efficient administration of projects, and that they are applied in a manner consistent with the protection of the Federal interest and with program purposes and statutory requirements.

42 USC 4254.

ESTABLISHMENT OF UNIFORM TECHNICAL OR ADMINISTRATIVE
REQUIREMENTS

42 USC 4255.

SEC. 6. (a) In order to provide for projects that would otherwise be subject to varying or conflicting technical or administrative rules and procedures not required by law, the heads of Federal agencies may adopt uniform provisions with respect to—

(1) inconsistent or conflicting requirements relating to financial administration of such projects, including accounting, reporting and auditing, and maintaining separate bank accounts, but only to the extent consistent with the requirements of section 8;

(2) inconsistent or conflicting requirements relating to the timing of Federal payments for such projects where a single or combined schedule is to be established for the project as a whole;

(3) inconsistent or conflicting requirements that assistance be extended in the form of a grant rather than a contract, or a contract rather than a grant; and

(4) inconsistent or conflicting requirements relating to accountability for, or the disposition of, records, property, or structures acquired or constructed with Federal assistance where common rules are established for the project as a whole.

(b) In order to permit processing of applications in accordance with the purposes of this Act, Federal agency heads may provide for review of proposals for projects by a single panel, board, or committee in lieu of review by separate panels, boards, or committees except when such review is specifically required by law.

(c) In promoting the more effective and efficient use of Federal assistance resources, Federal agency heads may waive requirements that a single or specific public agency be utilized or designated to receive, supervise, or otherwise administer a part of the Federal assistance drawn upon by any jointly funded project to the extent that administration by another public agency is determined to be fully consistent with applicable State or local law and with the objectives of the Federal assistance program involved. This authority may be exercised only (1) upon request of the head of a unit of general government, with respect to agencies that he certifies to be under his jurisdiction, or (2) with the agreement of the several State or local public agencies concerned.

DELEGATION OF POWERS

42 USC 4256.

SEC. 7. With the approval of the President, agency heads may delegate to other Federal agencies powers and functions relating to the supervision or administration of Federal assistance, or otherwise arrange for other agencies to perform such activities, with respect to projects or classes of projects funded under the terms of this Act. Delegations under this section shall be made only on such conditions as may be appropriate to assure that the powers and functions delegated are exercised in full conformity with applicable statutory provisions and policies, and shall not relieve agency heads of responsibility for the proper and efficient management of projects funded by their agencies.

FUNDING ARRANGEMENTS AND PROCEDURES

42 USC 4257.

SEC. 8. (a) In order to provide for the more effective administration of funds drawn from more than one Federal program or appropriation in support of projects under this Act, there may be established joint management funds with respect to such projects. There shall be trans-

ferred to the joint management fund from each affected program or appropriation, from time to time, its proportionate share of amounts needed for payment to the grantee. Any unexpended amounts shall be returned to the joint management fund by the grantee at the completion of the project.

(b) Any account in a joint management fund shall be subject to such agreements, not inconsistent with this section and other applicable law, as may be entered into by the Federal agencies concerned with respect to the discharge of the responsibilities of those agencies and shall assure the availability of necessary information to those agencies and to the Congress. These agreements shall also provide that the agency administering a joint management fund shall be responsible and accountable by program and appropriation for the amounts provided for the purposes of each account established in the fund; and shall include procedures for determining, from time to time, whether amounts in the account are in excess of the amounts required, and for returning that excess to the participating Federal agencies according to the applicable appropriations, subject to fiscal year limitations. Excess amounts applicable to expired appropriations will be lapsed from that fund.

(c) For each project financed through an account in a joint management fund established pursuant to this section, the recipients of moneys drawn from the fund shall keep such records as the head of the Federal agency responsible for administering the fund will prescribe. Such records shall, as a minimum, fully disclose the amount and disposition by such recipient of Federal assistance received under each program and appropriation, the total cost of the project in connection with which such Federal assistance was given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

Recordkeeping.

(d) The head of the Federal agency responsible for administering such joint management fund and the Comptroller General of the United States or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the moneys received from such fund.

Audit.

(e) In the case of any project covered in a joint management fund, a single non-Federal share may be established according to the Federal share ratios applicable to the several Federal assistance programs involved and the proportion of funds transferred to the project account from each of those programs.

AUXILIARY PROVISIONS

SEC. 9. Appropriations available to any Federal assistance program for technical assistance or the training of personnel may be made available for the provision of technical assistance and training in connection with projects proposed or approved for joint funding involving that program and any other Federal assistance program.

42 USC 4258.

FEDERAL-STATE ASSISTANCE AND AGREEMENTS

SEC. 10. Subject to such regulations as the President may prescribe, Federal agencies may enter into agreements with States as appropriate to extend the benefits of this Act to projects involving assistance from one or more Federal agencies and one or more State agencies. These agreements may include arrangements for the processing of requests for, or the administration of, assistance to such projects on a joint basis.

Regulations.
42 USC 4259.

REPORTING

Report to Con-
gress.
42 USC 4260.

SEC. 11. At least one year prior to the expiration of this Act, the President shall submit a comprehensive report to the Congress on actions taken under this Act, and make recommendations for its continuation, modification, or termination. The report shall provide a detailed evaluation of the functioning of this Act, including information regarding the benefits and costs of jointly funded projects accruing to the participating State and local governments and private, nonprofit organizations, and to the Federal Government.

DEFINITIONS

42 USC 4261.

SEC. 12. As used in this Act—

(1) the term “Federal assistance programs” means programs that provide assistance through grant or contractual arrangements, but does not include assistance in the form of revenue sharing, loans, loan guarantees, or insurance;

(2) the term “applicant” means any State or local government or private, nonprofit organization acting separately or together in seeking assistance with respect to a single project;

(3) the term “project” means any undertaking, whether of a temporary or continuing nature that includes components proposed or approved for assistance under more than one Federal program, or one or more Federal and one or more State programs, if each of those components contributes materially to the accomplishment of a single purpose or closely related purposes;

(4) the term “Federal agency” means any agency, department, corporation, independent establishment, or other entity of the executive branch of the Government of the United States;

25 USC 1452.

(5) the term “State” means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State, and any tribe as defined in section 3(c) of the Indian Financing Act (88 Stat. 77);

(6) the term “local government” means a local unit of government including a city, county, parish, town, township, village, school district, council of governments, or other agency or instrumentality of a local unit of government.

EFFECTIVE DATE AND EXPIRATION

42 USC 4251
note.

SEC. 13. This Act shall become effective sixty days following the date of enactment, and shall expire five years following the date upon which it becomes effective; except that the expiration of this Act shall not affect the status of any project approved prior to the date of such expiration.

Approved December 5, 1974.

Public Law 93-511

December 5, 1974
[H. R. 16757]

AN ACT

To extend the Emergency Petroleum Allocation Act of 1973 until August 31, 1975.

15 USC 753.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(g) (1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out “February 28, 1975” wherever it appears, and inserting in lieu thereof “August 31, 1975”.

Approved December 5, 1974.

Public Law 93-512

AN ACT

To improve judicial machinery by amending title 28, United States Code, to broaden and clarify the grounds for judicial disqualification.

December 5, 1974
[S. 1064]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 455 of title 28, United States Code, is amended to read as follows:

Judicial dis-
qualification.

“§ 455. Disqualification of justice, judge, magistrate, or referee in bankruptcy

“(a) Any justice, judge, magistrate, or referee in bankruptcy of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned.

“(b) He shall also disqualify himself in the following circumstances:

“(1) Where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceeding;

“(2) Where in private practice he served as lawyer in the matter in controversy, or a lawyer with whom he previously practiced law served during such association as a lawyer concerning the matter, or the judge or such lawyer has been a material witness concerning it;

“(3) Where he has served in governmental employment and in such capacity participated as counsel, adviser or material witness concerning the proceeding or expressed an opinion concerning the merits of the particular case in controversy;

“(4) He knows that he, individually or as a fiduciary, or his spouse or minor child residing in his household, has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding;

“(5) He or his spouse, or a person within the third degree of relationship to either of them, or the spouse of such a person:

“(i) Is a party to the proceeding, or an officer, director, or trustee of a party;

“(ii) Is acting as a lawyer in the proceeding;

“(iii) Is known by the judge to have an interest that could be substantially affected by the outcome of the proceeding;

“(iv) Is to the judge's knowledge likely to be a material witness in the proceeding.

“(c) A judge should inform himself about his personal and fiduciary financial interests, and make a reasonable effort to inform himself about the personal financial interests of his spouse and minor children residing in his household.

“(d) For the purposes of this section the following words or phrases shall have the meaning indicated:

Definitions.

“(1) ‘proceeding’ includes pretrial, trial, appellate review, or other stages of litigation;

“(2) the degree of relationship is calculated according to the civil law system;

“(3) ‘fiduciary’ includes such relationships as executor, administrator, trustee, and guardian;

“(4) ‘financial interest’ means ownership of a legal or equitable interest, however small, or a relationship as director, adviser, or other active participant in the affairs of a party, except that:

“(i) Ownership in a mutual or common investment fund that holds securities is not a ‘financial interest’ in such securities unless the judge participates in the management of the fund;

“(ii) An office in an educational, religious, charitable, fraternal, or civic organization is not a ‘financial interest’ in securities held by the organization;

“(iii) The proprietary interest of a policyholder in a mutual insurance company, of a depositor in a mutual savings association, or a similar proprietary interest, is a ‘financial interest’ in the organization only if the outcome of the proceeding could substantially affect the value of the interest;

“(iv) Ownership of government securities is a ‘financial interest’ in the issuer only if the outcome of the proceeding could substantially affect the value of the securities.

Waiver of dis-
qualification.

“(e) No justice, judge, magistrate, or referee in bankruptcy shall accept from the parties to the proceeding a waiver of any ground for disqualification enumerated in subsection (b). Where the ground for disqualification arises only under subsection (a), waiver may be accepted provided it is preceded by a full disclosure on the record of the basis for disqualification.”

SEC. 2. Item 455 in the analysis of chapter 21 of such title 28 is amended to read as follows: “Disqualification of justice, judge, magistrate, or referee in bankruptcy.”

Nonapplicabil-
ity.
28 USC 455
note.

SEC. 3. This Act shall not apply to the trial of any proceeding commenced prior to the date of this Act, nor to appellate review of any proceeding which was fully submitted to the reviewing court prior to the date of this Act.

Approved December 5, 1974.

Public Law 93-513

December 6, 1974
[S. J. Res. 248]

JOINT RESOLUTION

Assuring compensation for damages caused by nuclear incidents involving the nuclear reactor of a United States warship.

Whereas it is vital to the national security to facilitate the ready acceptability of United States nuclear powered warships into friendly foreign ports and harbors; and

Whereas the advent of nuclear reactors has led to various efforts throughout the world to develop an appropriate legal regime for compensating those who sustain damages in the event there should be an incident involving the operation of nuclear reactors; and

Whereas the United States has been exercising leadership in developing legislative measures designed to assure prompt and equitable compensation in the event a nuclear incident should arise out of the operation of a nuclear reactor by the United States as is evidenced in particular by section 170 of the Atomic Energy Act of 1954, as amended; and

42 USC 2210.

Whereas some form of assurance as to the prompt availability of compensation for damage in the unlikely event of a nuclear incident involving the nuclear reactor of a United States warship would, in conjunction with the unparalleled safety record that has been achieved by United States nuclear powered warships in their operation throughout the world, further the effectiveness of such warships: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the policy of the United States that it will pay claims or judgments for bodily injury, death, or damage to or loss of real or personal property proven to have resulted from a nuclear incident involving the nuclear reactor of a United States warship: *Provided*, That the injury, death, damage, or loss was not caused by the act of an armed force engaged in combat or as a result of civil insurrection. The President may authorize, under such terms and conditions as he may direct, the payment of such claims or judgments from any contingency funds available to the Government or may certify such claims or judgments to the Congress for appropriation of the necessary funds.

Approved December 6, 1974.

Certain nuclear incidents.
Payment of claims or judgments.
42 USC 2211.

Public Law 93-514

AN ACT

To provide available nuclear information to committees and Members of Congress.

December 6, 1974
[S. 3802]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202 of the Atomic Energy Act of 1954 is amended by designating the present text subsection "a." and by adding the following as subsection "b.":

"b. The members of the Joint Committee who are Members of the Senate and the members of the Joint Committee who are Members of the House of Representatives shall, on or before June 30 of each year, report to their respective Houses on the development, use, and control of nuclear energy for the common defense and security and for peaceful purposes. Each report shall provide facts and information available to the Joint Committee concerning nuclear energy which will assist the appropriate committees of the Congress and individual members in the exercise of informed judgment on matters of weaponry; foreign policy; defense; international trade; and in respect to the expenditure and appropriation of Government revenues. Each report shall be presented formally under circumstances which provide for clarification and discussion by the Senate and the House of Representatives. In recognition of the need for public understanding, presentations of the reports shall be made to the maximum extent possible in open sessions and by means of unclassified written materials."

Nuclear information.
Report to Congress.
42 USC 2252.

Approved December 6, 1974.

Public Law 93-515

AN ACT

December 7, 1974
[H. R. 342]

To authorize the District of Columbia to enter into the Interstate Agreement on Qualification of Educational Personnel, and to amend the Practice of Psychology Act and the District of Columbia Unemployment Compensation Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

D.C.
Educational personnel, interstate agreement; psychologists, licensing; unemployment compensation.
D.C. Code 31-1801.

TITLE I—INTERSTATE AGREEMENT ON EDUCATIONAL PERSONNEL

SEC. 101. The Commissioner of the District of Columbia is authorized to enter into and execute on behalf of the District of Columbia an agreement with any State or States legally joining therein in the form substantially as follows:

“THE INTERSTATE AGREEMENT ON QUALIFICATION OF EDUCATIONAL PERSONNEL

“ARTICLE I—Purpose, Findings, and Policy

“1. The States party to this Agreement, desiring by common action to improve their respective school systems by utilizing the teacher or other professional educational person wherever educated, declare that it is the policy of each of them, on the basis of cooperation with one another, to take advantage of the preparation and experience of such persons wherever gained, thereby serving the best interests of society, of education, and of the teaching profession. It is the purpose of this Agreement to provide for the development and execution of such programs of cooperation as will facilitate the movement of teachers and other professional educational personnel among the States party to it, and to authorize specific interstate educational personnel contracts to achieve that end.

“2. The party States find that included in the large movement of population among all sections of the Nation are many qualified educational personnel who move for family and other personal reasons but who are hindered in using their professional skill and experience in their new locations. Variations from State to State in requirements for qualifying educational personnel discourage such personnel from taking the steps necessary to qualify in other States. As a consequence, a significant number of professionally prepared and experienced educators is lost to our school systems. Facilitating the employment of qualified educational personnel, without reference to their States of origin, can increase the available educational resources. Participation in this Agreement can increase the availability of educational manpower.

“ARTICLE II—Definitions

“As used in this Agreement and contracts made pursuant to it, unless the context clearly requires otherwise:

“1. ‘Educational personnel’ means persons who must meet requirements pursuant to State law as a condition of employment in educational programs.

“2. ‘Designated State official’ means the education official of a State selected by that State to negotiate and enter into, on behalf of his State, contracts pursuant to this Agreement.

"3. 'Accept', or any variant thereof, means to recognize and give effect to one or more determinations of another State relating to the qualifications of educational personnel in lieu of making or requiring a like determination that would otherwise be required by or pursuant to the laws of a receiving State.

"4. 'State' means a State, territory, or possession of the United States; the District of Columbia; or the Commonwealth of Puerto Rico.

"5. 'Originating State' means a State (and the subdivision thereof, if any) whose determination that certain educational personnel are qualified to be employed for specific duties in schools is acceptable in accordance with the terms of a contract made pursuant to Article III.

"6. 'Receiving State' means a State (and the subdivisions thereof) which accept educational personnel in accordance with the terms of a contract made pursuant to Article III.

"ARTICLE III—Interstate Educational Personnel Contracts

"1. The designated State official of a party State may make one or more contracts on behalf of his State with one or more other party States providing for the acceptance of educational personnel. Any such contract for the period of its duration shall be applicable to and binding on the States whose designated State officials enter into it, and the subdivisions of those States, with the same force and effect as if incorporated in this Agreement. A designated State official may enter into a contract pursuant to this Article only with States in which he finds that there are programs of education, certification standards or other acceptable qualifications that assure preparation or qualification of educational personnel on basis sufficiently comparable, even though not identical to that prevailing in his own State.

"2. Any such contract shall provide for:

"(a) Its duration.

"(b) The criteria to be applied by an originating State in qualifying educational personnel for acceptance by a receiving State.

"(c) Such waivers, substitutions, and conditional acceptances as shall aid the practical effectuation of the contract without sacrifice of basic educational standards.

"(d) Any other necessary matters.

"3. No contract made pursuant to this Agreement shall be for a term longer than five years by any such contract may be renewed for like or lesser periods.

"4. Any contract dealing with acceptance of educational personnel on the basis of their having completed an educational program shall specify the earliest date or dates on which originating State approval of the program or programs involved can have occurred. No contract made pursuant to this Agreement shall require acceptance by a receiving State of any person qualified because of successful completion of a program prior to January 1, 1954.

"5. The certification or other acceptance of a person who has been accepted pursuant to the terms of a contract shall not be revoked or otherwise impaired because the contract has expired or been terminated. However, any certificate or other qualifying document may be revoked or suspended on any ground which would be sufficient for revocation or suspension of a certificate or other qualifying document initially granted or approved in the receiving State.

Revocation or
suspension.

"6. A contract committee composed of the designated State officials of the contracting States or their representatives shall keep the contract under continuous review, study means of improving its adminis-

Review and
report.

tration, and report no less frequently than once a year to the heads of the appropriate education agencies of the contracting States.

“ARTICLE IV—Approved and Accepted Programs

“1. Nothing in this Agreement shall be construed to repeal or otherwise modify any law or regulation of a party State relating to the approval of programs of educational preparation having effect solely on the qualification of educational personnel within that State.

“2. To the extent that contracts made pursuant to this Agreement deal with the educational requirements for the proper qualification of educational personnel, acceptance of a program of educational preparation shall be in accordance with such procedures and requirements as may be provided in the applicable contract.

“ARTICLE V—Interstate Cooperation

“The party States agree that:

“1. They will, so far as practicable, prefer the making of multi-lateral contracts pursuant to Article III of this Agreement.

“2. They will facilitate and strengthen cooperation in interstate certification and other elements of educational personnel qualification and for this purpose shall cooperate with agencies, organizations, and associations interested in certification and other elements of educational personnel qualification.

“ARTICLE VI—Agreement Evaluation

“The designated State officials of any party States may meet from time to time as a group to evaluate progress under the Agreement, and to formulate recommendations for changes.

“ARTICLE VII—Other Arrangements

“Nothing in this Agreement shall be construed to prevent or inhibit other arrangements or practices of any party State or States to facilitate the interchange of educational personnel.

“ARTICLE VIII—Effect and Withdrawal

“1. This Agreement shall become effective when enacted into law by two States. Thereafter it shall become effective as to any State upon its enactment of this Agreement.

“2. Any party State may withdraw from this Agreement by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the Governor of the withdrawing State has given notice in writing of the withdrawal to the Governors of all other party States.

“3. No withdrawal shall relieve the withdrawing State of any obligation imposed upon it by a contract to which it is a party. The duration of contracts and the methods and conditions of withdrawal therefrom shall be those specified in their terms.

“ARTICLE IX—Construction and Severability

“This Agreement shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Agreement shall be severable and if any phrase, clause, sentence, or provision of this Agreement is

declared to be contrary to the constitution of any State or of the United States, or the application thereof to any Government, agency, person, or circumstance is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any Government, agency, person, or circumstance shall not be affected thereby. If this Agreement shall be held contrary to the constitution of any State participating therein, the Agreement shall remain in full force and effect as to the State affected as to all severable matters."

SEC. 102. The "designated State official" for the District of Columbia shall be the Superintendent of Schools of the District of Columbia. The Superintendent shall enter into contracts pursuant to Article III of the Agreement only with the approval of the specific text thereof by the Board of Education of the District of Columbia.

"Designated
State official,"
D.C. Code 31-
1802.

SEC. 103. True copies of all contracts made on behalf of the District of Columbia pursuant to the Agreement shall be kept on file in the office of the Board of Education of the District of Columbia and in the office of the Commissioner of the District of Columbia. The Superintendent of Schools shall publish all such contracts in convenient form.

D.C. Code 31-
1803.

Publication of
contracts.

SEC. 104. As used in the Interstate Agreement on Qualification of Educational Personnel, the term "Governor" when used with reference to the District of Columbia shall mean the Commissioner of the District of Columbia.

"Governor,"
D.C. Code
31-1804.

TITLE II—PRACTICE OF PSYCHOLOGY ACT AMENDMENTS

SEC. 201. This title may be cited as the "Practice of Psychology Act Amendments".

Citation of
title.
D.C. Code 2-
481 note.

SEC. 202. The Practice of Psychology Act (84 Stat. 1955) is amended as follows:

Review.

(1) Subsection (C) of section 13 of such Act (D.C. Code, sec. 2-492 (C)) is amended to read as follows:

"(C) Any person aggrieved by a final decision or a final order of the Commissioner under subsection (B) of this section may seek review of such decision or order in the District of Columbia Court of Appeals in accordance with the District of Columbia Administrative Procedure Act."

D.C. Code 1-
1501 note.
Subpena power.

(2) Subsection (D) of section 13 of such Act (D.C. Code, sec. 2-492(D)) is amended to read as follows:

"(D) In hearings conducted pursuant to subsection (B) of this section, the Commissioner may administer oaths and affirmations, and may require by subpoena or otherwise the attendance and testimony of witnesses and the production of such books, records, papers, and documents as he may deem advisable in carrying out his functions under this Act. In the case of contumacy or refusal to obey any such subpoena or requirement of this subsection, the Commissioner may make application to the Superior Court of the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as contempt of court any failure to comply with such order."

Prosecutions.

(3) Section 14 of such Act (D.C. Code, sec. 2-493) is amended by amending the second sentence to read as follows:

"Prosecutions shall be conducted in the name of the District of Columbia in the Superior Court of the District of Columbia by the Corporation Counsel or any of his assistants."

(4) Section 15 of such Act (D.C. Code, sec. 2-494) is amended by striking out "United States District Court for the District of Columbia" and inserting in lieu thereof "Superior Court of the District of Columbia".

License without
examination,
D.C. Code 2-
487.

(5) Section 8 of the Practice of Psychology Act (84 Stat. 1955), is amended to read as follows:

D.C. Code 2-
481 note.

"SEC. 8. (a) Notwithstanding any other provision of this Act, a license shall be issued without examination to any applicant who is of good moral character, who, at any time during the twelve-month period preceding the effective date of the Practice of Psychology Act, maintained a residence or office, or participated in psychological practice acceptable to the Commissioners, in the District of Columbia, and who, within one year after the effective date of the Practice of Psychology Act, submitted an application for license accompanied by the required fee, and who—

"(1) holds a doctoral degree in psychology or forty-five credit hours taken subsequent to a bachelor's degree in courses related to psychology, from accredited colleges or universities, and has engaged in psychological practice acceptable to the Commissioner for at least two years prior to the filing of such application pursuant to this Act;

"(2) holds a master's degree in psychology or twenty-four credit hours taken subsequent to a bachelor's degree in courses related to psychology, from accredited colleges or universities, and has engaged in psychological practice acceptable to the Commissioner for at least seven years prior to the filing of such application pursuant to this Act; or

"(3) presents evidence of completion of a curriculum of study acceptable to the Commissioner, taken subsequent to a bachelor's degree in psychology, in courses related to psychology from an institution outside the United States acceptable to the Commissioner, and has engaged in psychological practice acceptable to the Commissioner for at least seven years prior to the filing of such application pursuant to this Act.

"(b) For purposes of subsection (a) of this section, the term—

"Courses re-
lated to psychol-
ogy."

"(1) 'courses related to psychology' means any combination of the following behavioral science courses not necessarily in one department of one school: human development, education, educational psychology, guidance, counseling, guidance and counseling, vocational counseling, school psychology, school guidance, family counseling, counseling and psychotherapy, special education, learning disabilities, anthropology, sociology, human ecology, social ecology, rehabilitation counseling, group counseling and psychotherapy, or any substantially similar field of study acceptable to the Commissioner; and

"Psychological
practice accept-
able to the Com-
missioner."

"(2) 'psychological practice acceptable to the Commissioner' includes any job in which the job title or description contains any term acceptable to the Commissioner, or any of the following terms: psychologists, psychotherapy, group therapy, family therapy, art therapy, activity therapy, psychometry, measurement and evaluation, psychodiagnosis, pupil personnel services, counseling and guidance, special education, rehabilitation, or any job in which the person or organization was recognized or reimbursed under public or private health insurance programs by reason of being engaged in psychological practice."

Effective date.
D.C. Code 2-
492 note.

SEC. 203. The amendments made by paragraphs (1) through (4) of section 202 of this title shall take effect with respect to petitions filed after the date of the enactment of this title for review of decisions or orders.

TITLE III—DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT AMENDMENTS

SEC. 301. The District of Columbia Unemployment Compensation Act is amended as follows:

(1) Section 3(c)(10) of such Act (D.C. Code, sec. 46-303(c)(10)) is amended by striking out the last three sentences and inserting in lieu thereof the following new sentence: "The employer shall be promptly notified in writing of the Board's denial of his application or of the Board's redetermination. An employer aggrieved by the Board's decision may seek review of such determination in the District of Columbia Court of Appeals in accordance with the District of Columbia Administrative Procedure Act."

D.C. Code 46-325.
Employer contribution, determination review.

(2) Section 12 of such Act (D.C. Code, sec. 46-312) is amended to read as follows:

D.C. Code 1-1501 note.
Judicial review.

"SEC. 12. Any person aggrieved by the decision of the Board may seek review of such decision in the District of Columbia Court of Appeals in accordance with the District of Columbia Administrative Procedure Act."

SEC. 302. The amendments made by section 302 of this title shall take effect with respect to petitions filed after the date of enactment of this title for review of decisions or orders.

Effective date.
D.C. Code 46-303 note.

Approved December 7, 1974.

Public Law 93-516

AN ACT

To extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals.

December 7, 1974
[H. R. 17503]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SHORT TITLE

SEC. 100. This title shall be known as the "Rehabilitation Act Amendments of 1974".

Vocational rehabilitation services.
Rehabilitation Act Amendments of 1974.
29 USC 701 note

REHABILITATION SERVICES ADMINISTRATION

SEC. 101. (a) Section 3(a) of the Rehabilitation Act of 1973 is amended to read as follows:

29 USC 702.

"(a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the 'Commissioner')

29 USC 780,
790.

appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Commissioner."

Effective date.
29 USC 702
note.

(b) The amendment made by subsection (a) of this section shall be effective sixty days after the date of enactment of this Act.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES

Federal grants
to States.
29 USC 720.

SEC. 102. (a) Section 100(b) of such Act is amended by—

(1) striking out "and" after "1974," in paragraph (1) and inserting before the period at the end of such paragraph a comma and "and \$720,000,000 for the fiscal year ending June 30, 1976"; and

(2) striking out "and" after "1974," in the first sentence of paragraph (2) and inserting after "1975," in such sentence "and \$42,000,000 for the fiscal year ending June 30, 1976";

Pilot projects.
29 USC 732.

(b) Section 112(a) of such Act is amended by striking out "and" after "1974," and by inserting "and up to \$2,500,000 but no less than \$1,000,000 for the fiscal year ending June 30, 1976," after "1975,".

Payments to
States.
29 USC 741.

(c) Section 121(b) of such Act is amended by striking out "1976" and inserting in lieu thereof "1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND TRAINING

29 USC 761.

SEC. 103. Section 201(a) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence of paragraph (1) and inserting after "1975" in such sentence a comma and "and \$32,000,000 for the fiscal year ending June 30, 1976";

(2) striking out the comma after "20 per centum" in the second sentence of paragraph (1) and inserting after "respectively," in such sentence "and 25 per centum of the amounts appropriated in each succeeding fiscal year"; and

(3) striking out "there is authorized to be appropriated" in paragraph (2) and inserting after "1975" in such paragraph a comma and "and \$32,000,000 for the fiscal year ending June 30, 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

29 USC 771.

SEC. 104. Section 301(a) of such Act is amended by—

(1) striking out "and" after "1974," in the first sentence and inserting before the period at the end of such sentence a comma and "and June 30, 1976"; and

(2) striking out "1977" in the last sentence and inserting in lieu thereof "1978".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL
TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 105. Section 302(a) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and June 30, 1976”. 29 USC 772.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL
PROJECTS AND DEMONSTRATIONS

SEC. 106. Section 304(a)(1) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and \$20,000,000 for the fiscal year ending June 30, 1976”. 29 USC 774.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL
CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 107. Section 305(a) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and June 30, 1976”. 29 USC 775.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR PROGRAM AND
PROJECT EVALUATION

SEC. 108. Section 403 of such Act is amended by striking out “and” after “1974,” and by inserting after “1975,” the following: “and June 30, 1976”. 29 USC 783.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR
SECRETARIAL RESPONSIBILITIES

SEC. 109. Section 405(d) of such Act is amended by inserting before the period a comma and “and \$600,000 for the fiscal year ending June 30, 1976”. 29 USC 785.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR ARCHITECTURAL
AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 110. Section 502(h) of such Act is amended by inserting before the period at the end thereof a comma and “and \$1,500,000 for the fiscal year ending June 30, 1976”. 29 USC 792.

MISCELLANEOUS AMENDMENTS

SEC. 111. (a) Section 7(6) of such Act is amended by adding at the end thereof the following new sentence: “For the purposes of titles IV and V of this Act, such term means any person who (A) has a physical or mental impairment which substantially limits one or more of such person’s major life activities, (B) has a record of such an impairment, or (C) is regarded as having such an impairment.”. Handicapped individual. 29 USC 706, 29 USC 780, 790.

(b) Section 101(a)(6) of such Act is amended by adding at the end thereof before the semicolon “(including a requirement that the State agency and facilities in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified State employment requirement. 29 USC 721.

handicapped individuals covered under, and on the same terms and conditions as set forth in, section 503)".

29 USC 793.
Ineligibility
determinations,
review.

29 USC 721.

29 USC 781.

(c) Section 101(a)(9)(C) of such Act is amended by adding at the end thereof before the semicolon "in such detail as required by the Secretary in order for him to analyze and evaluate annually the reasons for and numbers of such ineligibility determinations as part of his responsibilities under section 401, and that the State agency will at least annually categorize and analyze such reasons and numbers and report this information to the Secretary and will, not later than 12 months after each such determination, review each such ineligibility determination in accordance with the criteria set forth in section 102".

29 USC 722.
Continuing
studies.

(d) Section 101(a)(15) of such Act is amended by inserting after "facilities" at the end of the parenthetical "and review of the efficacy of the criteria employed with respect to ineligibility determinations described in subclause (C) of clause (9) of this subsection".

Individual-
ized written
rehabilitation
program.
29 USC 722.

(e) Section 102 of such Act is amended by—

(1) inserting in subsection (a) after "program" where it first appears in the first sentence a comma and "or the specification of reasons for a determination of ineligibility prior to initiation of such program based on preliminary diagnosis," and inserting at the end of the second sentence of such subsection before the period a comma and "and, as appropriate, such specification of reasons for such an ineligibility determination shall set forth the rights and remedies, including recourse to the process set forth in subsection (b)(5) of this section, available to the individual in question";

(2) striking out in subsection (c) all of clause (1) from "in" the first time it appears through "primary" and inserting in lieu thereof "in making any determination of ineligibility referred to in subsection (a) of this section, or in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual";

(3) striking out in clause (2) of subsection (c) "program, that the evaluation of rehabilitation potential" and inserting in lieu thereof "program, or as a part of the specification of reasons for an ineligibility determination, as appropriate, that the preliminary diagnosis or evaluation of rehabilitation potential, as appropriate,"; and

(4) inserting in clause (3) of subsection (c) a comma and "as an amendment to such written program," after "decision".

Ante, p. 1618.

(f) Section 112(a) is amended by—

(1) striking out "an amount equal to the amount obligated for expenditure for carrying out such projects and demonstrations for appropriations under the Vocational Rehabilitation Act in the fiscal year ending June 30, 1973," and inserting in lieu thereof "\$11,860,000"; and

Ante, p. 1619.

(2) adding at the end thereof a new sentence as follows: "In the event that funds so appropriated under section 304 do not exceed \$11,860,000 in any fiscal year, the Secretary is authorized

to utilize such funds to carry out this section”.

(g) Section 130(b) of such Act is amended by striking out “February 1, 1975” and inserting in lieu thereof “June 30, 1975”.

29 USC 750.

(h) Section 202(a) of such Act is amended by striking out “and analyses” in the penultimate clause and inserting in lieu thereof a comma and “analyses, and demonstrations”.

29 USC 762.

(i) Section 304(b) of such Act is amended by—

29 USC 774.

(1) striking out “and” before “(2)” in the first sentence, and inserting at the end of such sentence before the period a comma and “and (3) for operating programs (including renovation and construction of facilities, where appropriate) to demonstrate methods of making recreational activities fully accessible to handicapped individuals”; and

(2) striking out “for” the third time it appears in the parenthetical in clause (2) in the first sentence and inserting in lieu thereof “or”.

(j) Section 304(c) of such Act is amended by inserting after “Labor,” in the first sentence “who”.

(k) Section 304(e) (1) of such Act is amended by inserting after “(B)” the following: “with the concurrence of the Board established by section 502.”.

Infra.
29 USC 776.

(l) (1) Section 306(b) of such Act is amended by inserting after “project” a comma and “or for a project which involves construction.”.

(2) Section 306(b) (4) of such Act is amended by inserting after “specifications” the following: “which have been approved by the Board established by section 502.”.

29 USC 785.

(m) Section 405(c) of such Act is amended by—

(1) striking out “the Handicapped” and inserting in lieu thereof “Handicapped Individuals”; and

(2) by adding at the end thereof the following new sentence: “In no event shall any functions under this section be further delegated to any persons with operational responsibilities for carrying out functions authorized under any other section of this Act or under any other provision of law designed to benefit handicapped individuals.”.

(n) (1) Section 502(a) of such Act is amended by redesignating clauses (6), (7), and (8) thereof as clauses (7), (8), and (9), respectively, and by inserting immediately after clause (5) the following new clause:

29 USC 792.

“(6) Department of Defense;”.

(2) Section 502(a) of such Act is further amended by adding at the end thereof the following new sentence: “The Secretary of Health, Education, and Welfare shall be the Chairman of the Board, and the Board shall appoint, upon recommendation of the Secretary, a Consumer Advisory Panel, a majority of the members of which shall be handicapped individuals, to provide guidance, advice, and recommendations to the Board in carrying out its functions.”.

Architectural
and Transportation
Barriers
Compliance
Board, Chair-
man.
Consumer Ad-
visory Panel,
appointment.

(o) (1) Section 502(d) of such Act is amended by striking out “section, the Board” in the first sentence and inserting in lieu thereof “Act, the Board shall, directly or through grants to or contracts with public or private nonprofit organizations, carry out its functions under subsections (b) and (c) of this section, and”.

Ante, p. 1621.

Withholding or
suspension of
Federal funds.

Additional
Board appointees.
29 USC 792.

Report to
Congress.

Randolph-Shep-
pard Act Amend-
ments of 1974.

(2) Section 502(d) of such Act is further amended by adding at the end thereof the following new sentences: "Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building found not to be in compliance with standards prescribed pursuant to the Acts cited in subsection (b) of this section."

(p) Section 502(e) of such Act is amended by adding before the first sentence the following new first sentence: "There shall be appointed by the Board an executive director and such other professional and clerical personnel as are necessary to carry out its functions under this Act."

(q) Section 502(g) of such Act is amended by striking out in the penultimate sentence "prior to January 1" and inserting in lieu thereof "not later than September 30".

TITLE II—RANDOLPH-SHEPPARD ACT AMENDMENTS

SHORT TITLE

20 USC 107
note.

SEC. 200. This title may be cited as the "Randolph-Sheppard Act Amendments of 1974".

FINDINGS

20 USC 107
note.

SEC. 201. The Congress finds—

(1) after review of the operation of the blind vending stand program authorized under the Randolph-Sheppard Act of June 20, 1936, that the program has not developed, and has not been sustained, in the manner and spirit in which the Congress intended at the time of its enactment, and that, in fact, the growth of the program has been inhibited by a number of external forces;

(2) that the potential exists for doubling the number of blind operators on Federal and other property under the Randolph-Sheppard program within the next five years, provided the obstacles to growth are removed, that legislative and administrative means exist to remove such obstacles, and that Congress should adopt legislation to that end; and

(3) that at a minimum the following actions must be taken to insure the continued vitality and expansion of the Randolph-Sheppard program—

(A) establish uniformity of treatment of blind vendors by all Federal departments, agencies, and instrumentalities,

(B) establish guidelines for the operation of the program by State licensing agencies,

(C) require coordination among the several entities with responsibility for the program,

(D) establish a priority for vending facilities operated by blind vendors on Federal property,

(E) establish administrative and judicial procedures under which fair treatment of blind vendors, State licensing agencies, and the Federal Government is assured,

(F) require stronger administration and oversight functions in the Federal office carrying out the program, and

(G) accomplish other legislative and administrative objectives which will permit the Randolph-Sheppard program to flourish.

20 USC 107.

OPERATION OF VENDING FACILITIES ON FEDERAL PROPERTY

SEC. 202. The first section of the Act entitled "An Act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes" (hereafter referred to in this title as the "Randolph-Sheppard Act"), approved June 20, 1936, as amended (20 U.S.C. 107), is amended by striking out all after the enacting clause and inserting in lieu thereof the following:

"That (a) for the purposes of providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting, blind persons licensed under the provisions of this Act shall be authorized to operate vending facilities on any Federal property.

"(b) In authorizing the operation of vending facilities on Federal property, priority shall be given to blind persons licensed by a State agency as provided in this Act; and the Secretary, through the Commissioner, shall, after consultation with the Administrator of General Services and other heads of departments, agencies, or instrumentalities of the United States in control of the maintenance, operation, and protection of Federal property, prescribe regulations designed to assure that—

Regulations.

"(1) the priority under this subsection is given to such licensed blind persons (including assignment of vending machine income pursuant to section 7 of this Act to achieve and protect such priority), and

Post, p. 1626,
1627.

"(2) wherever feasible, one or more vending facilities are established on all Federal property to the extent that any such facility or facilities would not adversely affect the interests of the United States.

Any limitation on the placement or operation of a vending facility based on a finding that such placement or operation would adversely affect the interests of the United States shall be fully justified in writing to the Secretary, who shall determine whether such limitation is justified. A determination made by the Secretary pursuant to this provision shall be binding on any department, agency, or instrumentality of the United States affected by such determination. The Secretary shall publish such determination, along with supporting documentation, in the Federal Register."

Publication in
Federal Register.

FEDERAL AND STATE RESPONSIBILITIES

SEC. 203. (a) (1) Section 2(a) of the Randolph-Sheppard Act is amended by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively, and by inserting the following new paragraph (1):

20 USC 107a.

"(1) Insure that the Rehabilitation Services Administration is the principal agency for carrying out this Act; and the Commissioner shall, within one hundred and eighty days after enactment of the Randolph-Sheppard Act Amendments of 1974, establish requirements for the uniform application of this Act by each State agency designated under paragraph (5) of this subsection, including appropriate accounting procedures, policies on the selection and establishment of new vending facilities, distribution of income to blind vendors, and the use and control of set-aside funds under section 3(3) of this Act;"

20 USC 107b.

(2) Section 2(a) (2) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

Supra.

Concession
vending oppor-
tunities, annual
surveys.

Ante, p. 1623.

"(2) Through the Commissioner, make annual surveys of concession vending opportunities for blind persons on Federal and other property in the United States, particularly with respect to Federal property under the control of the General Services Administration, the Department of Defense, and the United States Postal Service;".

(3) Section 2(a) (5) of such Act, as redesignated by paragraph (1) of this subsection, is amended—

(A) by striking out "commission" each place it appears and inserting in lieu thereof "agency",

(B) by striking out "and at least twenty-one years of age",

(C) by striking out "articles dispensed automatically or in containers or wrapping in which they are placed before receipt by the vending stand, and such other articles as may be approved for each property by the department or agency in control of the maintenance, operation, and protection thereof and the State licensing agency in accordance with the regulations prescribed pursuant to the first section" and inserting in lieu thereof the following: "foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State",

(D) by striking out "stands" and "stand" and inserting in lieu thereof "facilities" and "facility", respectively, and

(E) by striking out the colon and all matter following the colon, and inserting in lieu thereof "; and".

(4) Section 2(a) (6) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

"(6) Through the Commission, (A) conduct periodic evaluations of the program authorized by this Act, including upward mobility and other training required by section 8, and annually submit to the appropriate committees of Congress a report based on such evaluations, and (B) take such other steps, including the issuance of such rules and regulations, as may be necessary or desirable in carrying out the provisions of this Act."

(b) Section 2(b) of such Act is amended—

(1) by striking out "stand" the first time it appears in the first sentence and where it appears in the second sentence and inserting in lieu thereof "facility";

(2) by striking out "and have resided for at least one year in the State in which such stand is located"; and

(3) by striking out "but are able, in spite of such infirmity, to operate such stands".

(c) Section 2(c) of such Act is amended by striking out "stand" in each place in which it appears and inserting in lieu thereof "facility".

(d) Section 2 of such Act is further amended by adding at the end thereof the following new subsections:

"(d) (1) After January 1, 1975, no department, agency, or instrumentality of the United States shall undertake to acquire by ownership, rent, lease, or to otherwise occupy, in whole or in part, any building unless, after consultation with the head of such department, agency, or instrumentality and the State licensing agency, it is determined by the Secretary that (A) such building includes a satisfactory site or sites for the location and operation of a vending facility by a blind person, or (B) if a building is to be constructed, substantially altered, or renovated, or in the case of a building that is already occupied on such date by such department, agency, or instrumentality,

Evaluations,
annual reports to
congressional
committees.

Post, p. 1628.

Rules and regu-
lations.

20 USC 107a.

Federally oc-
cupied buildings,
sites for vending
facilities.

is to be substantially altered or renovated for use by such department, agency, or instrumentality, the design for such construction, substantial alteration, or renovation includes a satisfactory site or sites for the location and operation of a vending facility by a blind person. Each such department, agency, or instrumentality shall provide notice to the appropriate State licensing agency of its plans for occupation, acquisition, renovation, or relocation of a building adequate to permit such State agency to determine whether such building includes a satisfactory site or sites for a vending facility.

Notice to State
licensing agency.

“(2) The provisions of paragraph (1) shall not apply (A) when the Secretary and the State licensing agency determine that the number of people using the property is or will be insufficient to support a vending facility, or (B) to any privately owned building, any part of which is leased by any department, agency, or instrumentality of the United States and in which, (i) prior to the execution of such lease, the lessor or any of his tenants had in operation a restaurant or other food facility in a part of the building not included in such lease, and (ii) the operation of such a vending facility by a blind person would be in proximate and substantial direct competition with such restaurant or other food facility except that each such department, agency, and instrumentality shall make every effort to lease property in privately owned buildings capable of accommodating a vending facility.

“(3) For the purposes of this subsection, the term ‘satisfactory site’ means an area determined by the Secretary to have sufficient space, electrical and plumbing outlets, and such other facilities as the Secretary may by regulation prescribe, for the location and operation of a vending facility by a blind person.

“Satisfactory
site.”

“(e) In any State having an approved plan for vocational rehabilitation pursuant to the Vocational Rehabilitation Act or the Rehabilitation Act of 1973 (Public Law 93-112), the State licensing agency designated under paragraph (5) of subsection (a) of this section shall be the State agency designated under section 101(a)(1)(A) of such Rehabilitation Act of 1973.”

29 USC 31 note,
701 note.

29 USC 721.

DUTIES OF STATE LICENSING AGENCIES AND ARBITRATION

SEC. 204. (a) Section 3 of the Randolph-Sheppard Act is amended—

20 USC 107b.

(1) by striking out “commission” and inserting in lieu thereof “agency”;

(2) by striking out in paragraphs (2) and (3) “stand” and “stands” wherever such terms appear and inserting in lieu thereof “facility” and “facilities”, respectively; and

(3) by striking out in paragraph (6) the word “stand” and inserting in lieu thereof “facility”, and, by inserting immediately before the period the following: “, and to agree to submit the grievances of any blind licensee not otherwise resolved by such hearing to arbitration as provided in section 5 of this Act”.

Post, p. 1626.

(b) Section 3(3) of such Act is further amended by striking out “and” immediately before subparagraph (D) and by inserting immediately before the colon at the end of such subparagraph the following “; and (E) retirement or pension funds, health insurance contributions, and provision for paid sick leave and vacation time, if it is determined by a majority vote of blind licensees licensed by such State agency, after such agency provides to each such licensee full information on all matters relevant to such proposed program, that funds under this paragraph shall be set aside for such purposes”.

Set-aside funds.

(c) Section 3(3) of such Act is further amended by inserting before the word “proceeds” in both places it appears, the word “net”.

REPEALS

20 USC 107c,
107e-1.

SEC. 205. Sections 4 and 7 of the Randolph-Sheppard Act are repealed.

ARBITRATION; VENDING MACHINE INCOME; PERSONNEL; TRAINING

20 USC 107d,
107e, 107f.

SEC. 206. The Randolph-Sheppard Act is further amended by redesignating sections 5, 6, and 8, as sections 4, 9, and 10, respectively, and by inserting immediately after section 4, as redesignated, the following new sections:

20 USC 107d-1.

"SEC. 5. (a) Any blind licensee who is dissatisfied with any action arising from the operation or administration of the vending facility program may submit to a State licensing agency a request for a full evidentiary hearing, which shall be provided by such agency in accordance with section 3(6) of this Act. If such blind licensee is dissatisfied with any action taken or decision rendered as a result of such hearing, he may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act.

Ante, p. 1625.

Infra.

"(b) Whenever any State licensing agency determines that any department, agency, or instrumentality of the United States that has control of the maintenance, operation, and protection of Federal property is failing to comply with the provisions of this Act or any regulations issued thereunder (including a limitation on the placement or operation of a vending facility as described in section 1(b) of this Act and the Secretary's determination thereon) such licensing agency may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act.

Ante, p. 1623.

Infra.

Arbitration
panel, duties.
20 USC 107d-2.

"SEC. 6. (a) Upon receipt of a complaint filed under section 5 of this Act, the Secretary shall convene an ad hoc arbitration panel as provided in subsection (b). Such panel shall, in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, give notice, conduct a hearing, and render its decision which shall be subject to appeal and review as a final agency action for purposes of chapter 7 of such title 5.

5 USC 551.

5 USC 701.
Membership.

"(b) (1) The arbitration panel convened by the Secretary to hear grievances of blind licensees shall be composed of three members appointed as follows:

"(A) one individual designated by the State licensing agency;

"(B) one individual designated by the blind licensee; and

"(C) one individual, not employed by the State licensing agency or, where appropriate, its parent agency, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (1) (A), (B), or (C), the Secretary shall designate such member on behalf of such party.

"(2) The arbitration panel convened by the Secretary to hear complaints filed by a State licensing agency shall be composed of three members appointed as follows:

"(A) one individual, designated by the State licensing agency;

"(B) one individual, designated by the head of the Federal department, agency, or instrumentality controlling the Federal property over which the dispute arose; and

"(C) one individual, not employed by the Federal department, agency, or instrumentality controlling the Federal property over

which the dispute arose, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (2) (A), (B), or (C), the Secretary shall designate such member on behalf of such party. If the panel appointed pursuant to paragraph (2) finds that the acts or practices of any such department, agency, or instrumentality are in violation of this Act, or any regulation issued thereunder, the head of any such department, agency, or instrumentality shall cause such acts or practices to be terminated promptly and shall take such other action as may be necessary to carry out the decision of the panel.

“(c) The decisions of a panel convened by the Secretary pursuant to this section shall be matters of public record and shall be published in the Federal Register.

Publication in
Federal Register.

“(d) The Secretary shall pay all reasonable costs of arbitration under this section in accordance with a schedule of fees and expenses he shall publish in the Federal Register.

Publication in
Federal Register.

“SEC. 7. (a) In accordance with the provisions of subsection (b) of this section, vending machine income obtained from the operation of vending machines on Federal property shall accrue (1) to the blind licensee operating a vending facility on such property, or (2) in the event there is no blind licensee operating such facility on such property, to the State agency in whose State the Federal property is located, for the uses designated in subsection (c) of this section, except that with respect to income which accrues under clause (1) of this subsection, the Commissioner may prescribe regulations imposing a ceiling on income from such vending machines for an individual blind licensee. In the event such a ceiling is imposed, no blind licensee shall receive less vending machine income under such ceiling than he was receiving on January 1, 1974. No limitation shall be imposed on income from vending machines, combined to create a vending facility, which are maintained, serviced, or operated by a blind licensee. Any amounts received by a blind licensee that are in excess of the amount permitted to accrue to him under any ceiling imposed by the Commissioner shall be disbursed to the appropriate State agency under clause (2) of this subsection and shall be used by such agency in accordance with subsection (c) of this section.

Vending ma-
chine income
accrual.
20 USC 107d-3.

Excess amounts,
transfer to State
agency.

“(b) (1) After January 1, 1975, 100 per centum of all vending machine income from vending machines on Federal property which are in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section. ‘Direct competition’ as used in this section means the existence of any vending machines or facilities operated on the same premises as a blind vending facility except that vending machines or facilities operated in areas serving employees the majority of whom normally do not have direct access to the blind vending facility shall not be considered in direct competition with the blind vending facility. After January 1, 1975, 50 per centum of all vending machine income from vending machines on Federal property which are not in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section, except that with respect to Federal property at which at least 50 per centum of the total hours worked on the premises occurs during periods other than normal working hours, 30 per centum of such income shall so accrue.

“Direct com-
petition.”

“(2) The head of each department, agency, and instrumentality of the United States shall insure compliance with this section with respect to buildings, installations, and facilities under his control, and shall be responsible for collection of, and accounting for, such vending machine income.

Income accruing to State licensing agency, use.

Ante, p. 1626.

20 USC 107b.

Nonapplicability.

10 USC 101 *et seq.*

Cafeterias on Federal property, priority for operation, regulations.

Preexisting conditions or future arrangements.

Regulations.

Training programs.
20 USC 107d-4.

29 USC 701
note.

"(c) All vending machine income which accrues to a State licensing agency pursuant to subsection (a) of this section shall be used to establish retirement or pension plans, for health insurance contributions, and for provision of paid sick leave and vacation time for blind licensees in such State, subject to a vote of blind licensees as provided under section 3(3)(E) of this Act. Any vending machine income remaining after application of the first sentence of this subsection shall be used for the purposes specified in sections 3(3)(A), (B), (C), and (D) of this Act, and any assessment charged to blind licensees by a State licensing agency shall be reduced pro rata in an amount equal to the total of such remaining vending machine income.

"(d) Subsections (a) and (b)(1) of this section shall not apply to income from vending machines within retail sales outlets under the control of exchange or ships' stores systems authorized by title 10, United States Code, or to income from vending machines operated by the Veterans Canteen Service, or to income from vending machines not in direct competition with a blind vending facility at individual locations, installations, or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed \$3,000 annually.

"(e) The Secretary, through the Commissioner, shall prescribe regulations to establish a priority for the operation of cafeterias on Federal property by blind licensees when he determines, on an individual basis and after consultation with the head of the appropriate installation, that such operation can be provided at a reasonable cost with food of a high quality comparable to that currently provided to employees, whether by contract or otherwise.

"(f) This section shall not operate to preclude preexisting or future arrangements, or regulations of departments, agencies, or instrumentalities of the United States, under which blind licensees (1) receive a greater percentage or amount of vending machine income than that specified in subsection (b)(1) of this section, or (2) receive vending machine income from individual locations, installations, or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed \$3,000 annually.

"(g) The Secretary shall take such action and promulgate such regulations as he deems necessary to assure compliance with this section.

"SEC. 8. The Commissioner shall insure, through promulgation of appropriate regulations, that uniform and effective training programs, including on-the-job training, are provided for blind individuals, through services under the Rehabilitation Act of 1973 (Public Law 93-112). He shall further insure that State agencies provide programs for upward mobility (including further education and additional training or retraining for improved work opportunities) for all trainees under this Act, and that follow-along services are provided to such trainees to assure that their maximum vocational potential is achieved."

DEFINITIONS

SEC. 207. Section 9 of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended to read as follows:

"SEC. 9. As used in the Act—

"(1) 'blind person' means a person whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity, if better than 20/200, is accompanied by a limit to the field of vision in the better eye to such a degree that its widest diameter subtends an angle of no greater than twenty degrees. In determining whether an individual is blind, there shall be an examination by a physician skilled in diseases of the

Ante, p. 1626.
20 USC 107e.

eye, or by an optometrist, whichever the individual shall select;
 “(2) ‘Commissioner’ means the Commissioner of the Rehabilitation Services Administration;

“(3) ‘Federal property’ means any building, land, or other real property owned, leased, or occupied by any department, agency, or instrumentality of the United States (including the Department of Defense and the United States Postal Service), or any other instrumentality wholly owned by the United States, or by any department or agency of the District of Columbia or any territory or possession of the United States;

“(4) ‘Secretary’ means the Secretary of Health, Education, and Welfare;

“(5) ‘State’ means a State, territory, possession, Puerto Rico, or the District of Columbia;

“(6) ‘United States’ includes the several States, territories, and possessions of the United States, Puerto Rico, and the District of Columbia;

“(7) ‘vending facility’ means automatic vending machines, cafeterias, snack bars, cart services, shelters, counters, and such other appropriate auxiliary equipment as the Secretary may by regulation prescribe as being necessary for the sale of the articles or services described in section 2(a)(5) of this Act and which may be operated by blind licensees; and

Ante, p. 1624.

“(8) ‘vending machine income’ means receipts (other than those of a blind licensee) from vending machine operations on Federal property, after cost of goods sold (including reasonable service and maintenance costs), where the machines are operated, serviced, or maintained by, or with the approval of, a department, agency, or instrumentality of the United States, or commissions paid (other than to a blind licensee) by a commercial vending concern which operates, services, and maintains vending machines on Federal property for, or with the approval of, a department, agency, or instrumentality of the United States.”

PERSONNEL

SEC. 208. (a) The Secretary of Health, Education, and Welfare is directed to assign to the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration of the Department of Health, Education, and Welfare ten additional full-time personnel (or their equivalent), five of whom shall be supportive personnel, to carry out duties related to the administration of the Randolph-Sheppard Act.

29 USC 702
note.

(b) Section 5108(c) of title 5, United States Code, is amended—

(1) by striking out “and” at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof “; and”; and

(3) by adding after paragraph (11) the following new paragraph:

“(12) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place one additional position in the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration in GS-16, GS-17, or GS-18.”

20 USC 107.

5 USC 5332
note.

(c) In selecting personnel to fill any position under this section, the Secretary of Health, Education, and Welfare shall give preference to blind individuals.

29 USC 702
note.

(d) Section 4(b) of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended by striking out “, and at least 50 per centum of such additional personnel shall be blind persons”.

Ante, p. 1626.

ADDITIONAL STAFF RESPONSIBILITIES

20 USC 107b-1.

20 USC 107.

SEC. 209. In addition to other requirements imposed in this title and in the Randolph-Sheppard Act upon State licensing agencies, such agencies shall—

(1) provide to each blind licensee access to all relevant financial data, including quarterly and annual financial reports, on the operation of the State vending facility program;

(2) conduct the biennial election of a Committee of Blind Vendors who shall be fully representative of all blind licensees in the State program, and

(3) insure that such committee's responsibilities include (A) participation, with the State agency, in major administrative decisions and policy and program development, (B) receiving grievances of blind licensees and serving as advocates for such licensees, (C) participation, with the State agency, in the development and administration of a transfer and promotion system for blind licensees, (D) participation, with the State agency, in developing training and retraining programs, and (E) sponsorship, with the assistance of the State agency, of meetings and instructional conferences for blind licensees.

STANDARDS, STUDIES, AND REPORTS

National standards for set-aside funds.

20 USC 107b-2.

Ante, p. 1625.

Nationally administered retirement, pension, and health insurance system, study.

Report to President and Congress.

Ante, p. 1627.

Report to congressional committees.

Report to Secretary.

Ante, p. 1623.

SEC. 210. (a) The Secretary, through the Commissioner, after a period of study not to exceed six months following the date of enactment of this title, and after full consultation with, and full consideration of the views of, blind vendors and State licensing agencies, shall promulgate national standards for funds set aside pursuant to section 3(3) of the Randolph-Sheppard Act which include maximum and minimum amounts for such funds, and appropriate contributions, if any, to such funds by blind vendors.

(b) (1) The Secretary shall study the feasibility and desirability of establishing a nationally administered retirement, pension, and health insurance system for blind licensees, and such study shall include, but not be limited to, consideration of eligibility standards, amounts and sources of contributions, number of potential participants, total costs, and alternative forms of administration, including trust funds and revolving funds.

(2) The Secretary shall, within one year following the date of enactment of this title, complete the study required by paragraph (1) of this subsection and report his findings, together with any recommendations, to the President and the Congress.

(c) The Secretary shall, not later than September 30, 1975, complete an evaluation of the method of assigning vending machine income under section 7(b) (1) of the Randolph-Sheppard Act, including its effect on the growth of the program authorized by the Act, and on the operation of nonappropriated fund activities, and within thirty days thereafter he shall report his findings, together with any recommendations, to the appropriate committees of the Congress.

(d) Each State licensing agency shall, within one year following the date of enactment of this title, submit to the Secretary a report, with appropriate supporting documentation, which shows the actions taken by such agency to meet the requirements of section 2(a) (1) of the Randolph-Sheppard Act.

AUDIT

20 USC 107b-3.

SEC. 211. The Comptroller General is authorized to conduct regular and periodic audits of all nonappropriated fund activities which receive income from vending machines on Federal property, under

such rules and regulations as he may prescribe. In the conduct of such audits he and his duly authorized representatives shall have access to any relevant books, documents, papers, accounts, and records of such activities as he deems necessary.

TITLE III—WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

White House
Conference on
Handicapped In-
dividuals Act.

SHORT TITLE

SEC. 300. This title may be cited as the "White House Conference on Handicapped Individuals Act". 29 USC 701
note.

FINDINGS AND POLICY

SEC. 301. The Congress finds that—

29 USC 701
note.

(1) the United States has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population;

(2) the benefits and fundamental rights of this society are often denied those individuals with mental and physical handicaps;

(3) there are seven million children and at least twenty-eight million adults with mental or physical handicaps;

(4) it is of critical importance to this Nation that equality of opportunity, equal access to all aspects of society and equal rights guaranteed by the Constitution of the United States be provided to all individuals with handicaps;

(5) the primary responsibility for meeting the challenge and problems of individuals with handicaps has often fallen on the individual or his family;

(6) it is essential that recommendations be made to assure that all individuals with handicaps are able to live their lives independently and with dignity, and that the complete integration of all individuals with handicaps into normal community living, working, and service patterns be held as the final objective; and

(7) all levels of Government must necessarily share responsibility for developing opportunities for individuals with handicaps;

and it is therefore the policy of the Congress that the Federal Government work jointly with the States and their citizens to develop recommendations and plans for action in solving the multifold problems facing individuals with handicaps.

AUTHORITY OF PRESIDENT, COUNCIL, AND SECRETARY

SEC. 302. (a) The President is authorized to call a White House Conference on Handicapped Individuals not later than two years after the date of enactment of this title in order to develop recommendations and stimulate a national assessment of problems, and solutions to such problems, facing individuals with handicaps. Such a conference shall be planned and conducted under the direction of the National Planning and Advisory Council, established pursuant to subsection (b) of this section, and the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") and each Federal department and agency shall provide such cooperation and assistance to the Council, including the assignment of personnel, as may reasonably be required by the Secretary. 29 USC 701
note.

(b)(1) There is established a National Planning and Advisory Council (in this title referred to as the "Council"), appointed by the National Plan-
ning and Advisory
Council.
Establishment.

Membership.	<p>Secretary, composed of twenty-eight members of whom not less than ten shall be individuals with handicaps appointed to represent all individuals with handicaps, and five shall be parents of individuals with handicaps appointed to represent all such parents and individuals. The Council shall provide guidance and planning for the Conference.</p> <p>(2) Any member of the Council who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment.</p>
Compensation.	<p>(3) Members of the Council, other than those referred to in paragraph (1), shall receive compensation at rates not to exceed the daily rate prescribed for GS-18 under section 5332, title 5, United States Code, for each day they are engaged in the performance of their duties (including traveltime); and, while so serving away from their homes or regular places of business, they shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703, title 5, United States Code, for persons in Government service employed intermittently.</p>
5 USC 5332 note.	
Travel ex- penses.	
Termination date.	<p>(4) Such Council shall cease to exist one hundred and twenty days after the submission of the final report required by section 302(e).</p> <p>(c) For the purpose of ascertaining facts and making recommendations concerning the utilization of skills, experience, and energies, and the improvement of the conditions of individuals with handicaps, the Conference shall bring together individuals with handicaps and members of their families and representatives of Federal, State, and local governments, professional experts, and members of the general public recognized by individuals with handicaps as being knowledgeable about problems affecting their lives.</p> <p>(d) Participants in the White House Conference, and in conferences and other activities leading up to the White House Conference at the local and State level are authorized to consider all matters related to the purposes of the Conference set forth in subsection (a), but shall give special consideration to recommendations for:</p>
Recommendations.	<p>(1) providing education, health, and diagnostic services for all children early in life so that handicapping conditions may be discovered and treated;</p> <p>(2) assuring that every individual with a handicap receives appropriately designed benefits of the educational system;</p> <p>(3) assuring that individuals with handicaps have available to them all special services and assistance which will enable them to live their lives as fully and independently as possible;</p> <p>(4) enabling individuals with handicaps to have access to usable communication services and devices at costs comparable to other members of the population;</p> <p>(5) assuring that individuals with handicaps will have maximum mobility to participate in all aspects of society, including access to all publicly-assisted transportation services and, when necessary, alternative means of transportation at comparable cost;</p> <p>(6) improving utilization and adaptation of modern engineering and other technology to ameliorate the impact of handicapping conditions on the lives of individuals and especially on their access to housing and other structures;</p> <p>(7) assuring individuals with handicaps of equal opportunity with others to engage in gainful employment;</p> <p>(8) enabling individuals with handicaps to have incomes sufficient for health and for participation in family and community life as self-respecting citizens;</p>

(9) increasing research relating to all aspects of handicapping conditions, stressing the elimination of causes of handicapping conditions and the amelioration of the effects of such conditions;

(10) assuring close attention and assessment of all aspects of diagnosis and evaluation of individuals with handicaps;

(11) assuring review and evaluation of all governmental programs in areas affecting individuals with handicaps, and a close examination of the public role in order to plan for the future;

(12) resolving the special problems of veterans with handicaps;

(13) resolving the problems of public awareness and attitudes that restrict individuals with handicaps from participating in society to their fullest extent;

(14) resolving the special problems of individuals with handicaps who are homebound or institutionalized;

(15) resolving the special problems of individuals with handicaps who have limited English-speaking ability;

(16) allotting funds for basic vocational rehabilitation services under part B of title I of the Rehabilitation Act of 1973 in a fair and equitable manner in consideration of the factors set forth in section 407(a) of such Act; and

(17) promoting other related matters for individuals with handicaps.

(e) A final report of the White House Conference on Handicapped Individuals shall be submitted by the Council to the President not later than one hundred and twenty days following the date on which the conference is called, and the findings and recommendations included therein shall be immediately made available to the public. The Council and the Secretary shall, within ninety days after the submission of such final report, transmit to the President and the Congress their recommendations for administrative action and legislation necessary to implement the recommendations contained in such report.

29 USC 730.

29 USC 787.

Report to President.

Availability to public.

Recommendations, transmittal to President and Congress.

RESPONSIBILITIES OF COUNCIL AND SECRETARY

SEC. 303. (a) In carrying out the provisions of this title, the Council and the Secretary shall—

29 USC 701 note.

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate, including Federal advisory bodies having responsibilities in areas affecting individuals with handicaps;

(2) render all reasonable assistance, including financial assistance, to the States in enabling them to organize and conduct conferences on handicapped individuals prior to the White House Conference on Handicapped Individuals;

(3) prepare and make available necessary background materials for the use of delegates to the White House Conference on Handicapped Individuals;

(4) prepare and distribute such interim reports of the White House Conference on Handicapped Individuals as may be appropriate; and

(5) engage such individuals with handicaps and additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates of pay not to exceed the rate prescribed for GS-18 under section 5332 of such title.

5 USC 101 et seq.

5 USC 5701, 5331.

5 USC 5332 note.

(b) In carrying out the provisions of this title, the Secretary shall employ individuals with handicaps.

DEFINITION

29 USC 701
note.

SEC. 304. For the purpose of this title, the term "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

STATE PARTICIPATION

29 USC 701
note.
Infra.

SEC. 305. (a) From the sums appropriated pursuant to section 306 the Secretary is authorized to make a grant to each State, upon application of the chief executive thereof, in order to assist in meeting the costs of that State's participation in the Conference program, including the conduct of at least one conference within each such State.

(b) Grants made pursuant to subsection (a) shall be made only with the approval of the Council.

State apportionment.

(c) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Secretary in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than \$25,000 nor less than \$10,000.

AUTHORIZATION OF APPROPRIATIONS

29 USC 701
note.

Supra.

SEC. 306. There are authorized to be appropriated, without fiscal year limitations, \$2,000,000 to carry out the provisions of this title and such additional sums as may be necessary to carry out section 305. Sums so appropriated shall remain available for expenditure until June 30, 1977.

Approved December 7, 1974.

Public Law 93-517

December 7, 1974
[H. R. 15580]

AN ACT

Making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes.

Departments of
Labor, and
Health, Educa-
tion, and Welfare
Appropriation Act,
1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1975, and for other purposes, namely:

Department of
Labor Appropria-
tion Act, 1975.

TITLE I—DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$68,009,000, together with not to exceed \$28,165,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$4,713,000 shall be for carrying into effect the provisions of 38 U.S.C. 2001-2003.

COMPREHENSIVE MANPOWER ASSISTANCE

For expenses necessary to carry into effect the Comprehensive Employment and Training Act of 1973, and sections 326 and 328 of the Trade Expansion Act of 1962 (19 U.S.C. 1951 and 1961) \$2,400,000,000, plus reimbursements, to remain available until June 30, 1976: *Provided*, That this appropriation shall be available for the purchase and hire of passenger motor vehicles, and for construction, alteration, and repair of buildings and other facilities and for the purchase of real property for training centers as authorized by the Comprehensive Employment and Training Act of 1973.

29 USC 801
note.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title IX of the Older Americans Comprehensive Services Amendments of 1973, \$12,000,000.

42 USC 3061
note.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and allowances to unemployed Federal employees and ex-servicemen, as authorized by title 5, chapter 85 of the United States Code, and for trade adjustment benefit payments and allowances, as provided by law (19 U.S.C. 1941-1944 and 1952), \$365,000,000, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of benefits for any period subsequent to June 15 of the current year: *Provided*, That, in addition, there shall be transferred from the Postal Service Fund to this appropriation such sums as the Secretary of Labor determines to be the cost of benefits for ex-Postal Service employees.

5 USC 8501.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For grants for activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-49n, 39 U.S.C. 3202(a)(1)(E)); Veterans' Employment and Readjustment Act of 1972 (38 U.S.C. 2001-2013); title III of the Social Security Act, as amended (42 U.S.C. 501-503); sections 312 (e) and (g) of the Comprehensive Employment and Training Act of 1973; and necessary expenses for carrying out 5 U.S.C. 8501-8523 and 19 U.S.C. 1941-1944, 1952, including, upon the request of any State, the payment of rental for space made available to such State in lieu of grants for such purpose, \$64,400,000, together with not to exceed \$928,900,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which \$29,000,000 shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That any portion of the funds granted to a State in the current fiscal year and not obligated by the State in that year shall be returned to the Treasury and credited to the account from which derived.

29 USC 882.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Labor-Management Services Administration, \$27,745,000.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, \$69,150,000.

SPECIAL BENEFITS

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title IV of the Federal Coal Mine Health and Safety Act of 1969, as amended, and title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and not to exceed \$1,946,000, which may be transferred to the fund created by section 44 of the Longshoremen's and Harbor Workers' Compensation Act, as amended, \$165,000,000, together with such amount as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to June 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through June 30, 1975.

Whenever the Secretary of Labor finds it will promote the achievement of the above activities, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for hearing examiners appointed under 5 U.S.C. 3105: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such activities.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, \$102,006,000, of which not to exceed \$5,000,000 shall be available for reimbursement to States under section 7(c) (1) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 656(c) (1)) for the furnishing of consultation services to employers under section 21(c) of such Act (29 U.S.C. 670(c)).

None of the funds appropriated in this Act shall be used to require recordkeeping and reporting under the Occupational Safety and Health Act of 1970 from employers of ten or fewer employees, and such exclusion shall be governed by the current rules and regulations in CFR, Title 29, Chapter XVII, Part 1904.15.

30 USC 901.

5 USC 8101.

60 Stat. 696.

58 Stat. 566.

50 USC app.
2003, 2004.

33 USC 944.

29 USC 651
note.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, \$52,872,000, of which \$6,174,000 shall be for expenses of revising the Consumer Price Index, including salaries of temporary personnel assigned to this project without regard to competitive civil service requirements.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for departmental management and \$1,270,000 for the President's Committee on Employment of the Handicapped, \$29,675,000, together with not to exceed \$820,000 to be derived from the Employment Security Administration account, Unemployment Trust Fund.

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, \$200,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such agency for payments in the foregoing currencies.

GENERAL PROVISIONS

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

This title may be cited as the "Department of Labor Appropriation Act, 1975".

Citation of title.

TITLE II—DEPARTMENT OF HEALTH, EDUCATION,
AND WELFARE

Department of
Health, Educa-
tion, and Welfare
Appropriation
Act, 1975.

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

For carrying out, except as otherwise provided, titles III, V, XI, XII, and XIII of the Public Health Service Act, the Act of August 8, 1946 (5 U.S.C. 7901), section 1 of the Act of July 19, 1963 (42 U.S.C. 253a), section 108 of Public Law 93-353, and title V of the Social Security Act, \$493,455,000, of which \$1,200,000 shall be available only for payments to the State of Hawaii for care and treatment of persons afflicted with leprosy: *Provided*, That \$3,000,000 shall remain available through June 30, 1976, pursuant to sections 1303(i) and 1304(k) of the Public Health Service Act: *Provided further*, That any amounts received by the Secretary in connection with loans and loan guarantees under title XIII and any other property or assets derived by him

42 USC 241,
219, 300b, 300d,
300e.

Ante, p. 371.
42 USC 701.

42 USC 300e-2,
300e-3.

42 USC 401.

from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets, shall be available to the Secretary without fiscal year limitation for direct loans and loan guarantees, as authorized by said title XIII, in addition to funds specifically appropriated for that purpose: *Provided further*, That \$1,600,000 shall be available for payment of the costs of medical care, related expenses, and burial expenses, hereafter incurred, by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health, Education, and Welfare, and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person, to remain available until expended: *Provided further*, That when the Health Services Administration operates an employee health program for any Federal department or agency, payment for the estimated cost shall be made by way of reimbursement or in advance to this appropriation: *Provided further*, That in addition, \$5,774,000 may be transferred to this appropriation as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided further*, That \$1,300,000 of the funds contained in this appropriation for construction and related activities shall remain available until expended.

CENTER FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

42 USC 241.
42 USC 4801
note.
30 USC 801
note.
29 USC 651
note.

To carry out, to the extent not otherwise provided, title III of the Public Health Service Act, the Lead-Based Paint Poisoning Prevention Act, the Federal Coal Mine Health and Safety Act of 1969, and the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and purchase, hire, maintenance, and operation of aircraft; \$136,443,000: *Provided*, That training of employees of Federal, State, and local governments and of private agencies, shall be made subject to reimbursement or advances to this appropriation for the full costs of such training.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

42 USC 281.
Ante, pp. 135,
342, 360,
42 USC 289l.

For carrying out, to the extent not otherwise provided, title IV, parts A and I, of the Public Health Service Act with respect to cancer, \$691,666,000.

NATIONAL HEART AND LUNG INSTITUTE

42 USC 287,
300b.

For expenses, not otherwise provided for, necessary to carry out title IV, parts B and I, and title XI of the Public Health Service Act, \$324,130,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For expenses, not otherwise provided for, to carry out title IV, parts C and I, of the Public Health Service Act, \$49,864,000.

42 USC 288.
Ante, pp. 135
342, 360,
42 USC 289l.

NATIONAL INSTITUTE OF ARTHRITIS, METABOLISM, AND DIGESTIVE DISEASES

For expenses necessary to carry out title IV, parts D and I, of the Public Health Service Act with respect to arthritis, rheumatism, metabolic diseases, and digestive diseases, \$173,121,000.

42 USC 289a.

NATIONAL INSTITUTE OF NEUROLOGICAL DISEASES AND STROKE

For expenses necessary to carry out, to the extent not otherwise provided, title IV, parts D and I, of the Public Health Service Act with respect to neurology and stroke, \$142,498,000.

42 USC 289a
note.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For expenses, not otherwise provided for, to carry out title IV, parts D and I, of the Public Health Service Act with respect to allergy and infectious diseases, \$119,452,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For expenses, not otherwise provided for, necessary to carry out title IV, parts E and I, of the Public Health Service Act with respect to general medical sciences, \$187,400,000.

42 USC 289e.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

To carry out, except as otherwise provided, title IV, parts E and I, of the Public Health Service Act with respect to child health and human development, \$141,966,000.

NATIONAL EYE INSTITUTE

For expenses necessary to carry out title IV, parts F and I, of the Public Health Service Act, with respect to eye diseases and visual disorders, \$44,133,000.

42 USC 289i.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

To carry out, except as otherwise provided, sections 301, 311, and title IV, part I, of the Public Health Service Act, with respect to environmental health sciences, \$34,949,000.

42 USC 241,
243.

RESEARCH RESOURCES

To carry out, except as otherwise provided, section 301 and title IV, part I of the Public Health Service Act with respect to research resources and general research support grants, \$127,200,000: *Provided*, That none of these funds shall be used to pay recipients of the general research support grants programs any amount for indirect expenses in connection with such grants.

JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED
STUDY IN THE HEALTH SCIENCES

For the John E. Fogarty International Center for Advanced Study in the Health Sciences, \$5,589,000, of which not to exceed \$500,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

NATIONAL LIBRARY OF MEDICINE

To carry out, to the extent not otherwise provided for, section 301 with respect to health information communications and parts I and J of title III of the Public Health Service Act, \$28,450,000.

42 USC 275,
280b.

BUILDINGS AND FACILITIES

For construction of, and acquisition of sites and equipment for, facilities of or used by the National Institutes of Health, where not otherwise provided, \$3,000,000, to remain available until expended.

OFFICE OF THE DIRECTOR

For expenses necessary for the Office of the Director, National Institutes of Health, \$17,000,000.

Funds advanced to the National Institutes of Health management fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 328 of the Public Health Service Act and for the purchase of not to exceed fourteen passenger motor vehicles for replacement only.

42 USC 254a.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

For carrying out the Public Health Service Act with respect to mental health and, except as otherwise provided, the Community Mental Health Centers Act (42 U.S.C. 2681, et seq.), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, the Narcotic Addict Rehabilitation Act of 1966, and the Drug Abuse Office and Treatment Act of 1972, \$781,358,000.

42 USC 201
note.

42 USC 2681
note.

42 USC 4551
note.

42 USC 3401
note.

21 USC 1101
note.

SAINT ELIZABETHS HOSPITAL

For expenses necessary for the maintenance and operation of the hospital, including clothing for patients, and cooperation with organizations or individuals in the scientific research into the nature, causes, prevention, and treatment of mental illness, \$42,340,000, or such amounts as may be necessary to provide a total appropriation equal to the difference between the amount of the reimbursements received during the current fiscal year on account of patient care provided by the hospital during such year and \$66,233,000.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

For carrying out the District of Columbia Medical and Dental Manpower Act of 1970, as amended, \$7,500,000.

D.C. Code 31-921 note.

PAYMENT OF SALES INSUFFICIENCIES AND INTEREST LOSSES

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in the Health Professions Education Fund assets or Nurse Training Fund assets, authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, \$164,000, and for payment of amounts pursuant to section 744(b) or 827(b) of the Public Health Service Act to schools which borrow any sums from the Health Professions Education Fund or Nurse Training Fund, \$3,836,000: *Provided*, That the amounts appropriated herein shall remain available until expended.

81 Stat. 390.
12 USC 1717.
42 USC 294d,
297f.

HEALTH PROFESSIONS EDUCATION FUND

The Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Health Professions Education Fund and the Nurse Training Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year.

31 USC 849.

ASSISTANT SECRETARY FOR HEALTH

ASSISTANT SECRETARY FOR HEALTH

For expenses necessary for the Office of the Assistant Secretary for Health, \$30,215,000; together with not to exceed \$27,000,000 to be transferred and expended as authorized by section 201(g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein, to carry out, to the extent not otherwise provided, title XI, part B, of the Social Security Act.

42 USC 401.
42 USC 1320c.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retired pay of commissioned officers, as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan; Survivor Benefit Plan and payments for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C., ch. 55), such amount as may be required during the current fiscal year.

70 Stat. 250.

EDUCATION DIVISION

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, the Environmental Education Act, part IV of title III of the Communications Act of 1934; the Cooperative Research Act; title IV of the Civil Rights Act of 1964; and section 222(a) (2) and title IX of the Economic Opportunity Act of 1964, \$107,600,000 of which \$12,000,000 shall be for educational broadcasting facilities and shall remain available until expended.

20 USC 1531
note.
47 USC 390.
20 USC 331
note.
42 USC 2000c.
42 USC 2809,
2995.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

20 USC 331
note.

20 USC 1101,
1119, 1119b,
1119c.

For carrying out, to the extent not otherwise provided, section 102 (b) (\$20,000,000), parts B and C (\$438,978,000), D, F (\$35,994,000), G (\$19,500,000), H (\$9,849,000) and I of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241-1391), the Cooperative Research Act, and parts B-1 (\$37,500,000), D (\$8,139,000), E (\$2,100,000), and F (\$9,000,000) of the Education Professions Development Act, \$612,376,000 including \$16,000,000 for exemplary programs under part D of said 1963 Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1976, and not to exceed \$18,000,000 for research and training under part C of said 1963 Act.

HIGHER EDUCATION

20 USC 1001,
1051, 1061,
1132c-4, 1134,
1134d, 1134i,
1134n, 1142b.
20 USC 1078a
note.
20 USC 427,
511.
22 USC 2451
note.
20 USC 1232.
86 Stat. 907.

For carrying out, to the extent not otherwise provided, titles I, III, IV, section 745 of title VII, and parts A, B, C, and D of title IX, and section 1203 of the Higher Education Act, the Emergency Insured Student Loan Act of 1969 as amended, section 207 and title VI of the National Defense Education Act, as amended, the Mutual Educational and Cultural Exchange Act of 1961, section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), section 421 of the General Education Provisions Act, and Public Law 92-506 of October 19, 1972, \$2,131,271,000, of which \$240,300,000 for supplemental educational opportunity grants and amounts reallocated for work-study shall remain available through June 30, 1976, \$23,750,000 shall be for veterans cost-of-instruction payments to institutions of higher education, and \$660,000,000 shall be for basic opportunity grants (including not to exceed \$11,500,000 for administrative expenses) of which \$648,500,000 shall remain available through June 30, 1976, \$315,000,000 for subsidies on guaranteed student loans shall remain available until expended: *Provided*, That none of the funds in this Act shall be used to pay any amount for basic opportunity grants for students who were enrolled at institutions of higher education prior to April 1, 1973.

LIBRARY RESOURCES

20 USC 352,
355e.
20 USC 1021,
1121.

For carrying out, to the extent not otherwise provided, titles I (\$49,155,000) and III (\$2,594,000) of the Library Services and Construction Act (20 U.S.C. ch. 16); and title II (except section 231) and title VI (\$7,500,000) of the Higher Education Act; \$72,224,000.

EDUCATIONAL ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, \$1,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

SALARIES AND EXPENSES

20 USC 1221
note.

For carrying out, to the extent not otherwise provided, the General Education Provisions Act, and the Cooperative Research Act, including rental of conference rooms in the District of Columbia, \$114,400,000.

STUDENT LOAN INSURANCE FUND

For the Student Loan Insurance Fund authorized by the Higher Education Act of 1965, \$115,000,000 to remain available until expended.

20 USC 1001
note.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)), \$2,701,000, to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such fund: *Provided*, That loans may be made during the current fiscal year from the fund to the extent that amounts are available from commitments withdrawn prior to July 1, 1975, by the Commissioner of Education.

81 Stat. 390.

NATIONAL INSTITUTE OF EDUCATION

NATIONAL INSTITUTE OF EDUCATION

For carrying out section 405 of the General Education Provisions Act, including rental of conference rooms in the District of Columbia, \$70,000,000: *Provided*, That none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee, of said laboratory, center, or project is compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education.

20 USC 1221e.

OFFICE OF THE ASSISTANT SECRETARY FOR EDUCATION

SALARIES AND EXPENSES

For necessary expenses to carry out section 402 of the General Education Provisions Act, \$2,307,000.

20 USC 1221b.

IMPROVEMENT OF POSTSECONDARY EDUCATION

For carrying out, to the extent not otherwise provided section 404 of the General Education Provisions Act, \$11,500,000.

20 USC 1221d.

SOCIAL AND REHABILITATION SERVICE

PUBLIC ASSISTANCE

For carrying out, except as otherwise provided, titles I, IV, VI, X, XI, XIV, XVI, and XIX of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C. ch. 9), \$12,111,731,000, of which \$50,000,000 shall be for child welfare services under part B of title IV.

42 USC 301.

24 USC 321.

42 USC 620.

42 USC 301,
601, 801, 1201,
1351, 1381,
1396.

For making, after March 31 of the current fiscal year, payments to States under titles I, IV, VI, X, XIV, XVI, and XIX, respectively, of the Social Security Act, for the last three months of the current fiscal year (except with respect to activities included in the appropriation for "Work incentives"); and for making, after April 30 of the current fiscal year, payments for the first quarter of the next succeeding fiscal year; such sums as may be necessary, the obligations incurred and the expenditures made thereunder for payments under each of such titles to be charged to the subsequent appropriations therefor for the current or succeeding fiscal year.

In the administration of titles I, IV (other than part C thereof), VI, X, XIV, XVI, and XIX, respectively, of the Social Security Act, payments to a State under any such titles for any quarter in the period beginning April 1 of the prior year, and ending June 30 of the current year may be made with respect to a State plan approved under such title prior to or during such period, but no such payment shall be made with respect to any plan for any quarter prior to the quarter in which such plan was submitted for approval.

Such amounts as may be necessary from this appropriation shall be available for grants to States for any period in the prior fiscal year subsequent to March 31 of that year.

WORK INCENTIVES

42 USC 630.

42 USC 602.

42 USC 631.

42 USC 603.

For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such program, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, \$210,000,000, which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.

REHABILITATION SERVICES

29 USC 701
note.
42 USC 242a.
22 USC 2101
note.
29 USC 730.
29 USC 740,
750.

For carrying out, except as otherwise provided, the Rehabilitation Act of 1973, section 303(a)(1) of the Public Health Service Act, and the International Health Research Act of 1960, \$771,820,000; of which \$680,000,000 shall be for activities under section 110 of the Rehabilitation Act of 1973; and of which \$23,000,000 shall be for activities under sections 120 and 130 of the Rehabilitation Act of 1973.

SALARIES AND EXPENSES

42 USC 401.

For expenses, not otherwise provided, necessary for the Social and Rehabilitation Service, \$63,819,000, together with not to exceed \$600,000 to be transferred from the Federal Disability Insurance Trust Fund, and the Federal Old-Age and Survivors Insurance Trust Fund, as provided in section 201(g)(1) of the Social Security Act.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

42 USC 417,
428, 429, 1395w.
42 USC 426a,
1395i-1.

For payment to the Federal Old-Age and Survivors Insurance, the Federal Disability Insurance, the Federal Hospital Insurance, and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g), 228(g), 229(b), and 1844 of the Social Security Act, and sections 103(c) and 111(d) of the Social Security Amendments of 1965, \$3,345,323,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Coal Mine Health and Safety Act of 1969, including the payment of travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, \$876,089,000: *Provided*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the Postal Service shall be used for payment, in such manner as said parties may jointly determine, of postage for the transmission of official mail matter by States in connection with the administration of said Act.

Black Lung
benefits,
30 USC 901.

Benefit payments after April 30: For making, after April 30 of the current fiscal year, payments to entitled beneficiaries under title IV of the Federal Coal Mine Health and Safety Act of 1969, for the last two months of the current fiscal year, such sums as may be necessary, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

Whenever the Commissioner of Social Security finds it will promote the achievement of the provisions of title IV of the Federal Coal Mine Health and Safety Act of 1969, qualified persons may be appointed to conduct hearings thereunder without meeting the requirements for administrative law judges appointed under 5 U.S.C. 3105, but such appointments shall terminate not later than December 31, 1975: *Provided*, That no person shall hold a hearing in any case with which he has been concerned previously in the administration of such title.

Hearings.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out the Supplemental Security Income program under title XVI of the Social Security Act, section 401 of Public Law 92-603, and section 212 of Public Law 93-66, including payment to the social security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$4,774,000,000: *Provided*, That for carrying out these activities for the last two months of the current fiscal year, such sums as may be necessary shall be available, the obligations and expenditures therefor to be charged to the appropriation for the succeeding fiscal year.

42 USC 1381,
1382e note,
87 Stat. 155.

42 USC 401.

LIMITATION ON SALARIES AND EXPENSES

For necessary expenses, not more than \$2,004,729,000 may be expended as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That such amounts as are required shall be available to pay travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands to reconsideration interviews and to proceedings before administrative law judges under titles II, XVI, and XVIII of the Social Security Act: *Provided further*, That \$25,000,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of title II of the Social Security Act, and after

42 USC 421
note.

42 USC 401,
1381, 1395.

42 USC 421.

maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That such amounts as may be agreed upon by the Department of Health, Education, and Welfare and the United States Postal Service shall be used for payment, in such manner as said organizations may jointly determine, of postage for the transmission of official mail matter in connection with the administration of the social security program by States participating in the program: *Provided further*, That such amounts as may be required may be expended for administration within the United States of the social insurance program of the United Kingdom, under terms of an agreement wherein similar services will be provided by the United Kingdom in that country for administration of the social insurance program of the United States.

LIMITATION ON CONSTRUCTION

For acquisition of sites, construction and equipment of facilities and for payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972, \$8,232,000, to be expended as authorized by section 201 (g) (1) of the Social Security Act, from any one or all of the trust funds referred to therein, and to remain available until expended.

40 USC 356
note.
40 USC 603
note.
42 USC 401.

SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-105), \$1,967,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.), \$9,819,000, of which \$1,981,000 shall be for construction and shall remain available until expended.

GALLAUDET COLLEGE

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet College authorized by the Act of June 18, 1954, \$27,543,000 of which \$10,465,000 shall be for construction and shall remain available until expended: *Provided*, That if requested by the college, such construction shall be supervised by the General Services Administration.

D.C. Code 31-
1051 note.
D.C. Code 31-
1025.

HOWARD UNIVERSITY

For the partial support of Howard University, \$79,650,000, of which \$12,500,000 shall be for construction and shall remain available until expended: *Provided*, That if requested by the university, such construction shall be supervised by the General Services Administration.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

HUMAN DEVELOPMENT

For carrying out, except as otherwise provided, section 426 of the Social Security Act, the Act of April 9, 1912 (42 U.S.C. 191), the Older Americans Act of 1965, and the Child Abuse Prevention and Treatment Act, \$177,950,000.

42 USC 626.
42 USC 3001
note.
Ante, p. 4.

OFFICE OF THE SECRETARY

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights \$22,207,000, together with not to exceed \$1,466,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein, which sum shall be available for expenditure to enforce any order, with respect to the desegregation of schools of a local educational agency, requiring the transportation of students from one school to another school only under the same circumstances and in the same manner whether the residence of the students of such school or the principal office of such local educational agency is situated in the northern, eastern, western, or southern part of the United States.

42 USC 401.

DEPARTMENTAL MANAGEMENT

For expenses, not otherwise provided, necessary for departmental management, including hire of six medium sedans, and for carrying out, to the extent not otherwise provided, section 1110 of the Social Security Act, \$82,722,000 together with not to exceed \$8,226,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein; and not to exceed \$29,000 to be transferred from "Revolving fund for certification and other services." Food and Drug Administration.

42 USC 1310.

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title to the Social and Rehabilitation Service for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any States which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

Withholding of funds, restriction.

SEC. 202. The Secretary is authorized to make such transfers of motor vehicles, between bureaus and officers, without transfer of funds, as may be required in carrying out the operations of the Department.

Motor vehicles, transfer.
42 USC 3508.

SEC. 203. None of the funds provided herein shall be used to pay any recipient of a grant for the conduct of a research project an amount equal to as much as the entire cost of such project.

SEC. 204. None of the funds contained in this Act shall be used for any activity the purpose of which is to require any recipient of any project grant for research, training, or demonstration made by any officer or employee of the Department of Health, Education, and Welfare to pay to the United States any portion of any interest or other income earned on payments of such grant made before July 1, 1964; nor shall any of the funds contained in this Act be used for any activity the purpose of which is to require payment to the United States of any portion of any interest or other income earned on payments made before July 1, 1964, to the American Printing House for the Blind.

Research grants.

Expenditures
subject to audit.

SEC. 205. Funds appropriated under this title to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, the Model Secondary School for the Deaf, and Gallaudet College shall be awarded to these institutions in the form of lump-sum grants and expenditures made therefrom shall be subject to audit by the Secretary of Health, Education, and Welfare.

Federal po-
sitions in Wash-
ington area.

SEC. 206. None of the funds contained in this title shall be available for additional permanent Federal positions in the Washington area if the proportion of additional positions in the Washington area in relation to the total new positions is allowed to exceed the proportion existing at the close of fiscal year 1966.

SEC. 207. Appropriations in this Act for the Health Services Administration, the National Institutes of Health, the Center for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Health Resources Administration and the Office of the Secretary shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for not to exceed two thousand eight hundred commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; rental or lease of living quarters (for periods not exceeding 5 years), and provision of heat, fuel, and light, and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18.

42 USC 209.

5 USC 5332
note.

Forced student
busing.

42 USC 2000c.

SEC. 208. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed, or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 209. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated;

or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

This title may be cited as the "Department of Health, Education, and Welfare Appropriation Act, 1975." Citation of title.

TITLE III—RELATED AGENCIES

ACTION

OPERATING EXPENSES, DOMESTIC PROGRAMS

For expenses necessary for Action to carry out the provisions of the Domestic Volunteer Service Act of 1973 (Public Law 93-113), \$100,000,000. 42 USC 4951 note.

CORPORATION FOR PUBLIC BROADCASTING

PAYMENT TO THE CORPORATION FOR PUBLIC BROADCASTING

To enable the Department of Health, Education, and Welfare to make payment to the Corporation for Public Broadcasting, as authorized by section 396(k)(1) of the Communications Act of 1934, as amended, for expenses of the Corporation, \$57,000,000, to remain available until expended: *Provided*, That in addition, there is appropriated in accordance with the authorization contained in section 396(k)(2) of such Act, to remain available until expended, amounts equal to the amount of total grants, donations, bequests or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation during the current fiscal year, but not to exceed a total of \$5,000,000. 47 USC 396.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President; hire of passenger motor vehicles; and rental of conference rooms in the District of Columbia; \$15,521,000.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses of the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), \$409,000. 20 USC 1501 note.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

29 USC 141.

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws \$60,980,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary for carrying out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, \$3,186,000.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission, \$5,512,000.

RAILROAD RETIREMENT BOARD

PAYMENTS FOR MILITARY SERVICE CREDITS

For payments to the railroad retirement account for military service credits under the Railroad Retirement Act, as amended (45 U.S.C. 228c-1), \$3,516,000.

LIMITATION ON SALARIES AND EXPENSES

For expenses necessary for the Railroad Retirement Board, \$24,336,000, to be derived from the railroad retirement accounts: *Provided*, That \$500,000 of the foregoing amount shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665), only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the foregoing limitation has been achieved: *Provided further*, That notwithstanding any other provision in law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j)).

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, \$14,505,000: *Provided*, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners of the Home and the Surgeon General of the Army.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

Experts and consultants.

SEC. 402. Appropriations contained in this Act available for salaries and expenses shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

5 USC 5332 note.
Uniform allowances.

SEC. 403. Appropriations contained in this Act available for salaries and expenses shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

Meetings.

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Fiscal year limitation.

SEC. 405. No part of any appropriation contained in this Act shall be used to finance any Civil Service Interagency Board of Examiners.

SEC. 406. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curriculum, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

Funds to campus disrupters, prohibition.

SEC. 407. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

Transfer of funds.

SEC. 408. Funds contained in this Act used to pay for contract services by profitmaking consultant firms or to support consultant appointments shall not exceed the fiscal year 1973 level: *Provided*, That obligations made from funds contained in this Act for consultant fees and services to any individual or group of consulting firms on any one project in excess of \$25,000 shall be reported to the Senate and House of Representatives at least twice annually.

Fiscal year limitation.

SEC. 409. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative

Funds restriction.

relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

GSA, space
and services.

SEC. 410. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 percent of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

Official re-
ceptions.

SEC. 411. The Secretary of Labor and the Secretary of Health, Education, and Welfare are each authorized to make available not to exceed \$7,500 from funds available for salaries and expenses under titles I and II, respectively, for official reception and representation expenses.

Ante, pp. 1634,
1637.

Research pro-
grams.

SEC. 412. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or his parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

Regulations.

Short title.

This Act may be cited as the "Departments of Labor, and Health, Education, and Welfare Appropriation Act, 1975".

Approved December 7, 1974.

Public Law 93-518

AN ACT

December 7, 1974
[S. 3202]

To amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such Act.

Farm Labor
Contractor Regis-
tration Act Ad-
mendments of
1974.
7 USC 2041
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision the reference shall be considered to be made to a section or other provision of the Farm Labor Contractor Registration Act of 1963 (7 U.S.C. 2041 et seq.).

7 USC 2042.

SEC. 2. Section 3 of the Act is amended by striking out the word "interstate" each place where it appears therein. The first sentence of section 3(b) is amended to delete therefrom the phrase "ten or more" and the phrase "at any one time in any calendar year". The second sentence of section 3(b) is amended to read as follows: "Such term shall not include—

"(1) any nonprofit charitable organization, public or nonprofit private educational institution, or similar organization;

“(2) any farmer, processor, canner, ginner, packing shed operator, or nurseryman who personally engages in any such activity for the purpose of supplying migrant workers solely for his own operation;

“(3) any full-time or regular employee of any entity referred to in (1) or (2) above who engages in such activity solely for his employer on no more than an incidental basis;

“(4) any person who engages in any such activity (A) solely within a twenty-five mile intrastate radius of his permanent place of residence and (B) for not more than thirteen weeks per year;

“(5) any person who engages in any such activity for the purpose of obtaining migrant workers of any foreign nation for employment in the United States if the employment is subject to—

“(A) an agreement between the United States and such foreign nation; or

“(B) an arrangement with the government of any foreign nation under which written contracts for the employment of such workers are provided for and the enforcement thereof is provided for through the United States by an instrumentality of such foreign nation;

“(6) any full-time or regular employee of any person holding a certificate of registration under this Act; or

“(7) any common carrier or any full-time regular employee thereof engaged solely in the transportation of migrant workers.”

SEC. 3. Section 3(d) of the Act is amended to read as follows:

7 USC 2042.

“Agricultural employment.”

“(d) The term ‘agricultural employment’ means employment in any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)), or section 3121(g) of the Internal Revenue Code of 1954 (26 U.S.C. 3121(g)) and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.”

7 USC 2043.

SEC. 4. Section 4 of the Act is amended by adding at the end thereof the following new subsections:

Certificate of registration.

“(c) No person shall engage the services of any farm labor contractor to supply farm laborers unless he first determines that the farm labor contractor possesses a certificate from the Secretary that is in full force and effect at the time he contracts with the farm labor contractor.

“(d) Upon determination by the Secretary that any person knowingly has engaged the services of any farm labor contractor who does not possess such certificate as required by subsection (c) of this section, the Secretary is authorized to deny such person the facilities and services authorized by the Act of June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly referred to as the Wagner-Peyser Act, for a period of up to three years.”

SEC. 5. Section 5(a) is amended by—

7 USC 2044.

(1) striking the word “and” after paragraph (2),

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) adding the following new paragraphs:

“(4) has filed, under such terms as the Secretary may prescribe, a statement identifying each vehicle to be used by the applicant for the transportation of migrant workers, and all real property to be used by the applicant for the housing of migrant

Filing of statement.

workers, during the period for which registration is sought, along with proof that every such vehicle and all such housing currently conform to all applicable Federal and State safety and health standards to the extent that such vehicle and all such housing are under the applicant's ownership or control; and

"(5) has consented to designation of the Secretary as the agent available to accept service of summons in any action against such farm labor contractor at any and all times during which such farm labor contractor has departed from the jurisdiction in which such action is commenced or otherwise has become unavailable to accept service, under such terms and conditions as are set by the court in which such action has been commenced."

Insurance cov-
erage.
7 USC 2044.

49 USC prec.
1 note.

Regulations

SEC. 6. Section 5(a)(2) is amended by striking the second sentence and inserting in lieu thereof the following: "In no event shall the amount of such insurance be less than the amount currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, or amounts offering comparable protection to persons or property from damages arising out of the applicant's ownership of, operation of, or his causing to be operated any vehicle as provided herewith: *Provided*, That the Secretary shall have the discretion to issue regulations requiring insurance in the highest amounts feasible which are less than the amounts currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, if the Secretary, after due and careful consideration, determines that the insurance coverage in such amounts is not available to farm labor contractors in the same manner and in the same amounts as such coverage is available to other carriers used to transport passengers in interstate commerce;"

Denial or revo-
cation of certifi-
cate.

SEC. 7. Section 5(b) is amended by—

(1) striking "or" at the end of paragraph (9);

(2) striking the period at the end of paragraph (10) and inserting a semicolon in lieu thereof; and

(3) adding after paragraph (10) the following new paragraphs:

"(11) is not in fact the real party in interest in any such application or certificate of registration and that the real party in interest is a person, firm, partnership, association, or corporation who previously has been denied a certificate of registration, has had a certificate of registration suspended or revoked, or who does not presently qualify for a certificate or registration; or

"(12) has used a vehicle for the transportation of migrant workers, or has used real property for the housing of migrant workers, while such vehicle or real property failed to conform to all applicable Federal and State safety and health standards, to the extent any such vehicle or real property has come within the ownership or control of such farm labor contractor."

(4) striking "or prostitution", at the end of paragraph (7) and adding in lieu thereof the following: "prostitution, or peonage; where the date of the judgment of conviction of any crime as specified herein has been entered within a period of five years preceding the action of the Secretary under this subsection";

(5) striking all after the word “utilized” in paragraph (6) and inserting in lieu thereof the following: “, with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment;”.

SEC. 8. Section 5 is amended by adding at the end thereof the following new subsection:

7 USC 2044.

“(d) Persons issued a certificate of registration under this section shall provide the Secretary a notice of each and every address change within ten days after such change. The Secretary shall maintain a public central registry of all persons issued certificates of registration under this section. Persons issued a certificate of registration under this section shall provide to the Secretary documentation required under section 5(a)(4) of the Act applicable to any vehicle which the applicant obtains for use in the transportation of migrant workers and any real property which the applicant obtains or learns will be used for the housing of migrant workers during the period for which the certificate of registration is issued, within ten days after he obtains or learns of the intended use of such vehicle or real property, to the extent that such vehicle or such real property is under the ownership of control of such persons who have been issued certificates of registration.”.

Public central
registry.

SEC. 9. Section 6(a) of the Act is amended by inserting immediately before the semicolon at the end thereof the following: “and shall be denied the facilities and services authorized by the Act of June 6, 1933 (29 U.S.C. 49 et seq.), upon refusal or failure to exhibit the same”.

7 USC 2045.

SEC. 10. Section 6(b) of the Act is amended by striking the word “and” before paragraph (5), and by striking the semicolon at the end of paragraph (5) and adding at the end thereof the following: “(6) the period of employment. (7) the existence of a strike or other concerted stoppage, slowdown, or interruption of operations by employees at a place of contracted employment, and (8) the existence of any arrangements with any owner, proprietor, or agent of any commercial or retail establishment in the area of employment under which he is to receive a commission or any other benefit resulting from any sales provided to such commercial or retail establishment from the migrant workers whom he recruits. The disclosure required under this subsection shall be in writing in a language in which the worker is fluent, and written in a manner understandable by such workers on such forms and under such terms and conditions as the Secretary shall prescribe.”

Disclosure of
information.

SEC. 11. (a) Section 6 is amended by—

- (1) striking “and” after paragraph (d),
- (2) striking the period at the end of paragraph (c) and inserting in lieu thereof a semicolon, and

(3) adding at the end thereof the following new paragraphs:
“(f) refrain from recruiting, employing, or utilizing, with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment;

Aliens, employ-
ment, prohibition.

“(g) promptly pay or contribute when due to the individuals entitled thereto all moneys or other things of value entrusted to the farm labor contractor by any farm operator for such purposes; and

“(h) refrain from requiring any worker to purchase any goods solely from such farm labor contractor or any other person.”

7 USC 2045.

(b) Section 6(e) of the Act is amended by striking “interstate” each time it appears.

Information,
availability.

(c) Section 6(e) of the Act is further amended by striking the last sentence and substituting the following: “He shall additionally provide to the person to whom any migrant worker is furnished all information and records required to be kept by such contractor under this subsection, and all information required to be provided to any migrant worker under this subsection. The Secretary may prescribe appropriate forms for the recording of information required by this subsection;”.

7 USC 2041.

(d) Section 2(b) of the Act is amended by striking the word “interstate” the second time it appears.

Hearings or in-
vestigations.
7 USC 2046.

SEC. 12. Section 7 is amended by adding at the end thereof the following: “The Secretary may issue subpoenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary may administer oaths and affirmations, examine witnesses, and receive evidence. For the purpose of any hearing or investigation provided for in this chapter, the provisions of sections 9 and 10 of the Federal Trade Commission Act of September 16, 1914 (15 U.S.C. 49, 50) (relating to the attendance of witnesses and the production of books, papers, and documents), are made applicable to the jurisdiction, powers, and duties of the Secretary. The Secretary shall conduct investigations in a manner which protects the confidentiality of any complainant or other party who provides information to the Secretary with respect to which the Secretary commences an investigation. The Secretary shall monitor and investigate activities of farm labor contractors in such manner as is necessary to enforce the provisions of this Act.”.

Penalties.
7 USC 2048.

SEC. 13. Section 9 of the Act is amended by inserting the subsection designation “(a)” at the beginning thereof; by striking out “or any regulation prescribed hereunder”; and by striking the period at the end thereof and adding the following: “... sentenced to a prison term not to exceed one year, or both, and upon conviction for any subsequent violation, shall be punishable by a fine not to exceed \$10,000 or sentenced to a prison term not to exceed three years, or both. The Secretary shall report on enforcement of the provisions of this Act in the annual report of the Secretary required pursuant to section 9 of the Act entitled ‘An Act to create a Department of Labor’, approved March 4, 1913 (37 Stat. 738, 29 U.S.C. 560). The reporting hereunder shall include, but shall not be limited to, a description of efforts to monitor and investigate the activities of farm labor contractors, the number of persons to whom certificates of registration have been issued, the number of complaints of violation received by the Secretary and their disposition, and the number and nature of any sanctions imposed.”

Annual report.

Penalty.

“(b) (1) Any person who commits a violation of this Act or any regulations promulgated under this Act, may be assessed a civil money penalty of not more than \$1,000 for each violation. The penalty shall be assessed by the Secretary upon written notice, under the procedures set forth herein.

"(2) The person assessed shall be afforded an opportunity for agency hearing, upon request made within thirty days after the date of issuance of the notice of assessment. In such hearing, all issues shall be determined on the record pursuant to section 554 of title 5, United States Code. The agency determination shall be made by final order subject to review only as provided in paragraph (3). If no hearing is requested as herein provided, the assessment shall constitute a final and unappealable order.

Hearing.

"(3) Any person against whom an order imposing a civil money penalty has been entered after an agency hearing under this section may obtain review by the United States district court for any district in which he is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within thirty days from the date of such order, and simultaneously sending a copy of such notice by registered mail to the Secretary. The Secretary shall promptly certify and file in such court the record upon which the penalty was imposed. The findings of the Secretary shall be set aside if found to be unsupported by substantial evidence as provided by section 706(2)(E) of title 5, United States Code.

Judicial review.

"(4) If any person fails to pay an assessment after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the Secretary shall refer the matter to the Attorney General, who shall recover the amount assessed by action in the appropriate United States district court. In such action the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

Assessments,
recovery.

"(5) All penalties collected under authority of this section shall be paid into the Treasury of the United States.

"(c) Notwithstanding subsections (a) and (b) of this section, any farm labor contractor who commits a violation of subsection 6(f) of the Act or any regulations promulgated thereunder shall upon conviction be fined not to exceed \$10,000 or sentenced to a prison term not to exceed three years, or both, if the person committing such violation has failed to obtain a certificate of registration pursuant to this Act or is one whose certificate has been suspended or revoked by the Secretary."

Penalty.

Ante, p. 1655.

SEC. 14. (a) The Farm Labor Contractor Registration Act of 1963 is amended by redesignating sections 12, 13, and 14 thereof as sections 15, 16, and 17, respectively, and by inserting after section 11 the following:

7 USC 2051-
2053.

"CIVIL RELIEF

"SEC. 12. (a) Any person claiming to be aggrieved by the violation of any provision of this Act or any regulation prescribed hereunder may file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties and without regard to exhaustion of any alternative administrative remedies provided herein.

7 USC 2050a.

"(b) Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the

Damages.

28 USC 1291.

Injunction.

action. If the court finds that the respondent has intentionally violated any provision of this Act or any regulation prescribed hereunder, it may award damages up to and including an amount equal to the amount of actual damages, or \$500 for each violation, or other equitable relief. Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

“(c) If upon investigation the Secretary determines that the provisions of this Act have been violated, he may petition any appropriate district court of the United States for temporary or permanent injunctive relief.

“(d) Except as provided in section 518(a) of title 28, United States Code, relating to litigation before the Supreme Court, the Solicitor of Labor may appear for and represent the Secretary in any civil litigation brought under this Act but all such litigation shall be subject to the direction and control of the Attorney General.

“DISCRIMINATION PROHIBITED

7 USC 2050b.

“SEC. 13. (a) No person shall intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against any migrant worker because such worker has, with just cause, filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act or has testified or is about to testify in any such proceedings or because of the exercise, with just cause, by such worker on behalf of himself or others of any right or protection afforded by this Act.

“(b) Any worker who believes, with just cause, that he has been discriminated against by any person in violation of this section may, within one hundred eighty days after such violation occurs, file a complaint with the Secretary alleging such discrimination. Upon receipt of such complaint, the Secretary shall cause such investigation to be made as he deems appropriate. If upon such investigation, the Secretary determines that the provisions of this section have been violated, he shall bring an action in any appropriate United States district court against such person. In any such action, the United States district courts shall have jurisdiction, for cause shown, to restrain violation of subsection (a) and order all appropriate relief including rehiring or reinstatement of the worker, with back pay, or damages.

“RECORDKEEPING

7 USC 2050c.

“SEC. 14. Any person who is furnished any migrant worker by a farm labor contractor shall maintain all payroll records required to be kept by such person under Federal law, and with respect to migrant workers paid by a farm labor contractor such person shall also obtain from the contractor and maintain records containing the information required to be provided to him by the contractor under section 6(e) of the Act.”

7 USC 2045.

SEC. 15. The Act is amended by addition at the end thereof of the following new sections:

“WAIVER OF RIGHTS

7 USC 2054.

“SEC. 18. Any agreement by an employee purporting to waive or to modify his rights hereunder shall be void as contrary to public policy, except a waiver or modification of rights or obligations hereunder in favor of the Secretary shall be valid for purposes of enforcement of the provisions of the Act.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 19. There are authorized to be appropriated to carry out the purposes of this Act such sums as may be necessary for the effective enforcement of this Act.” 7 USC 2055.

SEC. 16. Section 17 of the Act (as redesignated by this Act) is amended by striking “of sections 4, 5, 6, and 8”. 7 USC 2053.

Approved December 7, 1974.

Public Law 93-519

AN ACT

To amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes.

December 13, 1974
[S. 3308]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of title 14, United States Code, is hereby amended by inserting the words “shall, pursuant to international agreements, develop, establish, maintain, and operate icebreaking facilities on, under, and over waters other than the high seas and waters subject to the jurisdiction of the United States;” immediately before the words “shall engage in oceanographic research”.

Coast Guard.
Icebreaking
operations.

Approved December 13, 1974.

Public Law 93-520

AN ACT

To extend for one year the time for entering into a contract under section 106 of the Water Resources Development Act of 1974.

December 13, 1974
[S. 3546]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106 of the Water Resources Development Act of 1974 (Public Law 93-251) is amended by striking out “June 1, 1974” and inserting in lieu thereof “June 1, 1975”.

Ante, p. 42.

Approved December 13, 1974.

Public Law 93-521

AN ACT

To provide that Mansfield Lake, Indiana, shall be known as “Cecil M. Harden Lake”.

December 14, 1974
[S. 1561]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mansfield Lake, Indiana, created under authority of the Act entitled “An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes”, approved June 28, 1938 (52 Stat. 1215, as amended and supplemented) shall be known and designated hereafter as “Cecil M. Harden Lake”. Any law, regulation, map, document, or record of the United States in which such lake is referred to shall be held to refer to such lake as Cecil M. Harden Lake.

Mansfield Lake,
Ind.
Name change.

33 USC 701b.

Approved December 14, 1974.

Public Law 93-522

December 14, 1974
[H.J. Res. 444]

JOINT RESOLUTION

To authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

Sequoia National Park,
Calif.
Hydroelectric
project permit.
16 USC 45a-1
note.

Expiration of
permit.
16 USC 45a-1
note.

16 USC 45a-1
note.

Rules and regu-
lations.
16 USC 791a.

Report to
Congress.
16 USC 45a-1
note.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to issue a permit to occupy and use lands of the United States within Sequoia National Park necessary for the continued operation, maintenance, and use of the hydroelectric project known as the Kaweah Number 3 project of Southern California Edison Company.

SEC. 2. The term of such permit shall expire not later than the expiration of existing or future licenses granted by the Federal Power Commission to Southern California Edison Company for said Kaweah Number 3 project (Federal Power Commission project numbered 298), but in no event shall the term of such permit extend for any period in excess of ten years following the date of its issuance, unless specifically authorized by law. Such permit shall contain such other terms and conditions as the Secretary of the Interior shall deem necessary for the protection and utilization of Sequoia National Park.

SEC. 3. Such permit shall specifically recite that the privileges granted thereby are to be exercised in accordance with the Federal Power Act (16 U.S.C. 791(a)–825(u)), and the rules and regulations thereunder which the Secretary of the Interior, after consultation with the Federal Power Commission, determines to be applicable.

SEC. 4. The National Park Service shall, not less than one hundred and eighty days prior to the termination date of such permit, report to the Congress, in writing, with respect to the impact of the operations of the hydroelectric project (known as the Kaweah numbered 3 project of Southern California Edison Company) on the Sequoia National Park.

Approved December 14, 1974.

Public Law 93-523

December 16, 1974
[S. 433]

AN ACT

To amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes.

Safe Drinking
Water Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

42 USC 300f
note.

SECTION 1. This Act may be cited as the “Safe Drinking Water Act”.

PUBLIC WATER SYSTEMS

SEC. 2. (a) The Public Health Service Act is amended by inserting after title XIII the following new title:

"TITLE XIV—SAFETY OF PUBLIC WATER SYSTEMS

"PART A—DEFINITIONS

"DEFINITIONS

"SEC. 1401. For purposes of this title:

42 USC 300f.

"(1) The term 'primary drinking water regulation' means a regulation which—

"(A) applies to public water systems;

"(B) specifies contaminants which, in the judgment of the Administrator, may have any adverse effect on the health of persons;

"(C) specifies for each such contaminant either—

"(i) a maximum contaminant level, if, in the judgment of the Administrator, it is economically and technologically feasible to ascertain the level of such contaminant in water in public water systems, or

"(ii) if, in the judgment of the Administrator, it is not economically or technologically feasible to so ascertain the level of such contaminant, each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412; and

Post, p. 1662.

"(D) contains criteria and procedures to assure a supply of drinking water which dependably complies with such maximum contaminant levels; including quality control and testing procedures to insure compliance with such levels and to insure proper operation and maintenance of the system, and requirements as to (i) the minimum quality of water which may be taken into the system and (ii) siting for new facilities for public water systems.

"(2) The term 'secondary drinking water regulation' means a regulation which applies to public water systems and which specifies the maximum contaminant levels which, in the judgment of the Administrator, are requisite to protect the public welfare. Such regulations may apply to any contaminant in drinking water (A) which may adversely affect the odor or appearance of such water and consequently may cause a substantial number of the persons served by the public water system providing such water to discontinue its use, or (B) which may otherwise adversely affect the public welfare. Such regulations may vary according to geographic and other circumstances.

"(3) The term 'maximum contaminant level' means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

"(4) The term 'public water system' means a system for the provision to the public of piped water for human consumption, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. Such term includes (A) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in

connection with such system, and (B) any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system.

“(5) The term ‘supplier of water’ means any person who owns or operates a public water system.

“(6) The term ‘contaminant’ means any physical, chemical, biological, or radiological substance or matter in water.

“(7) The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

“(8) The term ‘Agency’ means the Environmental Protection Agency.

“(9) The term ‘Council’ means the National Drinking Water Advisory Council established under section 1446.

“(10) The term ‘municipality’ means a city, town, or other public body created by or pursuant to State law, or an Indian tribal organization authorized by law.

“(11) The term ‘Federal agency’ means any department, agency, or instrumentality of the United States.

“(12) The term ‘person’ means an individual, corporation, company, association, partnership, State, or municipality.

“PART B—PUBLIC WATER SYSTEMS

“COVERAGE

42 USC 300g.

“SEC. 1411. Subject to sections 1415 and 1416, national primary drinking water regulations under this part shall apply to each public water system in each State; except that such regulations shall not apply to a public water system—

“(1) which consists only of distribution and storage facilities (and does not have any collection and treatment facilities);

“(2) which obtains all of its water from, but is not owned or operated by, a public water system to which such regulations apply;

“(3) which does not sell water to any person; and

“(4) which is not a carrier which conveys passengers in interstate commerce.

“NATIONAL DRINKING WATER REGULATIONS

42 USC 300g-1.

“SEC. 1412. (a)(1) The Administrator shall publish proposed national interim primary drinking water regulations within 90 days after the date of enactment of this title. Within 180 days after such date of enactment, he shall promulgate such regulations with such modifications as he deems appropriate. Regulations under this paragraph may be amended from time to time.

“(2) National interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on the date of enactment of this title.

“(3) The interim primary regulations first promulgated under paragraph (1) shall take effect eighteen months after the date of their promulgation.

“(b)(1)(A) Within 10 days of the date the report on the study conducted pursuant to subsection (c) is submitted to Congress, the Administrator shall publish in the Federal Register, and provide opportunity for comment on, the—

Publication in
Federal Register.

“(i) proposals in the report for recommended maximum contaminant levels for national primary drinking water regulations, and

“(ii) list in the report of contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

“(B) Within 90 days after the date the Administrator makes the publication required by subparagraph (A), he shall by rule establish recommended maximum contaminant levels for each contaminant which, in his judgment based on the report on the study conducted pursuant to subsection (c), may have any adverse effect on the health of persons. Each such recommended maximum contaminant level shall be set at a level at which, in the Administrator's judgment based on such report, no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. In addition, he shall, on the basis of the report on the study conducted pursuant to subsection (c), list in the rules under this subparagraph any contaminant the level of which cannot be accurately enough measured in drinking water to establish a recommended maximum contaminant level and which may have any adverse effect on the health of persons. Based on information available to him, the Administrator may by rule change recommended levels established under this subparagraph or change such list.

Recommended
maximum con-
taminant levels.

“(2) On the date the Administrator establishes pursuant to paragraph (1)(B) recommended maximum contaminant levels he shall publish in the Federal Register proposed revised national primary drinking water regulations (meeting the requirements of paragraph (3)). Within 180 days after the date of such proposed regulations, he shall promulgate such revised drinking water regulations with such modifications as he deems appropriate.

Publication in
Federal Register.

“(3) Revised national primary drinking water regulations promulgated under paragraph (2) of this subsection shall be primary drinking water regulations which specify a maximum contaminant level or require the use of treatment techniques for each contaminant for which a recommended maximum contaminant level is established or which is listed in a rule under paragraph (1)(B). The maximum contaminant level specified in a revised national primary drinking water regulation for a contaminant shall be as close to the recommended maximum contaminant level established under paragraph (1)(B) for such contaminant as is feasible. A required treatment technique for a contaminant for which a recommended maximum contaminant level has been established under paragraph (1)(B) shall reduce such contaminant to a level which is as close to the recommended maximum contaminant level for such contaminant as is feasible. A required treatment technique for a contaminant which is listed under paragraph (1)(B) shall

“Feasible.”

require treatment necessary in the Administrator's judgment to prevent known or anticipated adverse effects on the health of persons to the extent feasible. For purposes of this paragraph, the term ‘feasible’ means feasible with the use of the best technology, treatment techniques, and other means, which the Administrator finds are generally available (taking cost into consideration).

“(4) Revised national primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, and other means permit greater protection of the health of persons, but in any event such regulations shall be reviewed at least once every 3 years.

“(5) Revised national primary drinking water regulations promulgated under this subsection (and amendments thereto) shall take effect eighteen months after the date of their promulgation. Regulations under subsection (a) shall be superseded by regulations under this subsection to the extent provided by the regulations under this subsection.

“(6) No national primary drinking water regulation may require the addition of any substance for preventive health care purposes unrelated to contamination of drinking water.

Proposed national secondary drinking water regulations, publication.

“(c) The Administrator shall publish proposed national secondary drinking water regulations within 270 days after the date of enactment of this title. Within 90 days after publication of any such regulation, he shall promulgate such regulation with such modifications as he deems appropriate. Regulations under this subsection may be amended from time to time.

Hearing.

“(d) Regulations under this section shall be prescribed in accordance with section 553 of title 5, United States Code (relating to rule-making), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary and the National Drinking Water Advisory Council.

Study.

“(e) (1) The Administrator shall enter into appropriate arrangements with the National Academy of Sciences (or with another independent scientific organization if appropriate arrangements cannot be made with such Academy) to conduct a study to determine (A) the maximum contaminant levels which should be recommended under subsection (b) (2) in order to protect the health of persons from any known or anticipated adverse effects, and (B) the existence of any contaminants the levels of which in drinking water cannot be determined but which may have an adverse effect on the health of persons.

Report to Congress.

“(2) The result of the study shall be reported to Congress no later than 2 years after the date of enactment of this title. The report shall contain (A) a summary and evaluation of relevant publications and unpublished studies; (B) a statement of methodologies and assumptions for estimating the levels at which adverse health effects may occur; (C) a statement of methodologies and assumptions for estimating the margin of safety which should be incorporated in the national primary drinking water regulations; (D) proposals for recommended maximum contaminant levels for national primary drinking water regulations, based on the methodologies, assumptions, and studies referred to in clauses (A), (B), and (C) and in paragraph (4); (E) a list of contaminants the level of which in drinking water cannot be determined but which may have an adverse effect on the health of persons; and (F) recommended studies and test protocols for future research on the health effects of drinking water contaminants, including a list of the major research priorities and estimated costs necessary to conduct such priority research.

“(3) In developing its proposals for recommended maximum contaminant levels under paragraph (2)(D) the National Academy of Sciences (or other organization preparing the report) shall evaluate and explain (separately and in composite) the impact of the following considerations:

“(A) The existence of groups or individuals in the population which are more susceptible to adverse effects than the normal healthy adult.

“(B) The exposure to contaminants in other media than drinking water (including exposures in food, in the ambient air, and in occupational settings) and the resulting body burden of contaminants.

“(C) Synergistic effects resulting from exposure to or interaction by two or more contaminants.

“(D) The contaminant exposure and body burden levels which alter physiological function or structure in a manner reasonably suspected of increasing the risk of illness.

“(4) In making the study under this subsection, the National Academy of Sciences (or other organization) shall collect and correlate (A) morbidity and mortality data and (B) monitored data on the quality of drinking water. Any conclusions based on such correlation shall be included in the report of the study.

“(5) Neither the report of the study under this subsection nor any draft of such report shall be submitted to the Office of Management and Budget or to any other Federal agency (other than the Environmental Protection Agency) prior to its submission to Congress.

“(6) Of the funds authorized to be appropriated to the Administrator by this title, such amounts as may be required shall be available to carry out the study and to make the report directed by paragraph (2) of this subsection.

Report, submitted to OMB.

Funds.

“STATE PRIMARY ENFORCEMENT RESPONSIBILITY

“SEC. 1413. (a) For purposes of this title, a State has primary enforcement responsibility for public water systems during any period for which the Administrator determines (pursuant to regulations prescribed under subsection (b)) that such State—

42 USC 300g-2.

“(1) has adopted drinking water regulations which (A) in the case of the period beginning on the date the national interim primary drinking water regulations are promulgated under section 1412 and ending on the date such regulations take effect are no less stringent than such regulations, and (B) in the case of the period after such effective date are no less stringent than the interim and revised national primary drinking water regulations in effect under such section;

“(2) has adopted and is implementing adequate procedures for the enforcement of such State regulations, including conducting such monitoring and making such inspections as the Administrator may require by regulation;

“(3) will keep such records and make such reports with respect to its activities under paragraphs (1) and (2) as the Administrator may require by regulation;

“(4) if it permits variances or exemptions, or both, from the requirements of its drinking water regulations which meet the requirements of paragraph (1), permits such variances and exemptions under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416; and

- “ (5) has adopted and can implement an adequate plan for the provision of safe drinking water under emergency circumstances.
- Regulations. “ (b) (1) The Administrator shall, by regulation (proposed within 180 days of the date of the enactment of this title), prescribe the manner in which a State may apply to the Administrator for a determination that the requirements of paragraphs (1), (2), (3), and (4) of subsection (a) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Administrator may determine that such requirements are no longer met. Such regulations shall require that before a determination of the Administrator that such requirements are met or are no longer met with respect to a State may become effective, the Administrator shall notify such State of the determination and the reasons therefor and shall provide an opportunity for public hearing on the determination. Such regulations shall be promulgated (with such modifications as the Administrator deems appropriate) within 90 days of the publication of the proposed regulations in the Federal Register. The Administrator shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this paragraph. Such notice shall contain a copy of the regulations and shall specify a State’s authority under this title when it is determined to have primary enforcement responsibility for public water systems.
- Notice and hearing.
- Publication in Federal Register.
- Notice. “ (2) When an application is submitted in accordance with the Administrator’s regulations under paragraph (1), the Administrator shall within 90 days of the date on which such application is submitted (A) make the determination applied for, or (B) deny the application and notify the applicant in writing of the reasons for his denial.
- Applications.

“FAILURE BY STATE TO ASSURE ENFORCEMENT OF DRINKING WATER
REGULATIONS

- 42 USC 300g-3. “SEC. 1414. (a) (1) (A) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for public water systems (within the meaning of section 1413(a)) that any public water system—
- “ (i) for which a variance under section 1415 or an exemption under section 1416 is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or
- “ (ii) for which a variance under section 1415 or an exemption under section 1416 is in effect, does not comply with any schedule or other requirement imposed pursuant thereto,
- Notice. he shall so notify the State and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with such regulation or requirement by the earliest feasible time.
- “ (B) If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of the notice given pursuant to subparagraph (A), he shall give public notice of such finding and request the State to report within fifteen days from the date of such public notice as to the steps being taken to bring the system into compliance (including reasons for anticipated steps to be taken to bring the system into compliance and for any failure to take steps to bring the system into compliance). If—
- Notice. “ (i) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to subparagraph (A); and
- Civil action.

“(ii) (α) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence; or

“(β) the State submits such report within such period but the Administrator, after considering the report, determines that the State abused its discretion in carrying out primary enforcement responsibility for public water systems by both—

“(I) failing to implement by such sixtieth day adequate procedures to bring the system into compliance by the earliest feasible time; and

“(II) failing to assure by such day the provision through alternative means of safe drinking water by the earliest feasible time;

the Administrator may commence a civil action under subsection (b).

“(2) Whenever, on the basis of information available to him, the Administrator finds during a period during which a State does not have primary enforcement responsibility for public water systems that a public water system in such State—

Civil action.

“(A) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is not in effect, does not comply with any national primary drinking water regulation in effect under section 1412, or

“(B) for which a variance under section 1415(a)(2) or an exemption under section 1416(f) is in effect, does not comply with any schedule or other requirement imposed pursuant thereto,

he may commence a civil action under subsection (b).

“(b) The Administrator may bring a civil action in the appropriate United States district court to require compliance with a national primary drinking water regulation or with any schedule or other requirement imposed pursuant to a variance or exemption granted under section 1415 or 1416 if—

“(1) authorized under paragraph (1) or (2) of subsection (a), or

“(2) if requested by (A) the chief executive officer of the State in which is located the public water system which is not in compliance with such regulation or requirement, or (B) the agency of such State which has jurisdiction over compliance by public water systems in the State with national primary drinking water regulations or State drinking water regulations.

The court may enter, in an action brought under this subsection, such judgment as protection of public health may require, taking into consideration the time necessary to comply and the availability of alternative water supplies; and, if the court determines that there has been a willful violation of the regulation or schedule or other requirement with respect to which the action was brought, the court may, taking into account the seriousness of the violation, the population at risk, and other appropriate factors, impose on the violator a civil penalty of not to exceed \$5,000 for each day in which such violation occurs.

Judicial determination.

Penalty.

“(c) Each owner or operator of a public water system shall give notice to the persons served by it—

Notice.

“(1) of any failure on the part of the public water system to—

“(A) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation, or

“(B) perform monitoring required by section 1415(a), and
 “(2) if the public water system is subject to a variance granted under section 1415(a)(1)(A) or 1415(a)(2) for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 1416, of—

“(A) the existence of such variance or exemption, and

“(B) any failure to comply with the requirements of any schedule prescribed pursuant to the variance or exemption.

Regulations.

The Administrator shall by regulation prescribe the form and manner for giving such notice. Such notice shall be given not less than once every 3 months, shall be given by publication in a newspaper of general circulation serving the area served by each such water system (as determined by the Administrator), shall be furnished to the other communications media serving such area, and shall be furnished to the communications media as soon as practicable after the discovery of the violation with respect to which the notice is required. If the water bills of a public water system are issued more often than once every 3 months, such notice shall be included in at least one water bill of the system every 3 months, and if a public water system issues its water bills less often than once every 3 months, such notice shall be included in each of the water bills issued by the system. Any person who willfully violates this subsection or regulations thereunder shall be fined not more than \$5,000.

Penalty.

“(d) Whenever, on the basis of information available to him, the Administrator finds that within a reasonable time after national secondary drinking water regulations have been promulgated, one or more public water systems in a State do not comply with such secondary regulations, and that such noncompliance appears to result from a failure of such State to take reasonable action to assure that public water systems throughout such State meet such secondary regulations, he shall so notify the State.

Notice.

“(e) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting drinking water regulations or public water systems, but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

“(f) If the Administrator makes a finding of noncompliance (described in subparagraph (A) or (B) of subsection (a)(1)) with respect to a public water system in a State which has primary enforcement responsibility, the Administrator may, for the purpose of assisting that State in carrying out such responsibility and upon the petition of such State or public water system or persons served by such system, hold, after appropriate notice, public hearings for the purpose of gathering information from technical or other experts, Federal, State, or other public officials, representatives of such public water system, persons served by such system, and other interested persons on—

“(1) the ways in which such system can within the earliest feasible time be brought into compliance with the regulation or requirement with respect to which such finding was made, and

“(2) the means for the maximum feasible protection of the public health during any period in which such system is not in compliance with a national primary drinking water regulation or requirement applicable to a variance or exemption.

On the basis of such hearings the Administrator shall issue recommendations which shall be sent to such State and public water system and shall be made available to the public and communications media.

Notice and
public hear-
ings.

"VARIANCES

"SEC. 1415. (a) Notwithstanding any other provision of this part, variances from national primary drinking water regulations may be granted as follows:

42 USC 300g-4.

"(1) (A) A State which has primary enforcement responsibility for public water systems may grant one or more variances from an applicable national primary drinking water regulation to one or more public water systems within its jurisdiction which, because of characteristics of the raw water sources which are reasonably available to the systems, cannot meet the requirements respecting the maximum contaminant levels of such drinking water regulation despite application of the best technology, treatment techniques, or other means, which the Administrator finds are generally available (taking costs into consideration). Before a State may grant a variance under this subparagraph, the State must find that the variance will not result in an unreasonable risk to health. If a State grants a public water system a variance under this subparagraph, the State shall prescribe within one year of the date the variance is granted, a schedule for—

"(i) compliance (including increments of progress) by the public water system with each contaminant level requirement with respect to which the variance was granted, and

"(ii) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subparagraph may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice. A schedule prescribed pursuant to this subparagraph for a public water system granted a variance shall require compliance by the system with each contaminant level requirement with respect to which the variance was granted as expeditiously as practicable (as the State may reasonably determine).

Notice and hearing.

"(B) A State which has primary enforcement responsibility for public water systems may grant to one or more public water systems within its jurisdiction one or more variances from any provision of a national primary drinking water regulation which requires the use of a specified treatment technique with respect to a contaminant if the public water system applying for the variance demonstrates to the satisfaction of the State that such treatment technique is not necessary to protect the health of persons because of the nature of the raw water source of such system. A variance granted under this subparagraph shall be conditioned on such monitoring and other requirements as the Administrator may prescribe.

"(C) Before a variance proposed to be granted by a State under subparagraph (A) or (B) may take effect, such State shall provide notice and opportunity for public hearing on the proposed variance. A notice given pursuant to the preceding sentence may cover the granting of more than one variance and a hearing held pursuant to such notice shall include each of the variances covered by the notice. The State shall promptly notify the Administrator

Notice and hearing.

Notice to Administrator.

of all variances granted by it. Such notification shall contain the reason for the variance (and in the case of a variance under subparagraph (A), the basis for the finding required by that subparagraph before the granting of the variance) and documentation of the need for the variance.

Compliance; enforcement.

“(D) Each public water system’s variance granted by a State under subparagraph (A) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to that subparagraph. The requirements of each schedule prescribed by a State pursuant to that subparagraph shall be enforceable by the State under its laws. Any requirement of a schedule on which a variance granted under that subparagraph is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

“(E) Each schedule prescribed by a State pursuant to subparagraph (A) shall be deemed approved by the Administrator unless the variance for which it was prescribed is revoked by the Administrator under subparagraph (G) or the schedule is revised by the Administrator under such subparagraph.

Review of variances and schedules.

“(F) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the variances granted under subparagraph (A) (and schedules prescribed pursuant thereto) and under subparagraph (B) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of variances and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (i) provide information respecting the location of data and other information respecting the variances to be reviewed (including data and other information concerning new scientific matters bearing on such variances), and (ii) advise of the opportunity to submit comments on the variances reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

Publication in Federal Register.

Publication in Federal Register.

“(G) (i) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting variances under subparagraph (A) or (B) or that in a substantial number of cases the State has failed to prescribe schedules in accordance with subparagraph (A), the Administrator shall notify the State of his findings. In determining if a State has abused its discretion in granting variances in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the variances and if the requirements applicable to the granting of the variances were complied with. A notice under this clause shall—

Notice to State.

“(I) identify each public water system with respect to which the finding was made,

“(II) specify the reasons for the finding, and

“(III) as appropriate, propose revocations of specific variances or propose revised schedules or other requirements for specific public water systems granted variances, or both.

“(ii) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to clause (i) of this subparagraph. After a hearing on a notice pursuant to such clause, the Administrator shall (I) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (II) promulgate (with such modifications as he deems appropriate) such variance revocations and revised schedules or other requirements proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to clause (i) of this subparagraph, the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

Notice and
hearing.

“(iii) If a State is notified under clause (i) of this subparagraph of a finding of the Administrator made with respect to a variance granted a public water system within that State or to a schedule or other requirement for a variance and if, before a revocation of such variance or a revision of such schedule or other requirement promulgated by the Administrator takes effect, the State takes corrective action with respect to such variance or schedule or other requirement which the Administrator determines makes his finding inapplicable to such variance or schedule or other requirement, the Administrator shall rescind the application of his finding to that variance or schedule or other requirement. No variance revocation or revised schedule or other requirement may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule or other requirement was proposed.

“(2) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to grant variances in such State as the State would have under paragraph (1) if it had primary enforcement responsibility.

“(3) The Administrator may grant a variance from any treatment technique requirement of a national primary drinking water regulation upon a showing by any person that an alternative treatment technique not included in such requirement is at least as efficient in lowering the level of the contaminant with respect to which such requirement was prescribed. A variance under this paragraph shall be conditioned on the use of the alternative treatment technique which is the basis of the variance.

“(b) Any schedule or other requirement on which a variance granted under paragraph (1)(B) or (2) of subsection (a) is conditioned may be enforced under section 1414 as if such schedule or other requirement was part of a national primary drinking water regulation.

“(c) If an application for a variance under subsection (a) is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

Applications for
variances.

“(d) For purposes of this section, the term ‘treatment technique requirement’ means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401(1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

“Treatment
technique re-
quirement.”

"EXEMPTIONS

42 USC 300g-5.

"SEC. 1416. (a) A State which has primary enforcement responsibility may exempt any public water system within the State's jurisdiction from any requirement respecting a maximum contaminant level or any treatment technique requirement, or from both, of an applicable national primary drinking water regulation upon a finding that—

"(1) due to compelling factors (which may include economic factors), the public water system is unable to comply with such contaminant level or treatment technique requirement.

"(2) the public water system was in operation on the effective date of such contaminant level or treatment technique requirement, and

"(3) the granting of the exemption will not result in an unreasonable risk to health.

"(b) (1) If a State grants a public water system an exemption under subsection (a), the State shall prescribe, within one year of the date the exemption is granted, a schedule for—

"(A) compliance (including increments of progress) by the public water system with each containment level requirement and treatment technique requirement with respect to which the exemption was granted, and

"(B) implementation by the public water system of such control measures as the State may require for each containment, subject to such contaminant level requirement or treatment technique requirement, during the period ending on the date compliance with such requirement is required.

Notice and
hearing.

Before a schedule prescribed by a State pursuant to this subsection may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice.

"(2) (A) A schedule prescribed pursuant to this subsection for a public water system granted an exemption under subsection (a) shall require compliance by the system with each contaminant level and treatment technique requirement with respect to which the exemption was granted as expeditiously as practicable (as the State may reasonably determine) but (except as provided in subparagraph (B))—

"(i) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by the interim national primary drinking water regulations promulgated under section 1412(a), not later than January 1, 1981; and

"(ii) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, not later than seven years after the date such requirement takes effect.

"(B) Notwithstanding clauses (i) and (ii) of subparagraph (A) of this paragraph, the final date for compliance prescribed in a schedule prescribed pursuant to this subsection for an exemption granted for a public water system which (as determined by the State granting the exemption) has entered into an enforceable agreement to become a part of a regional public water system shall—

"(i) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by interim national primary drinking water regulations, be not later than January 1, 1983; and

“(ii) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, be not later than nine years after such requirement takes effect.

“(3) Each public water system’s exemption granted by a State under subsection (a) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to this subsection. The requirements of each schedule prescribed by a State pursuant to this subsection shall be enforceable by the State under its laws. Any requirement of a schedule on which an exemption granted under this section is conditioned may be enforced under section 1414 as if such requirement was part of a national primary drinking water regulation.

Compliance;
enforcement.

“(4) Each schedule prescribed by a State pursuant to this subsection shall be deemed approved by the Administrator unless the exemption for which it was prescribed is revoked by the Administrator under subsection (d)(2) or the schedule is revised by the Administrator under such subsection.

“(c) Each State which grants an exemption under subsection (a) shall promptly notify the Administrator of the granting of such exemption. Such notification shall contain the reasons for the exemption (including the basis for the finding required by subsection (a)(3) before the exemption may be granted) and document the need for the exemption.

Notice to Ad-
ministrator.

“(d)(1) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of exemptions and schedules as he deems necessary to carry out the purposes of this title, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (A) provide information respecting the location of data and other information respecting the exemptions to be reviewed (including data and other information concerning new scientific matters bearing on such exemptions), and (B) advise of the opportunity to submit comments on the exemptions reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

Review of ex-
emptions and
schedules.

Publication in
Federal Register.

Publication in
Federal Register.

“(2)(A) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting exemptions under subsection (a) or failed to prescribe schedules in accordance with subsection (b), the Administrator shall notify the State of his finding. In determining if a State has abused its discretion in granting exemptions in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the exemptions and if the requirements applicable to the granting of the exemptions were complied with. A notice under this subparagraph shall—

Notice to State.

“(i) identify each exempt public water system with respect to which the finding was made,

“(ii) specify the reasons for the finding, and

“(iii) as appropriate, propose revocations of specific exemptions or propose revised schedules for specific exempt public water systems, or both.

Notice and
hearing.

“(B) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to subparagraph (A). After a hearing on a notice pursuant to subparagraph (A), the Administrator shall (i) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (ii) promulgate (with such modifications as he deems appropriate) such exemption revocations and revised schedules proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to subparagraph (A), the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

“(C) If a State is notified under subparagraph (A) of a finding of the Administrator made with respect to an exemption granted a public water system within that State or to a schedule prescribed pursuant to such an exemption and if before a revocation of such exemption or a revision of such schedule promulgated by the Administrator takes effect the State takes corrective action with respect to such exemption or schedule which the Administrator determines makes his finding inapplicable to such exemption or schedule, the Administrator shall rescind the application of his finding to that exemption or schedule. No exemption revocation or revised schedule may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule was proposed.

“Treatment
technique re-
quirement.”

“(e) For purposes of this section, the term ‘treatment technique requirement’ means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 1401(1)(C)(ii)) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 1412(b)(3).

“(f) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to exempt public water systems in such State from maximum contaminant level requirements and treatment technique requirements under the same conditions and in the same manner as the State would be authorized to grant exemptions under this section if it had primary enforcement responsibility.

Applications
for exemptions.

“(g) If an application for an exemption under this section is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

“PART C—PROTECTION OF UNDERGROUND SOURCES OF DRINKING WATER

“REGULATIONS FOR STATE PROGRAMS

42 USC 300h.

“SEC. 1421. (a) (1) The Administrator shall publish proposed regulations for State underground injection control programs within 180 days after the date of enactment of this title. Within 180 days after publication of such proposed regulations, he shall promulgate such regulations with such modifications as he deems appropriate. Any regulation under this subsection may be amended from time to time.

“(2) Any regulation under this section shall be proposed and promulgated in accordance with section 553 of title 5, United States Code (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary, the National Drinking Water Advisory Council, and other appropriate Federal entities and with interested State entities.

Hearing.

“(b)(1) Regulations under subsection (a) for State underground injection programs shall contain minimum requirements for effective programs to prevent underground injection which endangers drinking water sources within the meaning of subsection (d)(2). Such regulations shall require that a State program, in order to be approved under section 1422—

“(A) shall prohibit, effective three years after the date of the enactment of this title, any underground injection in such State which is not authorized by a permit issued by the State (except that the regulations may permit a State to authorize underground injection by rule);

“(B) shall require (i) in the case of a program which provides for authorization of underground injection by permit, that the applicant for the permit to inject must satisfy the State that the underground injection will not endanger drinking water sources, and (ii) in the case of a program which provides for such an authorization by rule, that no rule may be promulgated which authorizes any underground injection which endangers drinking water sources;

“(C) shall include inspection, monitoring, recordkeeping, and reporting requirements; and

“(D) shall apply (i) as prescribed by section 1447(b), to underground injections by Federal agencies, and (ii) to underground injections by any other person whether or not occurring on property owned or leased by the United States.

“(2) Regulations of the Administrator under this section for State underground injection control programs may not prescribe requirements which interfere with or impede—

“(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

“(B) any underground injection for the secondary or tertiary recovery of oil or natural gas, unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection.

“(c)(1) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)) temporary permits for underground injection which may be effective until the expiration of four years after the date of enactment of this title, if—

Temporary permits.

“(A) the Administrator finds that the State has demonstrated that it is unable and could not reasonably have been able to process all permit applications within the time available;

“(B) the Administrator determines the adverse effect on the environment of such temporary permits is not unwarranted;

“(C) such temporary permits will be issued only with respect to injection wells in operation on the date on which such State's permit program approved under this part first takes effect and for which there was inadequate time to process its permit application; and

“(D) the Administrator determines the temporary permits require the use of adequate safeguards established by rules adopted by him.

Notice and
hearing.

“(2) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b) (1) (B) (i)), but after reasonable notice and hearing, one or more temporary permits each of which is applicable to a particular injection well and to the underground injection of a particular fluid and which may be effective until the expiration of four years after the date of enactment of this title, if the State finds, on the record of such hearing—

“(A) that technology (or other means) to permit safe injection of the fluid in accordance with the applicable underground injection control program is not generally available (taking costs into consideration);

“(B) that injection of the fluid would be less harmful to health than the use of other available means of disposing of waste or producing the desired product; and

“(C) that available technology or other means have been employed (and will be employed) to reduce the volume and toxicity of the fluid and to minimize the potentially adverse effect of the injection on the public health.

“Underground
injection.”

“(d) For purposes of this part:

“(1) The term ‘underground injection’ means the subsurface emplacement of fluids by well injection.

“(2) Underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system’s not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.

“STATE PRIMARY ENFORCEMENT RESPONSIBILITY

Publication in
Federal Register.
42 USC 300h-1.

“SEC. 1422. (a) Within 180 days after the date of enactment of this title, the Administrator shall list in the Federal Register each State for which in his judgment a State underground injection control program may be necessary to assure that underground injection will not endanger drinking water sources. Such list may be amended from time to time.

“(b) (1) (A) Each State listed under subsection (a) shall within 270 days after the date of promulgation of any regulation under section 1421 (or, if later, within 270 days after such State is first listed under subsection (a)) submit to the Administrator an application which contains a showing satisfactory to the Administrator that the State—

“(i) has adopted after reasonable notice and public hearings, and will implement, an underground injection control program which meets the requirements of regulations in effect under section 1421; and

Recordkeeping.

“(ii) will keep such records and make such reports with respect to its activities under its underground injection control program as the Administrator may require by regulation.

Notice to Administrator.

“(B) Within 270 days of any amendment of a regulation under section 1421 revising or adding any requirement respecting State underground injection control programs, each State listed under subsection (a) shall submit (in such form and manner as the Administra-

tor may require) a notice to the Administrator containing a showing satisfactory to him that the State underground injection control program meets the revised or added requirement.

“(2) Within ninety days after the State’s application under paragraph (1) (A) or notice under paragraph (1) (B) and after reasonable opportunity for presentation of views, the Administrator shall by rule either approve, disapprove, or approve in part and disapprove in part, the State’s underground injection control program.

“(3) If the Administrator approves the State’s program under paragraph (2), the State shall have primary enforcement responsibility for underground water sources until such time as the Administrator determines, by rule, that such State no longer meets the requirements of clause (i) or (ii) of paragraph (1) (A) of this subsection.

“(4) Before promulgating any rule under paragraph (2) or (3) of this subsection, the Administrator shall provide opportunity for public hearing respecting such rule.

Hearing.

“(c) If the Administrator disapproves a State’s program (or part thereof) under subsection (b) (2), if the Administrator determines under subsection (b) (3) that a State no longer meets the requirements of clause (i) or (ii) of subsection (b) (1) (A), or if a State fails to submit an application or notice before the date of expiration of the period specified in subsection (b) (1), the Administrator shall by regulation within 90 days after the date of such disapproval, determination, or expiration (as the case may be) prescribe (and may from time to time by regulation revise) a program applicable to such State meeting the requirements of section 1421(b). Such program may not include requirements which interfere with or impede—

Regulation.

“(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

“(2) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection. Such program shall apply in such State to the extent that a program adopted by such State which the Administrator determines meets such requirements is not in effect. Before promulgating any regulation under this section, the Administrator shall provide opportunity for public hearing respecting such regulation.

Hearing.

“(d) For purposes of this title, the term ‘applicable underground injection control program’ with respect to a State means the program (or most recent amendment thereof) (1) which has been adopted by the State and which has been approved under subsection (b), or (2) which has been prescribed by the Administrator under subsection (c).

“Applicable underground injection control program.”

“FAILURE OF STATE TO ASSURE ENFORCEMENT OF PROGRAM

“SEC. 1423. (a) (1) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 1422 (b) (3)) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement, he shall so notify the State and the person violating such requirement. If the Administrator finds such failure to comply extends beyond the thirtieth day after the date of such notice, he shall give public notice of such finding and request the State to report

42 USC 300h-2.

Notice to State and violator.

Public notice.

within 15 days after the date of such public notice as to the steps being taken to bring such person into compliance with such requirement (including reasons for anticipated steps to be taken to bring such person into compliance with such requirement and for any failure to take steps to bring such person into compliance with such requirement). If—

Civil action,
conditions.

“(A) such failure to comply extends beyond the sixtieth day after the date of the notice given pursuant to the first sentence of this paragraph, and

“(B) (i) the State fails to submit the report requested by the Administrator within the time period prescribed by the preceding sentence, or

“(ii) the State submits such report within such period but the Administrator, after considering the report, determines that by failing to take necessary steps to bring such person into compliance by such sixtieth day the State abused its discretion in carrying out primary enforcement responsibility for underground water sources,

the Administrator may commence a civil action under subsection (b) (1).

“(2) Whenever the Administrator finds during a period during which a State does not have primary enforcement responsibility for underground water sources that any person subject to any requirement of any applicable underground injection control program in such State is violating such requirement, he may commence a civil action under subsection (b) (1).

“(b) (1) When authorized by subsection (a), the Administrator may bring a civil action under this paragraph in the appropriate United States district court to require compliance with any requirement of an applicable underground injection control program. The court may enter such judgment as protection of public health may require, including, in the case of an action brought against a person who violates an applicable requirement of an underground injection control program and who is located in a State which has primary enforcement responsibility for underground water sources, the imposition of a civil penalty of not to exceed \$5,000 for each day such person violates such requirement after the expiration of 60 days after receiving notice under subsection (a) (1).

Penalty.

Penalty.

“(2) Any person who violates any requirement of an applicable underground injection control program to which he is subject during any period for which the State does not have primary enforcement responsibility for underground water sources (A) shall be subject to a civil penalty of not more than \$5,000 for each day of such violation, or (B) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (B), be fined not more than \$10,000 for each day of such violation.

“(c) Nothing in this title shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting underground injection but no such law or regulation shall relieve any person of any requirement otherwise applicable under this title.

“INTERIM REGULATION OF UNDERGROUND INJECTIONS

42 USC 300h-3.

“SEC. 1424. (a) (1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and ending on the date on which the applicable underground injection control program covering

such area takes effect unless a permit for the operation of such well has been issued by the Administrator under subsection (b). The Administrator may so designate an area within a State if he finds that the area has one aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health.

“(2) Upon receipt of a petition under paragraph (1) of this subsection, the Administrator shall publish it in the Federal Register and shall provide an opportunity to interested persons to submit written data, views, or arguments thereon. Not later than the 30th day following the date of the publication of a petition under this paragraph in the Federal Register, the Administrator shall either make the designation for which the petition is submitted or deny the petition.

Publication in
Federal Regis-
ter.

“(b) (1) During the period beginning on the date an area is designated under subsection (a) and ending on the date the applicable underground injection control program covering such area takes effect, no new underground injection well may be operated in such area unless the Administrator has issued a permit for such operation.

Well operation
permit.

“(2) Any person may petition the Administrator for the issuance of a permit for the operation of such a well in such an area. A petition submitted under this paragraph shall be submitted in such manner and contain such information as the Administrator may require by regulation. Upon receipt of such a petition, the Administrator shall publish it in the Federal Register. The Administrator shall give notice of any proceeding on a petition and shall provide opportunity for agency hearing. The Administrator shall act upon such petition on the record of any hearing held pursuant to the preceding sentence respecting such petition. Within 120 days of the publication in the Federal Register of a petition submitted under this paragraph, the Administrator shall either issue the permit for which the petition was submitted or shall deny its issuance.

Publication in
Federal Regis-
ter.

“(3) The Administrator may issue a permit for the operation of a new underground injection well in an area designated under subsection (a) only if he finds that the operation of such well will not cause contamination of the aquifer of such area so as to create a significant hazard to public health. The Administrator may condition the issuance of such a permit upon the use of such control measures in connection with the operation of such well, for which the permit is to be issued, as he deems necessary to assure that the operation of the well will not contaminate the aquifer of the designated area in which the well is located so as to create a significant hazard to public health.

Conditions for
issuance.

“(c) Any person who operates a new underground injection well in violation of subsection (b), (1) shall be subject to a civil penalty of not more than \$5,000 for each day in which such violation occurs, or (2) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (1), be fined not more than \$10,000 for each day in which such violation occurs. If the Administrator has reason to believe that any person is violating or will violate subsection (b), he may petition the United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce such subsection.

Penalty.

Temporary re-
straining order
or injunction.

“(d) For purposes of this section, the term ‘new underground injection well’ means an underground injection well whose operation was not approved by appropriate State and Federal agencies before the date of the enactment of this title.

“New under-
ground injection
well.”

“(e) If the Administrator determines, on his own initiative or upon petition, that an area has an aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would

Areas with one
aquifer.

Publication in
Federal Regis-
ter.

create a significant hazard to public health, he shall publish notice of that determination in the Federal Register. After the publication of any such notice, no commitment for Federal financial assistance (through a grant, contract, loan guarantee, or otherwise) may be entered into for any project which the Administrator determines may contaminate such aquifer through a recharge zone so as to create a significant hazard to public health, but a commitment for Federal financial assistance may, if authorized under another provision of law, be entered into to plan or design the project to assure that it will not so contaminate the aquifer.

“PART D—EMERGENCY POWERS

“EMERGENCY POWERS

42 USC 300i.

“SEC. 1431. (a) Notwithstanding any other provision of this title, the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system may present an imminent and substantial endangerment to the health of persons, and that appropriate State and local authorities have not acted to protect the health of such persons, may take such actions as he may deem necessary in order to protect the health of such persons. To the extent he determines it to be practicable in light of such imminent endangerment, he shall consult with the State and local authorities in order to confirm the correctness of the information on which action proposed to be taken under this subsection is based and to ascertain the action which such authorities are or will be taking. The action which the Administrator may take may include (but shall not be limited to) (1) issuing such orders as may be necessary to protect the health of persons who are or may be users of such system (including travelers), and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction.

Consultation
with State and
local authori-
ties.

Penalty.

“(b) Any person who willfully violates or fails or refuses to comply with any order issued by the Administrator under subsection (a) (1) may, in an action brought in the appropriate United States district court to enforce such order, be fined not more than \$5,000 for each day in which such violation occurs or failure to comply continues.

“PART E—GENERAL PROVISIONS

“ASSURANCE OF AVAILABILITY OF ADEQUATE SUPPLIES OF CHEMICALS NECESSARY FOR TREATMENT OF WATER

Certification
of need appli-
cation.
42 USC 300j.

“SEC. 1441. (a) If any person who uses chlorine, activated carbon, lime, ammonia, soda ash, potassium permanganate, caustic soda, or other chemical or substance for the purpose of treating water in any public water system or in any public treatment works determines that the amount of such chemical or substance necessary to effectively treat such water is not reasonably available to him or will not be so available to him when required for the effective treatment of such water, such person may apply to the Administrator for a certification (hereinafter in this section referred to as a ‘certification of need’) that the amount of such chemical or substance which such person requires to effectively treat such water is not reasonably available to him or will not be so available when required for the effective treatment of such water.

Application
requirements.

“(b) (1) An application for a certification of need shall be in such form and submitted in such manner as the Administrator may require

and shall (A) specify the persons the applicant determines are able to provide the chemical or substance with respect to which the application is submitted, (B) specify the persons from whom the applicant has sought such chemical or substance, and (C) contain such other information as the Administrator may require.

“(2) Upon receipt of an application under this section, the Administrator shall (A) publish in the Federal Register a notice of the receipt of the application and a brief summary of it, (B) notify in writing each person whom the President or his delegate (after consultation with the Administrator) determines could be made subject to an order required to be issued upon the issuance of the certification of need applied for in such application, and (C) provide an opportunity for the submission of written comments on such application. The requirements of the preceding sentence of this paragraph shall not apply when the Administrator for good cause finds (and incorporates the finding with a brief statement of reasons therefor in the order issued) that waiver of such requirements is necessary in order to protect the public health.

Publication in
Federal Register.

Waiver.

“(3) Within 30 days after—

“(A) the date a notice is published under paragraph (2) in the Federal Register with respect to an application submitted under this section for the issuance of a certification of need, or

Certification,
issuance or
denial.

“(B) the date on which such application is received if as authorized by the second sentence of such paragraph no notice is published with respect to such application,

the Administrator shall take action either to issue or deny the issuance of a certification of need.

“(c) (1) If the Administrator finds that the amount of a chemical or substance necessary for an applicant under an application submitted under this section to effectively treat water in a public water system or in a public treatment works is not reasonably available to the applicant or will not be so available to him when required for the effective treatment of such water, the Administrator shall issue a certification of need. Not later than seven days following the issuance of such certification, the President or his delegate shall issue an order requiring the provision to such person of such amounts of such chemical or substance as the Administrator deems necessary in the certification of need issued for such person. Such order shall apply to such manufacturers, producers, processors, distributors, and repackagers of such chemical or substance as the President or his delegate deems necessary and appropriate, except that such order may not apply to any manufacturer, producer, or processor of such chemical or substance who manufactures, produces, or processes (as the case may be) such chemical or substance solely for its own use. Persons subject to an order issued under this section shall be given a reasonable opportunity to consult with the President or his delegate with respect to the implementation of the order.

“(2) Orders which are to be issued under paragraph (1) to manufacturers, producers, and processors of a chemical or substance shall be equitably apportioned, as far as practicable, among all manufacturers, producers, and processors of such chemical or substance; and orders which are to be issued under paragraph (1) to distributors and repackagers of a chemical or substance shall be equitably apportioned, as far as practicable, among all distributors and repackagers of such chemical or substance. In apportioning orders issued under paragraph (1) to manufacturers, producers, processors, distributors, and repackagers of chlorine, the President or his delegate shall, in carrying out the requirements of the preceding sentence, consider—

Apportionment.

“(A) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

“(B) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

“(C) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

Application for
additional cer-
tifications.

“(3) Subject to subsection (f), any person for whom a certification of need has been issued under this subsection may upon the expiration of the order issued under paragraph (1) upon such certification apply under this section for additional certifications.

“(d) There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange a chemical or substance subject to an order issued pursuant to subsection (c)(1), that such delay or failure was caused solely by compliance with such order.

Noncompliance,
penalties.

“(e) (1) Whoever knowingly fails to comply with any order issued pursuant to subsection (c)(1) shall be fined not more than \$5,000 for each such failure to comply.

“(2) Whoever fails to comply with any order issued pursuant to subsection (c)(1) shall be subject to a civil penalty of not more than \$2,500 for each such failure to comply.

Temporary re-
straining order,
preliminary or
permanent injunc-
tion.

“(3) Whenever the Administrator or the President or his delegate has reason to believe that any person is violating or will violate any order issued pursuant to subsection (c)(1), he may petition a United States district court to issue a temporary restraining order or preliminary or permanent injunction (including a mandatory injunction) to enforce the provision of such order.

Termination
dates.

“(f) No certification of need or order issued under this section may remain in effect—

“(1) for more than one year, or

“(2) after June 30, 1977,

whichever occurs first.

“RESEARCH, TECHNICAL ASSISTANCE, INFORMATION, TRAINING OF PERSONNEL

42 USC 300j-1.

“SEC. 1442. (a) (1) The Administrator may conduct research, studies, and demonstrations relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and other impairments of man resulting directly or indirectly from contaminants in water, or to the provision of a dependably safe supply of drinking water, including—

“(A) improved methods (i) to identify and measure the existence of contaminants in drinking water (including methods which may be used by State and local health and water officials), and (ii) to identify the source of such contaminants;

“(B) improved methods to identify and measure the health effects of contaminants in drinking water;

“(C) new methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove contaminants from water;

“(D) improved methods for providing a dependably safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing the health related hazards of drinking water; and

“(E) improved methods of protecting underground water sources of public water systems from contamination.

“(2) The Administrator shall, to the maximum extent feasible, provide technical assistance to the States and municipalities in the establishment and administration of public water system supervision programs (as defined in section 1443(c)(1)).

“(3) The Administrator shall conduct studies, and make periodic reports to Congress, on the costs of carrying out regulations prescribed under section 1412.

“(4) The Administrator shall conduct a survey and study of—

“(A) disposal of waste (including residential waste) which may endanger underground water which supplies, or can reasonably be expected to supply, any public water systems, and

“(B) means of control of such waste disposal.

Not later than one year after the date of enactment of this title, he shall transmit to the Congress the results of such survey and study, together with such recommendations as he deems appropriate.

“(5) The Administrator shall carry out a study of methods of underground injection which do not result in the degradation of underground drinking water sources.

“(6) The Administrator shall carry out a study of methods of preventing, detecting, and dealing with surface spills of contaminants which may degrade underground water sources for public water systems.

“(7) The Administrator shall carry out a study of virus contamination of drinking water sources and means of control of such contamination.

“(8) The Administrator shall carry out a study of the nature and extent of the impact on underground water which supplies or can reasonably be expected to supply public water systems of (A) abandoned injection or extraction wells; (B) intensive application of pesticides and fertilizers in underground water recharge areas; and (C) ponds, pools, lagoons, pits, or other surface disposal of contaminants in underground water recharge areas.

“(9) The Administrator shall conduct a comprehensive study of public water supplies and drinking water sources to determine the nature, extent, sources of and means of control of contamination by chemicals or other substances suspected of being carcinogenic. Not later than six months after the date of enactment of this title, he shall transmit to the Congress the initial results of such study, together with such recommendations for further review and corrective action as he deems appropriate.

“(b) In carrying out this title, the Administrator is authorized to—

“(1) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water together with appropriate recommendations in connection therewith;

“(2) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to the purposes of this title;

“(3) make grants to, and enter into contracts with, any public agency, educational institution, and any other organization, in accordance with procedures prescribed by the Administrator, under which he may pay all or a part of the costs (as may be

Technical assistance to States.

Post, p. 1684.
Studies; reports to Congress.

Ante, p. 1662.
Waste disposal, survey and study, transmittal to Congress.

Studies.

Transmittal to Congress.

determined by the Administrator) of any project or activity which is designed—

“(A) to develop, expand, or carry out a program (which may combine training education and employment) for training persons for occupations involving the public health aspects of providing safe drinking water;

“(B) to train inspectors and supervisory personnel to train or supervise persons in occupations involving the public health aspects of providing safe drinking water; or

“(C) to develop and expand the capability of programs of States and municipalities to carry out the purposes of this title (other than by carrying out State programs of public water system supervision or underground water source protection (as defined in section 1443(d))).

Appropriations.

“(e) There are authorized to be appropriated to carry out the provisions of this section \$15,000,000 for the fiscal year ending June 30, 1975; \$25,000,000 for the fiscal year ending June 30, 1976; and \$35,000,000 for the fiscal year ending June 30, 1977.

“GRANTS FOR STATE PROGRAMS

Public water
system super-
vision programs.
42 USC 300j-2.

“SEC. 1443. (a) (1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out public water system supervision programs.

“(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

“(A) has established or will establish within one year from the date of such grant a public water system supervision program, and

“(B) will, within that one year, assume primary enforcement responsibility for public water systems within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than one year after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for public water systems within the State.

“(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, a public water system supervision program.

Allotment of
sums.

“(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, number of public water systems, and other relevant factors. No State shall receive less than 1 per centum of the annual appropriation for grants under paragraph (1): *Provided*, That the Administrator may, by regulation, reduce such percentage in accordance with the criteria specified in this paragraph: *And provided further*, That such percentage shall not apply to grants allotted to Guam, American Samoa, or the Virgin Islands.

Appropriations.

“(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1976, and \$25,000,000 for the fiscal year ending June 30, 1977.

“(b)(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out underground water source protection programs. Underground water source protection programs.

“(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

“(A) has established or will establish within two years from the date of such grant an underground water source protection, and

“(B) will, within such two years, assume primary enforcement responsibility for underground water sources within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than two years after the date of the State's first grant unless the State has assumed and maintains primary enforcement responsibility for underground water sources within the State.

“(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient's costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, an underground water source protection program.

“(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, and other relevant factors. Allotment of sums.

“(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1976, and \$7,500,000 for the fiscal year ending June 30, 1977. Appropriations.

“(c) For purposes of this section:

“(1) The term ‘public water system supervision program’ means a program for the adoption and enforcement of drinking water regulations (with such variances and exemptions from such regulations under conditions and in a manner which is not less stringent than the conditions under, and the manner in, which variances and exemptions may be granted under sections 1415 and 1416) which are no less stringent than the national primary drinking water regulations under section 1412, and for keeping records and making reports required by section 1413(a)(3). Definitions.

“(2) The term ‘underground water source protection program’ means a program for the adoption and enforcement of a program which meets the requirements of regulations under section 1421 and for keeping records and making reports required by section 1422(b)(1)(A)(ii).

“SPECIAL STUDY AND DEMONSTRATION PROJECT GRANTS; GUARANTEED LOANS

“SEC. 1444. (a) The Administrator may make grants to any person for the purposes of—

42 USC 300j-3.

“(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology, for providing a dependably safe supply of drinking water to the public; and

“(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health implications involved in the reclamation, recycling,

and reuse of waste waters for drinking and the processes and methods for the preparation of safe and acceptable drinking water.

Limitations.

“(b) Grants made by the Administrator under this section shall be subject to the following limitations:

“(1) Grants under this section shall not exceed 66⅔ per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

“(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

“(3) Grants under this section shall not be made for any project unless the Administrator determines, after consulting the National Drinking Water Advisory Council, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

“(4) Priority for grants under this section shall be given where there are known or potential public health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology.

Appropriations.

“(c) For the purposes of making grants under subsections (a) and (b) of this section there are authorized to be appropriated \$7,500,000 for the fiscal year ending June 30, 1975; and \$7,500,000 for the fiscal year ending June 30, 1976; and \$10,000,000 for the fiscal year ending June 30, 1977.

Loan guarantees to public water systems.

“(d) The Administrator during the fiscal years ending June 30, 1975, and June 30, 1976, shall carry out a program of guaranteeing loans made by private lenders to small public water systems for the purpose of enabling such systems to meet national primary drinking water regulations (including interim regulations) prescribed under section 1412. No such guarantee may be made with respect to a system unless (1) such system cannot reasonably obtain financial assistance necessary to comply with such regulations from any other source, and (2) the Administrator determines that any facilities constructed with a loan guaranteed under this subsection is not likely to be made obsolete by subsequent changes in primary regulations. The aggregate amount of indebtedness guaranteed with respect to any system may not exceed \$50,000. The aggregate amount of indebtedness guaranteed under this subsection may not exceed \$50,000,000. The Administrator shall prescribe regulations to carry out this subsection.

*Conditions.
Ante, p. 1662.*

*Indebtedness,
limitation.*

Regulations.

“RECORDS AND INSPECTIONS

42 USC 300j-4.

“SEC. 1445. (a) Every person who is a supplier of water, who is or may be otherwise subject to a primary drinking water regulation prescribed under section 1412 or to an applicable underground injection control program (as defined in section 1422(c)), who is or may be subject to the permit requirement of section 1424 or to an order issued under section 1441, or who is a grantee, shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Administrator may reasonably require by regulation to assist him in establishing regulations under this title, in determining whether such person has acted or is acting in compliance with this title, or in administering any program of financial assistance under this title.

“(b) (1) Except as provided in paragraph (2), the Administrator, or representatives of the Administrator duly designated by him, upon presenting appropriate credentials and a written notice to any supplier of water or other person subject to a national primary drinking water regulation prescribed under section 1412 or applicable underground injection control program (or person in charge of any of the property of such supplier or other person), is authorized to enter any establishment, facility, or other property of such supplier or other person in order to determine whether such supplier or other person has acted or is acting in compliance with this title, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, or in order to test any feature of a public water system, including its raw water source. The Administrator or the Comptroller General (or any representative designated by either) shall have access for the purpose of audit and examination to any records, reports, or information of a grantee which are required to be maintained under subsection (a) or which are pertinent to any financial assistance under this title.

Ante, p. 1662.

Audit and examination of records.

“(2) No entry may be made under the first sentence of paragraph (1) in an establishment, facility, or other property of a supplier of water or other person subject to a national primary drinking water regulation if the establishment, facility, or other property is located in a State which has primary enforcement responsibility for public water systems unless, before written notice of such entry is made, the Administrator (or his representative) notifies the State agency charged with responsibility for safe drinking water of the reasons for such entry. The Administrator shall, upon a showing by the State agency that such an entry will be detrimental to the administration of the State's program of primary enforcement responsibility, take such showing into consideration in determining whether to make such entry. No State agency which receives notice under this paragraph of an entry proposed to be made under paragraph (1) may use the information contained in the notice to inform the person whose property is proposed to be entered of the proposed entry; and if a State agency so uses such information, notice to the agency under this paragraph is not required until such time as the Administrator determines the agency has provided him satisfactory assurances that it will no longer so use information contained in a notice under this paragraph.

Entry restrictions.

“(c) Whoever fails or refuses to comply with any requirement of subsection (a) or to allow the Administrator, the Comptroller General, or representatives of either, to enter and conduct any audit or inspection authorized by subsection (b) may be fined not more than \$5,000.

Penalty.

“(d) (1) Subject to paragraph (2), upon a showing satisfactory to the Administrator by any person that any information required under this section from such person, if made public, would divulge trade secrets or secret processes of such person, the Administrator shall consider such information confidential in accordance with the purposes of section 1905 of title 18 of the United States Code. If the applicant fails to make a showing satisfactory to the Administrator, the Administrator shall give such applicant thirty days' notice before releasing the information to which the application relates (unless the public health or safety requires an earlier release of such information).

Confidential information.

“(2) Any information required under this section (A) may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this title or to committees of the Congress, or when relevant in any proceeding under this title, and (B) shall be disclosed to the extent it deals with the level of contaminants in drinking water. For purposes of this subsection the

Information disclosure.

"Information required under this section."

term 'information required under this section' means any papers, books, documents, or information, or any particular part thereof, reported to or otherwise obtained by the Administrator under this section.

"Grantee."

"(c) For purposes of this section, (1) the term 'grantee' means any person who applies for or receives financial assistance, by grant, contract, or loan guarantee under this title, and (2) the term 'person' includes a Federal agency.

"Person."

"NATIONAL DRINKING WATER ADVISORY COUNCIL

Establishment; membership.
42 USC 300j-5.

"SEC. 1446. (a) There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply. Each member of the Council shall hold office for a term of three years, except that—

Term of office, exceptions.

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(2) the terms of the members first taking office shall expire as follows: Five shall expire three years after the date of enactment of this title, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

Functions.

The members of the Council shall be eligible for reappointment.

"(b) The Council shall advise, consult with, and make recommendations to, the Administrator on matters relating to activities, functions, and policies of the Agency under this title.

Compensation.

"(c) Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

5 USC 5332 note.

5 USC app. I.

"(d) Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.

"FEDERAL AGENCIES

42 USC 300j-6.

"SEC. 1447. (a) Each Federal agency having jurisdiction over any federally owned or maintained public water system shall comply with all national primary drinking water regulations in effect under section 1412, and each Federal agency shall comply with any applicable underground injection control program, and shall keep such records and submit such reports as may be required under such program.

Ante, p. 1662.
Recordkeeping; reports.
Waiver.

"(b) The Administrator shall waive compliance with subsection (a) upon request of the Secretary of Defense and upon a determination

by the President that the requested waiver is necessary in the interest of national security. The Administrator shall maintain a written record of the basis upon which such waiver was granted and make such record available for in camera examination when relevant in a judicial proceeding under this title. Upon the issuance of such a waiver, the Administrator shall publish in the Federal Register a notice that the waiver was granted for national security purposes, unless, upon the request of the Secretary of Defense, the Administrator determines to omit such publication because the publication itself would be contrary to the interests of national security, in which event the Administrator shall submit notice to the Armed Services Committee of the Senate and House of Representatives.

Records, availability.

Publication in Federal Register.

Notice to congressional committees.

"JUDICIAL REVIEW

"SEC. 1448. (a) A petition for review of—

42 USC 300j-7.

"(1) action of the Administrator in promulgating any national primary drinking water regulation under section 1412, any regulation under section 1413(b)(1), any regulation under section 1414(c), any regulation for State underground injection control programs under section 1421, or any general regulation for the administration of this title may be filed only in the United States Court of Appeals for the District of Columbia Circuit; and

"(2) action of the Administrator in promulgating any other regulation under this title, issuing any order under this title, or making any determination under this title may be filed only in the United States court of appeals for the appropriate circuit.

Any such petition shall be filed within the 45-day period beginning on the date of the promulgation of the regulation or issuance of the order with respect to which review is sought or on the date of the determination with respect to which review is sought, and may be filed after the expiration of such 45-day period if the petition is based solely on grounds arising after the expiration of such period. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

"(b) The United States district courts shall have jurisdiction of actions brought to review (1) the granting of, or the refusing to grant, a variance or exemption under section 1415 or 1416 or (2) the requirements of any schedule prescribed for a variance or exemption under such section or the failure to prescribe such a schedule. Such an action may only be brought upon a petition for review filed with the court within the 45-day period beginning on the date the action sought to be reviewed is taken or, in the case of a petition to review the refusal to grant a variance or exemption or the failure to prescribe a schedule, within the 45-day period beginning on the date action is required to be taken on the variance, exemption, or schedule, as the case may be. A petition for such review may be filed after the expiration of such period if the petition is based solely on grounds arising after the expiration of such period. Action with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

Jurisdiction.

"(c) In any judicial proceeding in which review is sought of a determination under this title required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence and shows to the satisfaction

of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

"CITIZEN'S CIVIL ACTION

42 USC 300j-8.

"SEC. 1449. (a) Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf—

"(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any requirement prescribed by or under this title, or

"(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this title which is not discretionary with the Administrator.

Jurisdiction.

No action may be brought under paragraph (1) against a public water system for a violation of a requirement prescribed by or under this title which occurred within the 27-month period beginning on the first day of the month in which this title is enacted. The United States district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce in an action brought under this subsection any requirement prescribed by or under this title or to order the Administrator to perform an act or duty described in paragraph (2), as the case may be.

"(b) No civil action may be commenced—

"(1) under subsection (a) (1) of this section respecting violation of a requirement prescribed by or under this title—

"(A) prior to sixty days after the plaintiff has given notice of such violation (i) to the Administrator, (ii) to any alleged violator of such requirement and (iii) to the State in which the violation occurs, or

"(B) if the Administrator, the Attorney General, or the State has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such requirement, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection (a) (2) of this section prior to sixty days after the plaintiff has given notice of such action to the Administrator.

Notice.

Notice required by this subsection shall be given in such manner as the Administrator shall prescribe by regulation. No person may commence a civil action under subsection (a) to require a State to prescribe a schedule under section 1415 or 1416 for a variance or exemption, unless such person shows to the satisfaction of the court that the State has in a substantial number of cases failed to prescribe such schedules.

"(c) In any action under this section, the Administrator or the Attorney General, if not a party, may intervene as a matter of right.

“(d) The court, in issuing any final order in any action brought under subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

Costs of litigation.

Filing of bond.

18 USC app.

“(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any requirement prescribed by or under this title or to seek any other relief.

“GENERAL PROVISIONS

“SEC. 1450. (a)(1) The Administrator is authorized to prescribe such regulations as are necessary or appropriate to carry out his functions under this title.

Regulations.
42 USC 300j-9.

“(2) The Administrator may delegate any of his functions under this title (other than prescribing regulations) to any officer or employee of the Agency.

“(b) The Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this title.

“(c) Upon the request of a State or interstate agency, the Administrator may assign personnel of the Agency to such State or interstate agency for the purposes of carrying out the provisions of this title.

“(d)(1) The Administrator may make payments of grants under this title (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as he may determine.

Payments of grants.

“(2) Financial assistance may be made available in the form of grants only to individuals and nonprofit agencies or institutions. For purposes of this paragraph, the term ‘nonprofit agency or institution’ means an agency or institution no part of the net earnings of which inure, or may lawfully inure, to the benefit of any private shareholder or individual.

“Nonprofit agency or institution.”

“(e) The Administrator shall take such action as may be necessary to assure compliance with provisions of the Act of March 3, 1931 (known as the Davis-Bacon Act; 40 U.S.C. 276a-276a(5)). The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

40 USC 276a note.

5 USC app.

“(f) The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this title to which the Administrator is a party. Unless, within a reasonable time, the Attorney General notifies the Administrator that he will appear in such action, attorneys appointed by the Administrator shall appear and represent him.

“(g) The provisions of this title shall not be construed as affecting any authority of the Administrator under part G of title III of this Act.

“(h) Not later than April 1 of each year, the Administrator shall submit to the Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives a report respecting the activities of the Agency under this

42 USC 264.
Report to congressional committees.

title and containing such recommendations for legislation as he considers necessary. The report of the Administrator under this subsection which is due not later than April 1, 1975, and each subsequent report of the Administrator under this subsection shall include a statement on the actual and anticipated cost to public water systems in each State of compliance with the requirements of this title. The Office of Management and Budget may review any report required by this subsection before its submission to such committees of Congress, but the Office may not revise any such report, require any revision in any such report, or delay its submission beyond the day prescribed for its submission, and may submit to such committees of Congress its comments respecting any such report.

OMB review,
submittal to
congressional
committees.

Discrimination,
prohibition.

“(i) (1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

“(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this title or a proceeding for the administration or enforcement of drinking water regulations or underground injection control programs of a State,

“(B) testified or is about to testify in any such proceeding, or

“(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this title.

Filing of
complaint.

“(2) (A) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the ‘Secretary’) alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

Investigation.

“(B) (i) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for agency hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

“(ii) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (II) such person to reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (III) compensatory damages, and (IV) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complainant, shall assess

against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(3) (A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5 of the United States Code. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

Petition for review.

5 USC 701.

"(B) An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

"(4) Whenever a person has failed to comply with an order issued under paragraph (2) (B), the Secretary shall file a civil action in the United States District Court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages. Civil actions filed under this paragraph shall be heard and decided expeditiously.

Noncompliance, civil action.

"(5) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28 of the United States Code.

Mandamus proceeding.

"(6) Paragraph (1) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this title."

(b) Section 2(f) of the Public Health Service Act is amended by inserting "(1)" after "except that" and by inserting before the semicolon at the end thereof the following: ", and (2) as used in title XIV such term includes Guam, American Samoa, and the Trust Territory of the Pacific Islands".

42 USC 201.

Ante, p. 1661.

RURAL WATER SURVEY

Sec. 3. (a) The Administrator of the Environmental Protection Agency shall (after consultation with the Secretary of Agriculture and the several States) enter into arrangements with public or private entities as may be appropriate to conduct a survey of the quantity, quality, and availability of rural drinking water supplies. Such survey shall include, but not be limited to, the consideration of the number of residents in each rural area—

42 USC 300f note.

(1) presently being inadequately served by a public or private drinking water supply system, or by an individual home drinking water supply system;

(2) presently having limited or otherwise inadequate access to drinking water;

(3) who, due to the absence or inadequacy of a drinking water supply system, are exposed to an increased health hazard; and

(4) who have experienced incidents of chronic or acute illness, which may be attributed to the absence or inadequacy of a drinking water supply system.

Report to
President and
Congress.

(b) Such survey shall be completed within eighteen months of the date of enactment of this Act and a final report thereon submitted, not later than six months after the completion of such survey, to the President for transmittal to the Congress. Such report shall include recommendations for improving rural water supplies.

Appropriations.

(c) There are authorized to be appropriated to carry out the provisions of this section \$1,000,000 for the fiscal year ending June 30, 1975; \$2,000,000 for the fiscal year ending June 30, 1976; and \$1,000,000 for the fiscal year ending June 30, 1977.

BOTTLED DRINKING WATER

21 USC 348.

SEC. 4. Chapter IV of the Federal Food, Drug, and Cosmetic Act is amended by adding after section 409 the following new section:

"BOTTLED DRINKING WATER STANDARDS

21 USC 349.

"SEC. 410. Whenever the Administrator of the Environmental Protection Agency prescribes interim or revised national primary drinking water regulations under section 1412 of the Public Health Service Act, the Secretary shall consult with the Administrator and within 180 days after the promulgation of such drinking water regulations either promulgate amendments to regulations under this chapter applicable to bottled drinking water or publish in the Federal Register his reasons for not making such amendments."

Anf, p. 1662.

Publication in
Federal Register.

Approved December 16, 1974.

Public Law 93-524

AN ACT

December 18, 1974
[S. 1353]

To deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials.

Vessels.
Net tonnage
for waste
materials.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4153 of the Revised Statutes (46 U.S.C. 77) is amended by inserting following paragraph (d) the following new paragraph:

"(e) Space occupied by machinery used exclusively to separate, clarify, purify, or process, a ship's own slop oil mixture, tank-cleaning residue, bilge residue, or other waste materials, including sewage garbage, galley wastes, or trash and space occupied by any tank, tanks, or collection area used exclusively for the carriage or collection of such slop oil mixture, tank-cleaning residue, or other waste materials, but not to exceed a maximum space deduction established by regulations hereunder. The Secretary of the department in which the Coast Guard is operating in consultation with the Administrator of the Environmental Protection Agency, shall issue regulations to define the slop oil mixtures, cleaning residue, and waste materials, establish the maximum deductions which may be made, define the manner in which the spaces shall be used and marked, and as necessary otherwise to carry out the provisions of this paragraph."

SEC. 2. Section 4153 of the Revised Statutes (46 U.S.C. 77) is further amended by redesignating existing paragraphs (e) through (i) as (f) through (j).

Approved December 18, 1974.

Public Law 93-525

AN ACT

December 18, 1974
[S. 3906]

To amend title 10, United States Code, by repealing the requirement that only certain officers with aeronautical ratings may command flying units of the Air Force.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 10, United States Code, is amended by repealing section 8577 (relating to the command of flying units of the Air Force) and by striking out the corresponding item in the analysis of chapter 845.

Armed Forces.
Command of
flying units.

Approved December 18, 1974.

Public Law 93-526

AN ACT

December 19, 1974
[S. 4016]

To protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Presidential Recordings and Materials Preservation Act".

Presidential
Recordings and
Materials Pres-
ervation Act.
44 USC 2107
note.

TITLE I—PRESERVATION OF PRESIDENTIAL RECORDINGS AND MATERIALS

DELIVERY AND RETENTION OF CERTAIN PRESIDENTIAL MATERIALS

SEC. 101. (a) Notwithstanding any other law or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, any Federal employee in possession shall deliver, and the Administrator of General Services (hereinafter in this title referred to as the "Administrator") shall receive, obtain, or retain, complete possession and control of all original tape recordings of conversations which were recorded or caused to be recorded by any officer or employee of the Federal Government and which—

44 USC 2107
note.

(1) involve former President Richard M. Nixon or other individuals who, at the time of the conversation, were employed by the Federal Government;

(2) were recorded in the White House or in the office of the President in the Executive Office Buildings located in Washington, District of Columbia; Camp David, Maryland; Key Biscayne, Florida; or San Clemente, California; and

(3) were recorded during the period beginning January 20, 1969, and ending August 9, 1974.

(b) (1) Notwithstanding any other law or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, the Administrator shall receive, retain, or make reasonable efforts to obtain, complete possession and control of all papers, documents, memorandums, transcripts, and other objects and materials which constitute the Presidential historical materials of Richard M. Nixon, covering the period beginning January 20, 1969, and ending August 9, 1974.

(2) For purposes of this subsection, the term "historical materials" has the meaning given it by section 2101 of title 44, United States Code.

"Historical
materials."

AVAILABILITY OF CERTAIN PRESIDENTIAL MATERIALS

44 USC 2107
note.

SEC. 102. (a) None of the tape recordings or other materials referred to in section 101 shall be destroyed, except as hereafter may be provided by law.

(b) Notwithstanding any other provision of this title, any other law, or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, the tape recordings and other materials referred to in section 101 shall, immediately upon the date of enactment of this title, be made available, subject to any rights, defenses, or privileges which the Federal Government or any person may invoke, for use in any judicial proceeding or otherwise subject to court subpoena or other legal process. Any request by the Office of Watergate Special Prosecution Force, whether by court subpoena or other lawful process, for access to such recordings or materials shall at all times have priority over any other request for such recordings or materials.

(c) Richard M. Nixon, or any person whom he may designate in writing, shall at all times have access to the tape recordings and other materials referred to in section 101 for any purpose which is consistent with the provisions of this title, subsequent and subject to the regulations which the Administrator shall issue pursuant to section 103.

(d) Any agency or department in the executive branch of the Federal Government shall at all times have access to the tape recordings and other materials referred to in section 101 for lawful Government use, subject to the regulations which the Administrator shall issue pursuant to section 103.

REGULATIONS TO PROTECT CERTAIN TAPE RECORDINGS AND OTHER MATERIALS

44 USC 2107
note.

SEC. 103. The Administrator shall issue at the earliest possible date such regulations as may be necessary to assure the protection of the tape recordings and other materials referred to in section 101 from loss or destruction, and to prevent access to such recordings and materials by unauthorized persons. Custody of such recordings and materials shall be maintained in Washington, District of Columbia, or its metropolitan area, except as may otherwise be necessary to carry out the provisions of this title.

REGULATIONS RELATING TO PUBLIC ACCESS

Report to
Congress.
44 USC 2107
note.

SEC. 104. (a) The Administrator shall, within ninety days after the date of enactment of this title, submit to each House of the Congress a report proposing and explaining regulations that would provide public access to the tape recordings and other materials referred to in section 101. Such regulations shall take into account the following factors:

(1) the need to provide the public with the full truth, at the earliest reasonable date, of the abuses of governmental power popularly identified under the generic term "Watergate";

(2) the need to make such recordings and materials available for use in judicial proceedings;

(3) the need to prevent general access, except in accordance with appropriate procedures established for use in judicial proceedings, to information relating to the Nation's security;

(4) the need to protect every individual's right to a fair and impartial trial;

(5) the need to protect any party's opportunity to assert any legally or constitutionally based right or privilege which would prevent or otherwise limit access to such recordings and materials;

(6) the need to provide public access to those materials which have general historical significance, and which are not likely to be related to the need described in paragraph (1); and

(7) the need to give to Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are not likely to be related to the need described in paragraph (1) and are not otherwise of general historical significance.

(b) (1) The regulations proposed by the Administrator in the report required by subsection (a) shall take effect upon the expiration of ninety legislative days after the submission of such report, unless such regulations are disapproved by a resolution adopted by either House of the Congress during such period.

(2) The Administrator may not issue any regulation or make any change in a regulation if such regulation or change is disapproved by either House of the Congress under this subsection.

(3) The provisions of this subsection shall apply to any change in the regulations proposed by the Administrator in the report required by subsection (a). Any proposed change shall take into account the factors described in paragraph (1) through paragraph (7) of subsection (a), and such proposed change shall be submitted by the Administrator in the same manner as the report required by subsection (a).

(4) Paragraph (5) is enacted by the Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it shall be considered as part of the rules of each House, respectively, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change such rules (as far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(5) (A) Any resolution introduced under paragraph (1) shall be referred to a committee by the Speaker of the House or by the President of the Senate, as the case may be.

(B) If the committee to which any such resolution is referred has not reported any resolution relating to any regulation or change proposed by the Administrator under this section before the expiration of sixty calendar days after the submission of any such proposed regulation or change, it shall then be in order to move to discharge the committee from further consideration of such resolution.

(C) Such motion may be made only by a person favoring the resolution, and such motion shall be privileged. An amendment to such motion is not in order, and it is not in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(D) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed.

(E) When the committee has reported, or has been discharged from further consideration of, a resolution introduced under paragraph (1), it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be privileged. An amendment to such motion is not in order, and it is not in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(6) For purposes of this subsection, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session. ^{"Legislative days."}

(c) The provisions of this title shall not apply, on and after the date upon which regulations proposed by the Administrator take effect under subsection (b), to any tape recordings or other materials given to Richard M. Nixon, or his heirs, pursuant to subsection (a) (7).

(d) The provisions of this title shall not in any way affect the rights, limitations or exemptions applicable under the Freedom of Information Act, 5 U.S.C. § 552 et seq.

JUDICIAL REVIEW

44 USC 2107
note.

SEC. 105. (a) The United States District Court for the District of Columbia shall have exclusive jurisdiction to hear challenges to the legal or constitutional validity of this title or of any regulation issued under the authority granted by this title, and any action or proceeding involving the question of title, ownership, custody, possession, or control of any tape recording or material referred to in section 101 or involving payment of any just compensation which may be due in connection therewith. Any such challenge shall be treated by the court as a matter requiring immediate consideration and resolution, and such challenge shall have priority on the docket of such court over other cases.

Separability.

(b) If, under the procedures established by subsection (a), a judicial decision is rendered that a particular provision of this title, or a particular regulation issued under the authority granted by this title, is unconstitutional or otherwise invalid, such decision shall not affect in any way the validity or enforcement of any other provision of this title or any regulation issued under the authority granted by this title.

Compensation.

(c) If a final decision of such court holds that any provision of this title has deprived an individual of private property without just compensation, then there shall be paid out of the general fund of the Treasury of the United States such amount or amounts as may be adjudged just by that court.

AUTHORIZATION OF APPROPRIATIONS

SEC. 106. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

Public Documents Act.

TITLE II—PUBLIC DOCUMENTS COMMISSION

SHORT TITLE

44 USC 3315
note.

SEC. 201. This title may be cited as the "Public Documents Act".

ESTABLISHMENT OF STUDY COMMISSION

SEC. 202. Chapter 33 of title 44, United States Code, is amended by adding at the end thereof the following new sections:

44 USC 3315.
Post, pp. 1699,
1701.

“§ 3315. Definitions

“For purposes of this section and section 3316 through section 3324 of this title—

“(1) the term ‘Federal official’ means any individual holding the office of President or Vice President of the United States, or Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, or any officer of the executive, judicial, or legislative branch of the Federal Government;

“(2) the term ‘Commission’ means the National Study Commission on Records and Documents of Federal Officials; and

“(3) the term ‘records and documents’ shall include handwritten and typewritten documents, motion pictures, television tapes and recordings, magnetic tapes, automated data processing documentation in various forms, and other records that reveal the history of the Nation.

“§ 3316. Establishment of Commission

44 USC 3316.

“There is established a commission to be known as the National Study Commission on Records and Documents of Federal Officials.

National Study Commission on Records and Documents of Federal Officials.

44 USC 3317.

“§ 3317. Duties of Commission

“It shall be the duty of the Commission to study problems and questions with respect to the control, disposition, and preservation of records and documents produced by or on behalf of Federal officials, with a view toward the development of appropriate legislative recommendations and other recommendations regarding appropriate rules and procedures with respect to such control, disposition, and preservation. Such study shall include consideration of—

“(1) whether the historical practice regarding the records and documents produced by or on behalf of Presidents of the United States should be rejected or accepted and whether such practice should be made applicable with respect to all Federal officials;

“(2) the relationship of the findings of the Commission to the provisions of chapter 19 of this title, section 2101 through section 2108 of this title, and other Federal laws relating to the control, disposition, and preservation of records and documents of Federal officials;

44 USC 1901.

44 USC 2101, 2108.

“(3) whether the findings of the Commission should affect the control, disposition, and preservation of records and documents of agencies within the Executive Office of the President created for short-term purposes by the President;

“(4) the recordkeeping procedures of the White House Office, with a view toward establishing means to determine which records and documents are produced by or on behalf of the President;

“(5) the nature of rules and procedures which should apply to the control, disposition, and preservation of records and documents produced by Presidential task forces, commissions, and boards;

“(6) criteria which may be used generally in determining the scope of materials which should be considered to be the records and documents of Members of the Congress;

“(7) the privacy interests of individuals whose communications with Federal officials, and with task forces, commissions, and boards, are a part of the records and documents produced by such officials, task forces, commissions, and boards; and

“(8) any other problems, questions, or issues which the Commission considers relevant to carrying out its duties under section 3315 through section 3324 of this title.

44 USC 3318.

“§ 3318. Membership

“(a) (1) The Commission shall be composed of seventeen members as follows:

“(A) one Member of the House of Representatives appointed by the Speaker of the House upon recommendation made by the majority leader of the House;

“(B) one Member of the House of Representatives appointed

by the Speaker of the House upon recommendation made by the minority leader of the House;

“(C) one Member of the Senate appointed by the President pro tempore of the Senate upon recommendation made by the majority leader of the Senate;

“(D) one Member of the Senate appointed by the President pro tempore of the Senate upon recommendation made by the minority leader of the Senate;

“(E) one Justice of the Supreme Court, appointed by the Chief Justice of the United States;

“(F) one person employed by the Executive Office of the President or the White House Office, appointed by the President;

“(G) three appointed by the President, by and with the advice and consent of the Senate, from persons who are not officers or employees of any government and who are specially qualified to serve on the Commission by virtue of their education, training, or experience;

“(H) one representative of the Department of State, appointed by the Secretary of State;

“(I) one representative of the Department of Defense, appointed by the Secretary of Defense;

“(J) one representative of the Department of Justice, appointed by the Attorney General;

“(K) the Administrator of General Services (or his delegate);

“(L) the Librarian of Congress;

“(M) one member of the American Historical Association, appointed by the counsel of such Association;

“(N) one member of the Society of American Archivists, appointed by such Society; and

“(O) one member of the Organization of American Historians, appointed by such Organization.

“(2) No more than two members appointed under paragraph (1) (G) may be of the same political party.

Vacancies.

“(b) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

“(c) If any member of the Commission who was appointed to the Commission as a Member of the Congress leave such office, or if any member of the Commission who was appointed from persons who are not officers or employees of any government becomes an officer or employee of a government, he may continue as a member of the Commission for no longer than the sixty-day period beginning on the date he leaves such office or becomes such an officer or employee, as the case may be.

Compensation.

“(d) Members shall be appointed for the life of the Commission.

“(e) (1) Members of the Commission shall serve without pay.

“(2) While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses in the same manner as persons employed intermittently in the service of the Federal Government are allowed expenses under section 5703(b) of title 5, United States Code, except that per diem in lieu of subsistence shall be paid only to those members of the Commission who are not full-time officers or employees of the United States or Members of the Congress.

“(f) The Chairman of the Commission shall be designated by the President from among members appointed under subsection (a) (1) (G).

“(g) The Commission shall meet at the call of the Chairman or a majority of its members.

“§ 3319. Director and staff; experts and consultants

44 USC 3319.

“(a) The Commission shall appoint a Director who shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316).

“(b) The Commission may appoint and fix the pay of such additional personnel as it deems necessary.

“(c) (1) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

“(2) In procuring services under this subsection, the Commission shall seek to obtain the advice and assistance of constitutional scholars and members of the historical, archival, and journalistic professions.

“(d) Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out its duties under sections 3315 through 3324 of this title.

“§ 3320. Powers of Commission

44 USC 3320.

“(a) The Commission may, for the purpose of carrying out its duties under sections 3315 through 3324 of this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem desirable.

“(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

“(c) The Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out its duties under section 3315 through section 3324 of this title. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

“§ 3321. Support services

44 USC 3321.

“(a) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services and assistance as the Commission may request.

“(b) The Archivist of the United States shall provide to the Commission on a reimbursable basis such technical and expert advice, consultation, and support assistance as the Commission may request.

“§ 3322. Report

44 USC 3322.

“The Commission shall transmit to the President and to each House of the Congress a report not later than March 31, 1976. Such report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation, administrative actions, and other actions, as it deems appropriate.

Report to
President and
Congress.

“§ 3323. Termination

44 USC 3323.

“The Commission shall cease to exist sixty days after transmitting its report under section 3322 of this title.

“§ 3324. Authorization of appropriations

44 USC 3324.

“There is authorized to be appropriated such sums as may be necessary to carry out section 3315 through section 3324 of this title.”

TECHNICAL AMENDMENT

SEC. 203. The table of sections for chapter 33 of title 44, United States Code, is amended by adding at the end thereof the following new items:

- "3315. Definitions.
- "3316. Establishment of Commission.
- "3317. Duties of Commission.
- "3318. Membership.
- "3319. Director and staff; experts and consultants.
- "3320. Powers of Commission.
- "3321. Support services.
- "3322. Report.
- "3323. Termination.
- "3324. Authorization of appropriations."

Approved December 19, 1974.

Public Law 93-527

December 21, 1974
[S. 4040]

AN ACT

To amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension and dependency and indemnity compensation, to increase income limitations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans and Survivors Pension Adjustment Act of 1974".

SEC. 2. Section 521 of title 38, United States Code, is amended as follows:

(1) by amending subsection (b) to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is \$300 or less, the monthly rate of pension shall be \$160. For each \$1 of annual income in excess of \$300 up to and including \$500, the monthly rate shall be reduced 3 cents; for each \$1 of annual income in excess of \$500 up to and including \$900, the monthly rate shall be reduced 4 cents; for each \$1 of annual income in excess of \$900 up to and including \$1,500, the monthly rate shall be reduced 5 cents; for each \$1 of annual income in excess of \$1,500 up to and including \$1,900, the monthly rate shall be reduced 6 cents; for each \$1 of annual income in excess of \$1,900 up to and including \$2,300, the monthly rate shall be reduced 7 cents; and for each \$1 of annual income in excess of \$2,300 up to and including \$3,000, the monthly rate shall be reduced 8 cents; but in no event shall the monthly rate of pension be less than \$5. No pension shall be paid if annual income exceeds \$3,000."

(2) by amending subsection (c) to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is \$500 or less, the monthly rate of pension shall be \$172 for a veteran and one dependent, \$177 for a veteran and two dependents, and \$182 for three or more dependents. For each \$1 of annual income in excess of \$500 up to and including \$700, the monthly rate shall be reduced 2 cents; for each \$1 of annual income in excess of \$700 up to

Veterans and
Survivors Pen-
sion Adjustment
Act of 1974.
38 USC 521
note.
Unmarried vet-
erans.

Veterans with
dependents.

and including \$1,800, the monthly rate shall be reduced 3 cents; for each \$1 of annual income in excess of \$1,800 up to and including \$3,000, the monthly rate shall be reduced 4 cents; for each \$1 of annual income in excess of \$3,000 up to and including \$3,500, the monthly rate shall be reduced 5 cents; for each \$1 of annual income in excess of \$3,500 up to and including \$3,800, the monthly rate shall be reduced 6 cents; for each \$1 of annual income in excess of \$3,800 up to and including \$4,000, the monthly rate shall be reduced 7 cents; and for each \$1 of annual income in excess of \$4,000 up to and including \$4,200, the monthly rate shall be reduced 8 cents. No pension shall be paid if annual income exceeds \$4,200.”;

(3) by amending subsection (d) by striking out “\$110” and inserting in lieu thereof “\$123”; and

(4) by amending subsection (e) by striking out “\$44” and inserting in lieu thereof “\$49”.

SEC. 3. Section 541 of title 38, United States Code, is amended as follows: Widows with no children.

(1) by amending subsection (b) to read as follows:

“(b) If there is no child, pension shall be paid according to the following formula: If annual income is \$300 or less, the monthly rate of pension shall be \$108. For each \$1 of annual income in excess of \$300 up to and including \$600, the monthly rate shall be reduced 1 cent; for each \$1 of annual income in excess of \$600 up to and including \$900, the monthly rate shall be reduced 3 cents; for each \$1 of annual income in excess of \$900 up to and including \$2,100, the monthly rate shall be reduced 4 cents; and for each \$1 of annual income in excess of \$2,100 up to and including \$3,000, the monthly rate shall be reduced 5 cents; but in no event shall the monthly rate of pension be less than \$5. No pension shall be paid if annual income exceeds \$3,000.”;

(2) by amending subsection (c) to read as follows:

“(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is \$700 or less, the monthly rate of pension shall be \$128. For each \$1 of annual income in excess of \$700 up to and including \$1,100, the monthly rate shall be reduced 1 cent; for each \$1 of annual income in excess of \$1,100 up to and including \$2,100, the monthly rate shall be reduced 2 cents; for each \$1 of annual income in excess of \$2,100 up to and including \$3,000, the monthly rate shall be reduced 3 cents; and for each \$1 of annual income in excess of \$3,000 up to and including \$4,200, the monthly rate shall be reduced 4 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds \$4,200.”;

(3) by amending subsection (d) by striking out “\$18” and inserting in lieu thereof “\$20”; and

(4) by adding at the end thereof the following new subsection:

“(f) As used in this section and section 542 of this title, the term ‘veteran’ includes a person who has completed at least two years of honorable active military, naval, or air service, as certified by the Secretary concerned, but whose death in such service was not in line of duty.” “Veterans.”

SEC. 4. Section 542 of title 38, United States Code, is amended as follows: Children.

- (1) by amending subsection (a) by striking out “\$44” and “\$18” and inserting in lieu thereof “\$49” “\$20”, respectively; and
- (2) by amending subsection (c) by striking out “\$2,000” and inserting in lieu thereof “\$2,400”.

SEC. 5. Section 544 of title 38, United States Code, is amended by striking out “\$55” and inserting in lieu thereof “\$64”.

SEC. 6. Section 4 of Public Law 90-275 (82 Stat. 68) is amended to read as follows:

“SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans’ Pension Act of 1959 hereafter shall be \$2,600 and \$3,900, instead of \$2,200 and \$3,500, respectively.”

SEC. 7. Section 415 of title 38, United States Code, is amended as follows:

- (1) by amending subsection (b) to read as follows:

“(b) (1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is \$800 or less, the monthly rate of dependency and indemnity compensation shall be \$123. For each \$1 of annual income in excess of \$800 up to and including \$1,000, the monthly rate shall be reduced 3 cents; for each \$1 of annual income in excess of \$1,000 up to and including \$1,300, the monthly rate shall be reduced 4 cents; for each \$1 of annual income in excess of \$1,300 up to and including \$1,600, the monthly rate shall be reduced 5 cents; for each \$1 of annual income in excess of \$1,600 up to and including \$1,800, the monthly rate shall be reduced 6 cents; for each \$1 of annual income in excess of \$1,800 up to and including \$2,000, the monthly rate shall be reduced 7 cents; and for each \$1 of annual income in excess of \$2,000 up to and including \$3,000, the monthly rate shall be reduced 8 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than \$4. No dependency and indemnity compensation shall be paid if annual income exceeds \$3,000.

“(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula.”;

- (2) by amending subsection (c) to read as follows:

“(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is \$800 or less, the monthly rate of dependency and indemnity payable to each shall be \$86. For each \$1 of annual income in excess of \$800 up to and including \$1,100, the monthly rate shall be reduced 2 cents; for each \$1 of annual income in excess of \$1,100 up to and including \$2,100, the monthly rate shall be reduced 4 cents; for each \$1 of annual income in excess of \$2,100 up to and including \$2,500, the monthly rate shall be reduced 5 cents; and for each \$1 of annual income in excess of \$2,500 up to and including \$3,000, the monthly rate shall be reduced 6 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than \$4. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds \$3,000.”;

Annual income
limitations, in-
crease.

38 USC 521
note.

38 USC 521
note.

One parent.

Two parents.

(3) by amending subsection (d) to read as follows:

“(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is \$1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be \$83. For each \$1 of annual income in excess of \$1,000 up to and including \$1,100, the monthly rate shall be reduced 1 cent; for each \$1 of annual income in excess of \$1,100 up to and including \$2,500, the monthly rate shall be reduced 2 cents; for each \$1 of annual income in excess of \$2,500 up to and including \$3,500, the monthly rate shall be reduced 3 cents; and for each \$1 of annual income in excess of \$3,500 up to and including \$4,200, the monthly rate shall be reduced 4 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than \$4. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds \$4,200.”; and

(4) by amending subsection (h) by striking out “\$55” and inserting in lieu thereof “\$64”.

SEC. 8. (a) The Administrator of Veterans' Affairs shall carry out an original study of the needs and problems of veterans and their widows seventy-two years of age or older. The study shall include (1) a profile of the current income characteristics of such veterans and their widows, describing the proportion and amount of income from all sources and the average necessary for all necessities such as rent, food, medical care, and other items; (2) an evaluation of the adequacy of the present veterans pension system to meet the needs of such veterans and widows; and (3) actuarial information concerning the present expected mortality rates of such veterans and their widows.

Elderly veterans and widows, study.
38 USC 501 note.

(b) The Administrator shall report to the Congress and the President not later than one hundred and eighty days after the convening of the first session of the Ninety-fourth Congress the results of the study carried out under this section together with any recommendations for legislative or administrative action to improve the present program of pension benefits for such veterans and widows.

Report to Congress and President.

SEC. 9. (a) Subsection (e) of section 103 of title 38, United States Code, is amended—

Married children, benefits.

(1) by adding “(1)” immediately before “The”; and

(2) by adding at the end thereof the following new paragraph:

“(2) The marriage of a child of a veteran shall not bar the recognition of such child as the child of the veteran for benefit purposes if the marriage has been terminated by death or has been dissolved by a court with basic authority to render divorce decrees unless the Veterans' Administration determines that the divorce was secured through fraud by either party or collusion.”.

(b) Subsection (1) of section 3010 of title 38, United States Code, is amended to read as follows:

Awards, effective date.

“(1) The effective date of an award of benefits to a widow based upon a termination of a remarriage by death or divorce, or of an award or increase of benefits based on recognition of a child upon termination of the child's marriage by death or divorce, shall be the date of death or the date the judicial decree or divorce becomes final, if an application therefor is received within one year from such termination.”.

SEC. 10. This Act shall take effect on January 1, 1975.

Effective date.
38 USC 521 note.

Approved December 21, 1974.

Public Law 93-528

AN ACT

December 21, 1974
[S. 782]

To reform consent decree procedures, to increase penalties for violation of the Sherman Act, and to revise the Expediting Act as it pertains to Appellate Review.

Antitrust
Procedures and
Penalties Act.
15 USC 16
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Antitrust Procedures and Penalties Act".

CONSENT DECREE PROCEDURES

15 USC 16.

SEC. 2. Section 5 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 16), is amended by redesignating subsection (b) as (i) and by inserting immediately after subsection (a) the following:

Publication
in Federal
Register.

"(b) Any proposal for a consent judgment submitted by the United States for entry in any civil proceeding brought by or on behalf of the United States under the antitrust laws shall be filed with the district court before which such proceeding is pending and published by the United States in the Federal Register at least 60 days prior to the effective date of such judgment. Any written comments relating to such proposal and any responses by the United States thereto, shall also be filed with such district court and published by the United States in the Federal Register within such sixty-day period. Copies of such proposal and any other materials and documents which the United States considered determinative in formulating such proposal, shall also be made available to the public at the district court and in such other districts as the court may subsequently direct. Simultaneously with the filing of such proposal, unless otherwise instructed by the court, the United States shall file with the district court, publish in the Federal Register, and thereafter furnish to any person upon request, a competitive impact statement which shall recite—

Competitive
impact state-
ment, publi-
cation in
Federal Regis-
ter.

"(1) the nature and purpose of the proceeding;

"(2) a description of the practices or events giving rise to the alleged violation of the antitrust laws;

"(3) an explanation of the proposal for a consent judgment, including an explanation of any unusual circumstances giving rise to such proposal or any provision contained therein, relief to be obtained thereby, and the anticipated effects on competition of such relief;

"(4) the remedies available to potential private plaintiffs damaged by the alleged violation in the event that such proposal for the consent judgment is entered in such proceeding;

"(5) a description of the procedures available for modification of such proposal; and

"(6) a description and evaluation of alternatives to such proposal actually considered by the United States.

Publication
in newspapers.

"(c) The United States shall also cause to be published, commencing at least 60 days prior to the effective date of the judgment described in subsection (b) of this section, for 7 days over a period of 2 weeks in newspapers of general circulation of the district in which the case has been filed, in the District of Columbia, and in such other districts as the court may direct—

"(i) a summary of the terms of the proposal for the consent judgment,

“(ii) a summary of the competitive impact statement filed under subsection (b),

“(iii) and a list of the materials and documents under subsection (b) which the United States shall make available for purposes of meaningful public comment, and the place where such materials and documents are available for public inspection.

“(d) During the 60-day period as specified in subsection (b) of this section, and such additional time as the United States may request and the court may grant, the United States shall receive and consider any written comments relating to the proposal for the consent judgment submitted under subsection (b). The Attorney General or his designee shall establish procedures to carry out the provisions of this subsection, but such 60-day time period shall not be shortened except by order of the district court upon a showing that (1) extraordinary circumstances require such shortening and (2) such shortening is not adverse to the public interest. At the close of the period during which such comments may be received, the United States shall file with the district court and cause to be published in the Federal Register a response to such comments.

Comments.

Response,
publication in
Federal Register.

“(e) Before entering any consent judgment proposed by the United States under this section, the court shall determine that the entry of such judgment is in the public interest. For the purpose of such determination, the court may consider—

Public interest
determination.

“(1) the competitive impact of such judgment, including termination of alleged violations, provisions for enforcement and modification, duration or relief sought, anticipated effects of alternative remedies actually considered, and any other considerations bearing upon the adequacy of such judgment;

“(2) the impact of entry of such judgment upon the public generally and individuals alleging specific injury from the violations set forth in the complaint including consideration of the public benefit, if any, to be derived from a determination of the issues at trial.

“(f) In making its determination under subsection (e), the court may—

“(1) take testimony of Government officials or experts or such other expert witnesses, upon motion of any party or participant or upon its own motion, as the court may deem appropriate;

“(2) appoint a special master and such outside consultants or expert witnesses as the court may deem appropriate; and request and obtain the views, evaluations, or advice of any individual, group or agency of government with respect to any aspects of the proposed judgment or the effect of such judgment, in such manner as the court deems appropriate;

“(3) authorize full or limited participation in proceedings before the court by interested persons or agencies, including appearance amicus curiae, intervention as a party pursuant to the Federal Rules of Civil Procedure, examination of witnesses or documentary materials, or participation in any other manner and extent which serves the public interest as the court may deem appropriate.

28 USC app.

“(4) review any comments including any objections filed with the United States under subsection (d) concerning the proposed judgment and the responses of the United States to such comments and objections; and

Filing of
written or oral
communications.

“(5) take such other action in the public interest as the court may deem appropriate.

“(g) Not later than 10 days following the date of the filing of any proposal for a consent judgment under subsection (b), each defendant shall file with the district court a description of any and all written or oral communications by or on behalf of such defendant, including any and all written or oral communications on behalf of such defendant, or other person, with any officer or employee of the United States concerning or relevant to such proposal, except that any such communications made by counsel of record alone with the Attorney General or the employees of the Department of Justice alone shall be excluded from the requirements of this subsection. Prior to the entry of any consent judgment pursuant to the antitrust laws, each defendant shall certify to the district court that the requirements of this subsection have been complied with and that such filing is a true and complete description of such communications known to the defendant or which the defendant reasonably should have known.

“(h) Proceedings before the district court under subsections (e) and (f) of this section, and the competitive impact statement filed under subsection (b) of this section, shall not be admissible against any defendant in any action or proceeding brought by any other party against such defendant under the antitrust laws or by the United States under section 4A of this Act nor constitute a basis for the introduction of the consent judgment as prima facie evidence against such defendant in any such action or proceeding.”

PENALTIES

SEC. 3. Sections 1, 2, and 3 of the Act entitled “An Act to protect trade and commerce against unlawful restraints and monopolies”, approved July 2, 1890 (15 U.S.C. 1, 2, and 3), are each amended—

(1) by striking out “misdemeanor” whenever it appears and inserting in lieu thereof in each case “felony”;

(2) by striking out “fifty thousand dollars” whenever such phrase appears and inserting in lieu thereof in each case the following: “one million dollars if a corporation, or, if any other person, one hundred thousand dollars”; and

(3) by striking out “one year” whenever such phrase appears and inserting in lieu thereof in each case “three years”.

EXPEDITING ACT REVISIONS

SEC. 4. Section 1 of the Act of February 11, 1903 (32 Stat. 823), as amended (15 U.S.C. 28; 49 U.S.C. 44), commonly known as the Expediting Act, is amended to read as follows:

“SECTION 1. In any civil action brought in any district court of the United States under the Act entitled ‘An Act to protect trade and commerce against unlawful restraints and monopolies’, approved July 2, 1890, or any other Acts having like purpose that have been or hereafter may be enacted, wherein the United States is plaintiff and equitable relief is sought, the Attorney General may file with the court, prior to the entry of final judgment, a certificate that, in his opinion, the case is of a general public importance. Upon filing of such certificate, it shall be the duty of the judge designated to hear and

determine the case, or the chief judge of the district court if no judge has as yet been designated, to assign the case for hearing at the earliest practicable date and to cause the case to be in every way expedited.”

SEC. 5. Section 2 of that Act (15 U.S.C. 29; 49 U.S.C. 45) is amended to read as follows:

“(a) Except as otherwise expressly provided by this section, in every civil action brought in any district court of the United States under the Act entitled ‘An Act to protect trade and commerce against unlawful restraints and monopolies’, approved July 2, 1890, or any other Acts having like purpose that have been or hereafter may be enacted, in which the United States is the complainant and equitable relief is sought, any appeal from a final judgment entered in any such action shall be taken to the court of appeals pursuant to sections 1291 and 2107 of title 28 of the United States Code. Any appeal from an interlocutory order entered in any such action shall be taken to the court of appeals pursuant to sections 1292(a)(1) and 2107 of title 28 of the United States Code but not otherwise. Any judgment entered by the court of appeals in any such action shall be subject to review by the Supreme Court upon a writ of certiorari as provided in section 1254(1) of title 28 of the United States Code.

Appeals.

Supreme Court review.

“(b) An appeal from a final judgment pursuant to subsection (a) shall lie directly to the Supreme Court if, upon application of a party filed within fifteen days of the filing of a notice of appeal, the district judge who adjudicated the case enters an order stating that immediate consideration of the appeal by the Supreme Court is of general public importance in the administration of justice. Such order shall be filed within thirty days after the filing of a notice of appeal. When such an order is filed, the appeal and any cross appeal shall be docketed in the time and manner prescribed by the rules of the Supreme Court. The Supreme Court shall thereupon either (1) dispose of the appeal and any cross appeal in the same manner as any other direct appeal authorized by law, or (2) in its discretion, deny the direct appeal and remand the case to the court of appeals, which shall then have jurisdiction to hear and determine the same as if the appeal and any cross appeal therein had been docketed in the court of appeals in the first instance pursuant to subsection (a).”

Appeal.

Notice.

SEC. 6. (a) Section 401(d) of the Communications Act of 1934 (47 U.S.C. 401(d)) is repealed.

Repeal.

(b) Section 3 of the Act entitled “An Act to further regulate commerce with foreign nations and among the States”, approved February 19, 1903 (32 Stat. 849; 49 U.S.C. 43), is amended by striking out “proceeding:” and inserting in lieu thereof “proceeding.” and striking out thereafter the following: “*Provided*, That the provisions of an Act entitled ‘An Act to expedite the hearing and determination of suits in equity pending or thereafter brought under the Act of July second, eighteen hundred and ninety, entitled “An Act to protect trade and commerce against unlawful restraints and monopolies,” “An Act to regulate commerce,” approved February fourth, eighteen hundred and eighty-seven, or any other Acts having a like purpose that may be hereafter enacted, approved February eleventh, nineteen hundred and three,’ shall apply to any case prosecuted under the direction of the Attorney-General in the name of the Interstate Commerce Commission”.

Tariff enforcement.

Nonapplicabil-
ity.
15 USC 29
note.

SEC. 7. The amendment made by section 5 of this Act shall not apply to an action in which a notice of appeal to the Supreme Court has been filed on or before the fifteenth day following the date of enactment of this Act. Appeal in any such action shall be taken pursuant to the provisions of section 2 of the Act of February 11, 1903 (32 Stat. 823), as amended (15 U.S.C. 29; 49 U.S.C. 45) which were in effect on the day preceding the date of enactment of this Act.

Approved December 21, 1974.

Public Law 93-529

December 21, 1974
[H. R. 17505]

AN ACT

To rescind certain budget authority recommended in the messages of the President of September 20, 1974 (H. Doc. 93-361), October 4, 1974 (H. Doc. 93-365) and November 13, 1974 (H. Doc. 93-387), transmitted pursuant to section 1012 of the Impoundment Control Act of 1974.

Certain budget
authority.
Rescission.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority contained in the messages of the President of September 20, 1974 (H. Doc. 93-361), October 4, 1974 (H. Doc. 93-365) and November 13, 1974 (H. Doc. 93-387) are made pursuant to section 1012 of the Impoundment Control Act of 1974, namely:

Ante, p. 333.

CHAPTER I

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COLLEGE HOUSING

The limitation otherwise applicable to the total payments that may be required in any fiscal year by all contracts entered into under title IV of the Housing Act of 1950, as amended (12 U.S.C. 1749 et seq.), is hereby reduced by the uncommitted balances of authorizations heretofore provided for this purpose in appropriation acts.

CHAPTER II

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

84 Stat. 1715.

Contract authority provided for the fiscal year ending June 30, 1973 by section 105(a)(8) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Public lands development roads and trails" is rescinded in the amount of \$4,891,000.

NATIONAL PARK SERVICE

84 Stat. 1716.

Contract authority provided for the fiscal year ending June 30, 1973 by section 105(a)(10) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Parkways" is rescinded in the amount of \$10,461,000.

RELATED AGENCIES
DEPARTMENT OF AGRICULTURE
FOREST SERVICE

Contract authority provided for the fiscal year ending June 30, 1973 by section 105(a) (7) of the Federal-Aid Highway Act of 1970 (Public Law 91-605) for "Forest development roads and trails" is rescinded in the amount of \$61,611,000.

84 Stat. 1715.

CHAPTER III

APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

The authority to incur obligations provided by subsection (f) of section 208 of the Appalachian Regional Development Act of 1965, as amended (85 Stat. 169, 40 App. U.S.C. 208), is rescinded.

40 USC app.
208 note.

Approved December 21, 1974.

Public Law 93-530

AN ACT

December 22, 1974
[H. R. 7730]

To authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior (hereinafter referred to as the "Secretary") is hereby authorized and directed to acquire through purchase within the so-called San Carlos Mineral Strip as of January 24, 1969, all privately owned real property, taking title thereto in the name of the United States in trust for the San Carlos Apache Indian Tribe.

San Carlos
Apache Indian
Tribe, Ariz.
Lands in trust.

SEC. 2. The Secretary is authorized and directed to purchase from the owners all range improvements of a permanent nature placed, under the authority of a permit from or agreement with the United States, on the lands restored to the San Carlos Apache Indian Tribe for the reasonable value of such improvements, as determined by the Secretary: *Provided, however*, That, if any such range improvements were constructed under cooperative agreement with the Federal Government, the reasonable value shall be decreased proportionately by the percentage of original Federal participation. Such permanent improvements shall include, but not be limited to, wells, windmills, water tanks, ponds, dams, roads, fences, corrals and buildings. The Secretary shall take title to such range improvements in the name of the United States in trust for the San Carlos Apache Indian Tribe.

Range im-
provements, pur-
chase.

SEC. 3. There are authorized to be appropriated for the purposes of this Act not to exceed \$3,000,000 to be available without fiscal year limitation: *Provided*, That in no event shall any person receive total compensation under this Act in excess of \$300,000: *Provided further*, That the Secretary shall make a fair determination of compensation for property acquired pursuant to this Act: *And provided further*, That the Secretary shall make such appraisals and require the owners to present such documents as title, tax assessment, bills of sale, other paper, and other evidence which he may deem necessary for such determination.

Appropriation.

Approved December 22, 1974.

Public Law 93-531

December 22, 1974
[H. R. 10337]

AN ACT

To provide for final settlement of the conflicting rights and interests of the Hopi and Navajo Tribes to and in lands lying within the joint use area of the reservation established by the Executive order of December 16, 1882, and lands lying within the reservation created by the Act of June 14, 1934, and for other purposes.

Indians,
Hopi and
Navajo Tribes,
Mediator.
25 USC 640d.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, (a) within thirty days after enactment of this Act, the Director of the Federal Mediation and Conciliation Service shall appoint a Mediator (hereinafter referred to as the "Mediator") who shall assist in the negotiations for the settlement and partition of the relative rights and interests, as determined by the decision in the case of *Healing v. Jones* (210 F. Supp. 125, D. Ariz., 1962, aff'd 363 U.S. 758, 1963) (hereinafter referred to as the "Healing case"), of the Hopi and Navajo Tribes (hereinafter referred to as the "tribes") to and in lands within the reservation established by the Executive order of December 16, 1882, except land management district no. 6 (such lands hereinafter referred to as the "joint use area"). The Mediator shall not have any interest, direct or indirect, in the settlement of the interests and rights set out in this subsection. The duties of the Mediator shall cease upon the entering of a full agreement into the records of the supplemental proceedings pursuant to section 3 or the submission of a report to the District Court after a default in negotiations or a partial agreement pursuant to section 4.

(b) The proceedings in which the Mediator shall be acting under the provisions of this Act shall be the supplemental proceedings in the Healing case now pending in the United States District Court for the District of Arizona (hereinafter referred to as "the District Court").

(c) (1) The Mediator is authorized to request from any department, agency, or independent instrumentality of the Federal Government any information, personnel, service, or materials he deems necessary to carry out his responsibilities under the provisions of this Act. Each such department, agency, or instrumentality is authorized to cooperate with the Mediator and to comply with such requests to the extent permitted by law, on a reimbursable or nonreimbursable basis.

Interagency
committee.
Establishment.

(2) To facilitate the expeditious and orderly compilation and development of factual information relevant to the negotiating process, the President shall, within fifteen days of enactment of this Act, establish an interagency committee chaired by the Secretary of the Interior (hereinafter referred to as the "Secretary") to develop relevant information and to respond to the requests of the Mediator.

(d) The Secretary shall appoint a full-time representative as his liaison with the Mediator to facilitate the provision of information and assistance requested by the Mediator from the Department of the Interior.

(e) The Mediator may retain the services of such staff assistants and consultants as he shall deem necessary, subject to the approval of the Director of the Federal Mediation and Conciliation Service.

Negotiating
team.
25 USC 640d-1.

SEC. 2. (a) Within thirty days after enactment of this Act, the Secretary shall communicate in writing with the tribal councils of the tribes directing the appointment of a negotiating team representing each tribe. Each negotiating team shall be composed of not more than five members to be certified by appropriate resolution of the respective tribal council. Each tribal council shall promptly fill any vacancies which may occur on its negotiating team. Notwithstanding any other

provision of law, each negotiating team, when appointed and certified, shall have full authority to bind its tribe with respect to any other matter concerning the joint use area within the scope of this Act.

(b) In the event either or both of the tribal councils fail to select and certify a negotiating team within thirty days after the Secretary communicates with the tribal council under subsection (a) of this section or to select and certify a replacement member within thirty days of the occurrence of a vacancy, the provisions of subsection (a) of section 4 shall become effective.

(c) Within fifteen days after formal certification of both negotiating teams to the Mediator, the Mediator shall schedule the first negotiating session at such time and place as he deems appropriate. The negotiating sessions, which shall be chaired by the Mediator, shall be held at such times and places as the Mediator deems appropriate. At such sessions, the Mediator may, if he deems it appropriate, put forward his own suggestions for procedure, the agenda, and the resolution of the issues in controversy.

Negotiating
session.

(d) In the event either negotiating team fails to attend two consecutive sessions or, in the opinion of the Mediator, either negotiating team fails to bargain in good faith or an impasse is reached, the provisions of subsection (a) of section 4 shall become effective.

(e) In the event of a disagreement within a negotiating team the majority of the members of the team shall prevail and act on behalf of the team unless the resolution of the tribal council certifying the team specifically provides otherwise.

SEC. 3. (a) If, within one hundred and eighty days after the first session scheduled by the Mediator under subsection (c) of section 2, full agreement is reached, such agreement shall be put in such form as the Mediator determines best expresses the intent of the tribes and shall then be submitted to the Secretary and the Attorney General of the United States for their comments as they relate to the interest of the United States in the proceedings. These comments are to be submitted to the Mediator and the negotiating teams within thirty days. The negotiating teams and the Mediator shall then consider the comments and, if agreement can still be reached on terms acceptable to the negotiating teams and the Mediator within sixty days of receipt by him of the comments, the agreement shall be put in final written form and shall be signed by the members of the negotiating teams and the Mediator. The Mediator shall then cause the agreement to be entered into the records of the supplemental proceedings in the Healing case. The provisions of the agreement shall be reviewed by the District Court, modified where necessary, and put into effect immediately thereafter.

Full agreement.
25 USC 640d-2.

(b) If, within the one hundred and eighty day period referred to in subsection (a) of this section, a partial agreement has been reached between the tribes and they wish such partial agreement to go into effect, they shall follow the procedure set forth in said subsection (a). The partial agreement shall then be considered by the Mediator in preparing his report, and the District Court in making a final adjudication, pursuant to section 4.

Partial agree-
ment.

(c) For the purpose of this section, the negotiating teams may make any provision in the agreement or partial agreement not inconsistent with existing law. No such agreement or any provision in it shall result in a taking by the United States of private property compensable under the Fifth Amendment of the Constitution of the United States.

USC prec. title
1. 25 USC 640d-3.

SEC. 4. (a) If the negotiating teams fail to reach full agreement within the time period allowed in subsection (a) of section 3 or if one or both of the tribes are in default under the provisions of subsections (b) or (d) of section 2, the Mediator, within ninety days thereafter, shall prepare and submit to the District Court a report containing his

Report to Dis-
trict Court.

District Court,
review and rec-
ommendations.

Hearing.

Settlement
guidelines.
25 USC 640d-4.

Restoration
of lands.

Report.
25 USC 640d-5.

recommendations for the settlement of the interests and rights set out in subsection (a) of section 1 which shall be most reasonable and equitable in light of the law and circumstances and consistent with the provisions of this Act. Following the District Court's review of the report and recommendations (which are not binding thereon) and any further proceedings which the District Court may schedule, the District Court is authorized to make a final adjudication, including partition of the joint use area, and enter the judgments in the supplemental proceedings in the Healing case.

(b) Any proceedings as authorized in subsection (a) hereof shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the District Court at that time, and shall be expedited in every way by the Court.

SEC. 5. (a) For the purpose of facilitating an agreement pursuant to section 3 or preparing a report pursuant to section 4, the Mediator is authorized—

(1) notwithstanding the provisions of section 2 of the Act of May 25, 1918 (40 Stat. 570), to recommend that, subject to the consent of the Secretary, there be purchased or otherwise acquired additional lands for the benefit of either tribe from the funds of either tribe or funds under any other authority of law;

(2) to recommend that, subject to the consent of the Secretary, there be undertaken a program of restoration of lands lying within the joint use area, employing for such purpose funds authorized by this Act, funds of either tribe, or funds under any other authority of law;

(3) to recommend that, subject to the consent of the Secretary, there be undertaken a program for relocation of members of one tribe from lands which may be partitioned to the other tribe in the joint use area;

(4) to recommend, in exceptional cases where necessary to prevent personal hardship, a limited tenure for residential use, not exceeding a life estate, and a phased relocation of members of one tribe from lands which may be partitioned to the other tribe in the joint use area; and

(5) to make any other recommendations as are in conformity with this Act and the Healing case to facilitate a settlement.

(b) The authorizations contained in subsection (a) of this section shall be discretionary and shall not be construed to represent any directive of the Congress.

SEC. 6. The Mediator in preparing his report, and the District Court in making the final adjudication, pursuant to section 4, shall consider and be guided by the decision of the Healing case, under which the tribes have joint, undivided, and equal interests in and to all of the joint use area; by any partial agreement reached by the parties under subsection (b) of section 3; by the last best offer for a complete settlement as a part of the negotiating process by each of the tribes; and by the following:

(a) The rights and interests, as defined in the Healing case, of the Hopi Tribe in and to that portion of the reservation established by the Executive order of December 16, 1882, which is known as land management district no. 6 (hereinafter referred to as the "Hopi Reservation") shall not be reduced or limited in any manner.

(b) The boundary lines resulting from any partitioning of lands in the joint use area shall be established so as to include the higher density population areas of each tribe within the portion of the lands partitioned to such tribe to minimize and avoid undue social, economic, and cultural disruption insofar as practicable.

(c) In any division of the surface rights to the joint use area, reasonable provision shall be made for the use of and right of access to identified religious shrines for the members of each tribe on the reservation of the other tribe where such use and access are for religious purposes.

(d) In any partition of the surface rights to the joint use area, the lands shall, insofar as is practicable, be equal in acreage and quality: *Provided*, That if such partition results in a lesser amount of acreage, or value, or both to one tribe such differential shall be fully and finally compensable to such tribe by the other tribe. The value of the land for the purposes of this subsection shall be based on not less than its value with improvements and its grazing capacity fully restored: *Provided further*, That, in the determination of compensation for any such differential, the Federal Government shall pay any difference between the value of the particular land involved in its existing state and the value of such land in a fully restored state which results from damage to the land which the District Court finds attributable to a failure of the Federal Government to provide protection where such protection is or was required by law or by the demands of the trust relationship.

(e) Any lands partitioned to each tribe in the joint use area shall, where feasible and consistent with the other provisions of this section, be contiguous to the reservation of each such tribe.

(f) Any boundary line between lands partitioned to the two tribes in the joint use area shall, insofar as is practicable, follow terrain which will facilitate fencing or avoid the need for fencing.

(g) Any claim the Hopi Tribe may have against the Navajo Tribe for an accounting of all sums collected by the Navajo Tribe since September 17, 1957, as trader license fees or commissions, lease rental or proceeds, or other similar charges for doing business or for damages in the use of lands within the joint use area, shall be for a one-half share in such sums.

(h) Any claim the Hopi Tribe may have against the Navajo Tribe for the determination and recovery of the fair value of the grazing and agricultural use of the lands within the joint use area by the Navajo Tribe and its individual members, since September 28, 1962, shall be for one-half of such value.

SEC. 7. Partition of the surface of the lands of the joint use area shall not affect the joint ownership status of the coal, oil, gas, and all other minerals within or underlying such lands. All such coal, oil, gas, and other minerals within or underlying such lands shall be managed jointly by the two tribes, subject to supervision and approval by the Secretary as otherwise required by law, and the proceeds therefrom shall be divided between the tribes, share and share alike.

Joint ownership
of minerals.
25 USC 640d-6.

SEC. 8. (a) Either tribe, acting through the chairman of its tribal council for and on behalf of the tribe, is each hereby authorized to commence or defend in the District Court an action against the other tribe and any other tribe of Indians claiming any interest in or to the area described in the Act of June 14, 1934, except the reservation established by the Executive Order of December 16, 1882, for the purpose of determining the rights and interests of the tribes in and to such lands and quieting title thereto in the tribes.

25 USC 640d-7.

(b) Lands, if any, in which the Navajo Tribe or Navajo individuals are determined by the District Court to have the exclusive interest shall continue to be a part of the Navajo Reservation. Lands, if any, in which the Hopi Tribe, including any Hopi village or clan thereof, or Hopi individuals are determined by the District Court to have the exclusive interest shall thereafter be a reservation for the Hopi Tribe. Any lands in which the Navajo and Hopi Tribes or Navajo or Hopi individuals are determined to have a joint or undivided interest

shall be partitioned by the District Court on the basis of fairness and equity and the area so partitioned shall be retained in the Navajo Reservation or added to the Hopi Reservation, respectively.

(c) The Navajo and Hopi Tribes are hereby authorized to exchange lands which are part of their respective reservations.

(d) Nothing in this section shall be deemed to be a Congressional determination of the merits of the conflicting claims to the lands that are subject to adjudication pursuant to this section, or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission.

(e) The Secretary of the Interior is authorized to pay any or all appropriate legal fees, court costs, and other related expenses arising out of, or in connection with, the commencing of, or defending against, any action brought by the Navajo or Hopi Tribe under this section.

Paiute Indians,
allotment.
25 USC 640d-8.

SEC. 9. Notwithstanding any other provision of this Act, the Secretary is authorized to allot in severalty to individual Paiute Indians, not now members of the Navajo Tribe, who are located within the area described in the Act of June 14, 1934 (48 Stat. 960), and who were located within such area, or are direct descendants of Paiute Indians who were located within such area, on the date of such Act, land in quantities as specified in section 1 of the Act of February 8, 1887 (24 Stat. 388), as amended (25 U.S.C. 331), and patents shall be issued to them for such lands having the legal effect and declaring that the United States holds such land in trust for the sole use and benefit of each allottee and, following his death, of his heirs according to the laws of the State of Arizona.

25 USC 640d-9.

SEC. 10. (a) Subject to the provisions of section 9 and subsection (a) of section 17, any lands partitioned to the Navajo Tribe pursuant to section 3 or 4 and the lands described in the Act of June 14, 1934 (48 Stat. 960), except the lands as described in section 8, shall be held in trust by the United States exclusively for the Navajo Tribe and as a part of the Navajo Reservation.

(b) Subject to the provisions of section 9 and subsection (a) of section 17, any lands partitioned to the Hopi Tribe pursuant to section 3 or 4 and the lands as described in section 8 shall be held in trust by the United States exclusively for the Hopi Tribe and as a part of the Hopi Reservation.

25 USC 640d-10.

SEC. 11. (a) The Secretary is authorized and directed to transfer not to exceed 250,000 acres of lands under the jurisdiction of the Bureau of Land Management within the States of Arizona or New Mexico to the Navajo Tribe: *Provided*, That the Navajo Tribe shall pay to the United States the fair market value for such lands as may be determined by the Secretary. Such lands shall, if possible, be contiguous or adjacent to the existing Navajo Reservation. Title to such lands which are contiguous or adjacent to the Navajo Reservation shall be taken by the United States in trust for the benefit of the Navajo Tribe.

(b) Any private lands the Navajo Tribe acquires which are contiguous or adjacent to the Navajo Reservation may be taken by the United States in trust for the benefit of the Navajo Tribe: *Provided*, That the land acquired pursuant to subsection (a) and this subsection shall not exceed a total of 250,000 acres.

Navajo and
Hopi Indian
Relocation Com-
mission.
Establishment.
25 USC 640d-11.

SEC. 12. (a) There is hereby established as an independent entity in the executive branch the Navajo and Hopi Indian Relocation Commission (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of three members appointed by the Secretary within sixty days of enactment of this Act.

(c) The Commission shall elect a Chairman and Vice Chairman from among its members.

(d) Two members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Each member of the Commission who is not otherwise employed by the United States Government shall receive an amount equal to the daily rate paid a GS-18 under the General Schedule contained in section 5332 of title 5, United States Code, for each day (including time in travel) or portion thereof during which such member is engaged in the actual performance of his duties as a member of the Commission. A member of the Commission who is an officer or employee of the United States shall serve without additional compensation. All members of the Commission shall be reimbursed for travel, subsistence, and other expenses incurred by them in the performance of their duties.

5 USC 5332
note.

(f) The first meeting of the Commission shall be called by the Secretary forthwith following the date on which a majority of the members of such Commission are appointed and qualified under this Act, but in no event later than sixty days following such date.

(g) Subject to such rules and regulations as may be adopted by the Commission, the Chairman shall have the power to—

Rules and
regulations.

(1) appoint and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed \$150 a day for individuals.

(h) The Department of the Interior shall furnish, on a non-reimbursable basis, necessary administrative and housekeeping services for the Commission.

(i) The Commission shall cease to exist when the President determines that its functions have been fully discharged.

SEC. 13. (a) Within the twenty-four month period following the date of issuance of an order of the District Court pursuant to section 3 or 4, the Commission shall prepare and submit to the Congress a report concerning the relocation of households and members thereof of each tribe, and their personal property, including livestock, from lands partitioned to the other tribe pursuant to sections 8 and 3 or 4.

25 USC 640d-12.

Report to
Congress.

(b) Such report shall contain, among other matters, the following:

(1) the names of all members of the Navajo Tribe who reside within the areas partitioned to the Hopi Tribe and the names of all members of the Hopi Tribe who reside within the areas partitioned to the Navajo Tribe; and

(2) the fair market value of the habitations and improvements owned by the heads of households identified by the Commission as being among the persons named in clause (1) of this subsection.

(c) Such report shall include a detailed plan providing for the relocation of the households and their members identified pursuant to clause (1) of subsection (b) of this section. Such plan (hereinafter referred to as the "relocation plan") shall—

(1) be developed to the maximum extent feasible in consultation with the persons involved in such relocation and appropriate representatives of their tribal councils;

(2) take into account the adverse social, economic, cultural, and other impacts of relocation on persons involved in such relocation and be developed to avoid or minimize, to the extent possible, such impacts;

(3) identify the sites to which such households shall be relocated, including the distance involved;

(4) assure that housing and related community facilities and services, such as water, sewers, roads, schools, and health facilities, for such households shall be available at their relocation sites; and

(5) take effect thirty days after the date of submission to the Congress pursuant to subsection (a) of this section: *Provided, however,* That the Commission is authorized and directed to proceed with voluntary relocations as promptly as practicable following its first meeting.

Voluntary re-
locations.
25 USC 640d-13.

SEC. 14. (a) Consistent with section 8 and the order of the District Court issued pursuant to section 3 or 4, the Commission is authorized and directed to relocate pursuant to section 8 and such order all households and members thereof and their personal property, including livestock, from any lands partitioned to the tribe of which they are not members. The relocation shall take place in accordance with the relocation plan and shall be completed by the end of five years from the date on which the relocation plan takes effect. No further settlement of Navajo individuals on the lands partitioned to the Hopi Tribe pursuant to this Act or on the Hopi Reservation shall be permitted unless advance written approval of the Hopi Tribe is obtained. No further settlement of Hopi individuals on the lands partitioned to the Navajo Tribe pursuant to this Act or on the Navajo Reservation shall be permitted unless advance written approval of the Navajo Tribe is obtained. No individual shall hereafter be allowed to increase the number of livestock he grazes on any area partitioned pursuant to this Act to the tribe of which he is not a member, nor shall he retain any grazing rights in any such area subsequent to his relocation therefrom.

Assistance pay-
ments.

(b) In addition to the payments made pursuant to section 15, the Commission shall make payments to heads of households identified in the report prepared pursuant to section 13 upon the date of relocation of such households, as determined by the Commission, in accordance with the following schedule:

(1) the sum of \$5,000 to each head of a household who, prior to the expiration of one year after the effective date of the relocation plan, contracts with the Commission to relocate;

(2) the sum of \$4,000 to each head of a household who is not eligible for the payment provided for in clause (1) of this subsection but who, prior to the expiration of two years after the effective date of the relocation plan, contracts with the Commission to relocate;

(3) the sum of \$3,000 to each head of a household who is not eligible for the payments provided for in clause (1) or (2) of this subsection but who, prior to the expiration of three years after the effective date of the relocation plan, contracts with the Commission to relocate; and

(4) the sum of \$2,000 to each head of a household who is not eligible for the payments provided for in clause (1), (2), or (3) of this subsection but who, prior to the expiration of four years after the effective date of the relocation plan, contracts with the Commission to relocate.

(c) No payment shall be made pursuant to this section to or for any person who, after May 29, 1974, moved into an area partitioned pur-

suant to section 8 or section 3 or 4 to a tribe of which he is not a member.

SEC. 15. (a) The Commission shall purchase from the head of each household whose household is required to relocate under the terms of this Act the habitation and other improvements owned by him on the area from which he is required to move. The purchase price shall be the fair market value of such habitation and improvements as determined under clause (2) of subsection (b) of section 13.

Replacement housing.
25 USC 640d-14.

Fair market value.

(b) In addition to the payments made pursuant to subsection (a) of this section, the Commission shall:

(1) reimburse each head of a household whose household is required to relocate pursuant to this Act for the actual reasonable moving expenses of the household as if the household members were displaced persons under section 202 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894);

42 USC 4622.

(2) pay to each head of a household whose household is required to relocate pursuant to this Act an amount which, when added to the fair market value of the habitation and improvements purchased under subsection (a) of this section, equals the reasonable cost of a decent, safe, and sanitary replacement dwelling adequate to accommodate such household: *Provided*, That the additional payment authorized by this paragraph (2) shall not exceed \$17,000 for a household of three or less and not more than \$25,000 for a household of four or more, except that the Commission may, after consultation with the Secretary of Housing and Urban Development, annually increase or decrease such limitations to reflect changes in housing development and construction costs, other than costs of land, during the preceding year: *Provided further*, That the additional payment authorized by this subsection shall be made only to a head of a household required to relocate pursuant to this Act who purchases and occupies such replacement dwelling not later than the end of the two-year period beginning on the date on which he receives from the Commission final payment for the habitation and improvements purchased under subsection (a) of this section, or on the date on which such household moves from such habitation, whichever is the later date. The payments made pursuant to this paragraph (2) shall be used only for the purpose of obtaining decent, safe, and sanitary replacement dwellings adequate to accommodate the households relocated pursuant to this Act.

Additional payment.

(c) In implementing subsection (b) of this section, the Commission shall establish standards consistent with those established in the implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894). No payment shall be made pursuant to this section to or for any person who, later than one year prior to the date of enactment of this Act, moved into an area partitioned pursuant to section 8 or section 3 or 4 to a tribe of which he is not a member.

42 USC 4601 note.

(d) The Commission shall be responsible for the provision of housing for each household eligible for payments under this section in one of the following manners:

(1) Should any head of household apply for and become a participant or homebuyer in a mutual help housing or other homeownership opportunity project undertaken under the United States Housing Act of 1937 (50 Stat. 888), as amended (42 U.S.C. 1401), or in any other federally assisted housing program now or hereafter established, the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section

and under subsection (a) of this section shall be paid to the local housing agency or sponsor involved as a voluntary equity payment and shall be credited against the outstanding indebtedness or purchase price of the household's home in the project in a manner which will accelerate to the maximum extent possible the achievement by that household of debt free homeownership.

(2) Should any head of household wish to purchase or have constructed a dwelling which the Commission determines is decent, safe, sanitary, and adequate to accommodate the household, the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section and under subsection (a) of this section shall be paid to such head of household in connection with such purchase or construction in a manner which the Commission determines will assure the use of the funds for such purpose.

(3) Should any head of household not make timely arrangements for relocation housing, or should any head of household elect and enter into an agreement to have the Commission construct or acquire a home for the household, the Commission may use the amounts payable with respect to such household under paragraph (2) of subsection (b) of this section and under subsection (a) of this section for the construction or acquisition (including enlargement or rehabilitation if necessary) of a home and related facilities for such household: *Provided*, That, the Commission may combine the funds for any number of such households into one or more accounts from which the costs of such construction or acquisition may be paid on a project basis and the funds in such account or accounts shall remain available until expended: *Provided further*, That the title to each home constructed or acquired by the Commission pursuant to this paragraph shall be vested in the head of the household for which it was constructed or acquired upon occupancy by such household, but this shall not preclude such home being located on land held in trust by the United States.

(e) The Commission is authorized to dispose of dwellings and other improvements acquired or constructed pursuant to this Act in such manner, including resale of such dwellings and improvements to members of the tribe exercising jurisdiction over the area at prices no higher than the acquisition or construction costs, as best effects section 8 and the order of the District Court pursuant to section 3 or 4.

25 USC 640d-15.

SEC. 16. (a) The Navajo Tribe shall pay to the Hopi Tribe the fair rental value as determined by the Secretary for all use by Navajo individuals of any lands partitioned to the Hopi Tribe pursuant to sections 8 and 3 or 4 subsequent to the date of the partition thereof.

(b) The Hopi Tribe shall pay to the Navajo Tribe the fair rental value as determined by the Secretary for all use by Hopi individuals of any lands partitioned to the Navajo Tribe pursuant to sections 8 and 3 or 4 subsequent to the date of the partition thereof.

25 USC 640d-16.

SEC. 17. (a) Nothing in this Act shall affect the title, possession, and enjoyment of lands heretofore allotted to Hopi and Navajo individuals for which patents have been issued. Such Hopi individuals living on the Navajo Reservation shall be subject to the jurisdiction of the Navajo Tribe and such Navajo individuals living on the Hopi Reservation shall be subject to the jurisdiction of the Hopi Tribe.

(b) Nothing in this Act shall require the relocation from any area partitioned pursuant to this Act of the household of any Navajo or Hopi individual who is employed by the Federal Government within such area or to prevent such employees or their households from residing in such areas in the future: *Provided*, That any such Federal

employee who would, except for the provisions of this subsection, be relocated under the terms of this Act may elect to be so relocated.

SEC. 18. (a) Either tribe, acting through the chairman of its tribal council, for and on behalf of the tribe, including all villages, clans, and individual members thereof, is hereby authorized to commence or defend in the District Court an action or actions against the other tribe for the following purposes if such action or actions are not settled pursuant to section 3 or 4:

25 USC 640d-17.

(1) for an accounting of all sums collected by either tribe since the 17th day of September 1957 as trader license fees or commissions, lease proceeds, or other similar charges for the doing of business or the use of lands within the joint use area, and judgment for one-half of all sums so collected, and not paid to the other tribe, together with interest at the rate of 6 per centum per annum compounded annually;

(2) for the determination and recovery of the fair value of the grazing and agricultural use by either tribe and its individual members since the 28th day of September 1962 of the undivided one-half interest of the other tribe in the lands within the joint use area, together with interest at the rate of 6 per centum per annum compounded annually, notwithstanding the fact that the tribes are tenants in common of such lands; and

(3) for the adjudication of any claims that either tribe may have against the other for damages to the lands to which title was quieted as aforesaid by the United States District Court for the District of Arizona in such tribes, share and share alike, subject to the trust title of the United States, without interest, notwithstanding the fact that such tribes are tenants in common of such lands: *Provided*, That the United States may be joined as a party to such an action and, in such case, the provisions of sections 1346(a) (2) and 1505 of title 28, United States Code, shall not be applicable to such action.

(b) Neither laches nor the statute of limitations shall constitute a defense to any action authorized by this Act for existing claims if commenced within two years from the effective date of this Act or one hundred and eighty days from the date of issuance of an order of the District Court pursuant to section 3 or 4, whichever is later.

(c) Either tribe may institute such further original, ancillary, or supplementary actions against the other tribe as may be necessary or desirable to insure the quiet and peaceful enjoyment of the reservation lands of the tribes by the tribes and the members thereof, and to fully accomplish all objects and purposes of this Act. Such actions may be commenced in the District Court by either tribe against the other, acting through the chairman of its tribal council, for and on behalf of the tribe, including all villages, clans, and individual members thereof.

(d) Except as provided in clause (3) of subsection (a) of this section, the United States shall not be an indispensable party to any action or actions commenced pursuant to this section. Any judgment or judgments by the District Court in such action or actions shall not be regarded as a claim or claims against the United States.

(e) All applicable provisional and final remedies and special proceedings provided for by the Federal Rules of Civil Procedure and all other remedies and processes available for the enforcement and collection of judgments in the district courts of the United States may be used in the enforcement and collection of judgments obtained pursuant to the provisions of this Act.

SEC. 19. (a) Notwithstanding any provision of this Act, or any order of the District Court pursuant to section 3 or 4, the Secretary is authorized and directed to immediately commence reduction of the

25 USC 640d-18.

numbers of all the livestock now being grazed upon the lands within the joint use area and complete such reductions to carrying capacity of such lands, as determined by the usual range capacity standards as established by the Secretary after the date of enactment of this Act. The Secretary is directed to institute such conservation practices and methods within such area as are necessary to restore the grazing potential of such area to the maximum extent feasible.

(b) The Secretary, upon the date of issuance of an order of the District Court pursuant to sections 8 and 3 or 4, shall provide for the survey location of monuments, and fencing of boundaries of any lands partitioned pursuant to sections 8 and 3 or 4.

25 USC 640d-19.

SEC. 20. The members of the Hopi Tribe shall have perpetual use of Cliff Spring as shown on USGS 7½ minute Quad named Toh Ne Zhonnie Spring, Arizona, Navajo County, dated 1968; and located 1,250 feet west and 200 feet south of the intersection of 36 degrees, 17 minutes, 30 seconds north latitude and 110 degrees, 9 minutes west longitude, as a shrine for religious ceremonial purposes, together with the right to gather branches of fir trees growing within a 2-mile radius of said spring for use in such religious ceremonies, and the further right of ingress, egress, and regress between the Hopi Reservation and said spring. The Hopi Tribe is hereby authorized to fence said spring upon the boundary line as follows:

Beginning at a point on the 36 degrees, 17 minutes, 30 seconds north latitude 500 feet west of its intersection with 110 degrees, 9 minutes west longitude, the point of beginning;

thence north 46 degrees west, 500 feet to a point on the rim top at elevation 6,900 feet;

thence southwesterly 1,200 feet (in a straight line) following the 6,900 feet contour;

thence south 46 degrees east, 600 feet;

thence north 38 degrees east, 1,300 feet to the point of beginning, 23.8 acres more or less: *Provided*, That, if and when such spring is fenced, the Hopi Tribe shall pipe the water therefrom to the edge of the boundary as hereinabove described for the use of residents of the area. The natural stand of fir trees within such 2-mile radius shall be conserved for such religious purposes.

25 USC 640d-20.

SEC. 21. Notwithstanding anything contained in this Act to the contrary, the Secretary shall make reasonable provision for the use of and right of access to identified religious shrines for the members of each tribe on the reservation of the other tribe where such use and access are for religious purposes.

25 USC 640d-21.

SEC. 22. The availability of financial assistance or funds paid pursuant to this Act may not be considered as income or resources or otherwise utilized as the basis (1) for denying a household or member thereof participation in any federally assisted housing program or (2) for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled to under the Social Security Act or any other Federal or federally assisted program. None of the funds provided under this Act shall be subject to Federal or State income taxes.

25 USC 640d-22.

SEC. 23. The Navajo and Hopi Tribes are hereby authorized to exchange lands which are part of their respective reservations.

25 USC 640d-23.

SEC. 24. If any provision of this Act, or the application of any provision to any person, entity or circumstance, is held invalid, the remainder of this Act shall not be affected thereby.

25 USC 640d-24.

SEC. 25. (a) (1) For the purpose of carrying out the provisions of section 15, there is hereby authorized to be appropriated not to exceed \$31,500,000.

(2) For the purpose of carrying out the provisions of subsection (a) of section 19, there is hereby authorized to be appropriated not to exceed \$10,000,000.

(3) For the purpose of carrying out the provisions of subsection (b) of section 19, there is hereby authorized to be appropriated not to exceed \$500,000.

(4) For the purpose of carrying out the provisions of subsection (b) of section 14, there is hereby authorized to be appropriated not to exceed \$5,500,000.

(5) There is hereby authorized to be appropriated annually not to exceed \$500,000 for the expenses of the Commission.

(6) There is hereby authorized to be appropriated not to exceed \$500,000 for the services and expenses of the Mediator and the assistants and consultants retained by him: *Provided*, That, any contrary provision of law notwithstanding, until such time as funds are appropriated and made available pursuant to this authorization, the Director of the Federal Mediation and Conciliation Service is authorized to provide for the services and expenses of the Mediator from any other appropriated funds available to him and to reimburse such appropriations when funds are appropriated pursuant to this authorization, such reimbursement to be credited to appropriations currently available at the time of receipt thereof.

(b) The funds appropriated pursuant to the authorizations provided in this Act shall remain available until expended.

SEC. 26. Section 10 of the Act entitled "An Act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes", approved April 19, 1950 (64 Stat. 47; 25 U.S.C. 640) is repealed effective close of business December 31, 1974.

Repeal.

Effective date.

Approved December 22, 1974.

Public Law 93-532

AN ACT

Relating to former Speakers of the House of Representatives.

December 22, 1974
[H. R. 17026]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the provisions of H. Res. 1238, Ninety-first Congress, as enacted into permanent law by the Supplemental Appropriations Act, 1971 (84 Stat. 1989), are hereby extended to, and made applicable with respect to, each former Speaker of the House of Representatives, as long as he determines there is need therefor, commencing at the expiration of his term of office as Representative in Congress.

Former Speakers
of the House of
Representatives.

(b) Subsection (a) shall not apply with respect to any former Speaker of the House of Representatives for any period during which such former Speaker holds an appointive or elective office or position in or under the Federal Government or the government of the District of Columbia to which is attached a rate of pay other than a nominal rate or to any former Speaker separated from the service by reason of expulsion from the House.

Approved December 22, 1974.

Public Law 93-533

December 22, 1974
[S. 3164]

AN ACT

To further the national housing goal of encouraging homeownership by regulating certain lending practices and closing and settlement procedures in federally related mortgage transactions to the end that unnecessary costs and difficulties of purchasing housing are minimized, and for other purposes.

Real Estate
Settlement Pro-
cedures Act of
1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

12 USC 2601
note.

SECTION 1. This Act may be cited as the "Real Estate Settlement Procedures Act of 1974".

FINDINGS AND PURPOSE

12 USC 2601.

SEC. 2. (a) The Congress finds that significant reforms in the real estate settlement process are needed to insure that consumers throughout the Nation are provided with greater and more timely information on the nature and costs of the settlement process and are protected from unnecessarily high settlement charges caused by certain abusive practices that have developed in some areas of the country. The Congress also finds that it has been over two years since the Secretary of Housing and Urban Development and the Administrator of Veterans' Affairs submitted their joint report to the Congress on "Mortgage Settlement Costs" and that the time has come for the recommendations for Federal legislative action made in that report to be implemented.

(b) It is the purpose of this Act to effect certain changes in the settlement process for residential real estate that will result—

- (1) in more effective advance disclosure to home buyers and sellers of settlement costs;
- (2) in the elimination of kickbacks or referral fees that tend to increase unnecessarily the costs of certain settlement services;
- (3) in a reduction in the amounts home buyers are required to place in escrow accounts established to insure the payment of real estate taxes and insurance; and
- (4) in significant reform and modernization of local record-keeping of land title information.

DEFINITIONS

12 USC 2602.

SEC. 3. For purposes of this Act—

- (1) the term "federally related mortgage loan" includes any loan which—

(A) is secured by residential real property (including individual units of condominiums and cooperatives) designed principally for the occupancy of from one to four families; and

(B) (i) is made in whole or in part by any lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is regulated by any agency of the Federal Government; or

(ii) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary or any other officer or agency of the Federal Government or under or in connection with a housing or urban development

program administered by the Secretary or a housing or related program administered by any other such officer or agency; or

(iii) is eligible for purchase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

(iv) is made in whole or in part by any "creditor", as defined in section 103(f) of the Consumer Credit Protection Act (15 U.S.C. 1602(f)), who makes or invests in residential real estate loans aggregating more than \$1,000,000 per year;

(2) the term "thing of value" includes any payment, advance, funds, loan, service, or other consideration;

(3) the term "settlement services" includes any service provided in connection with a real estate settlement including, but not limited to, the following: title searches, title examinations, the provision of title certificates, title insurance, services rendered by an attorney, the preparation of documents, property surveys, the rendering of credit reports or appraisals, pest and fungus inspections, services rendered by a real estate agent or broker, and the handling of the processing, and closing or settlement;

(4) the term "title company" means any institution which is qualified to issue title insurance, directly or through its agents, and also refers to any duly authorized agent of a title company;

(5) the term "person" includes individuals, corporations, associations, partnerships, and trusts; and

(6) the term "Secretary" means the Secretary of Housing and Urban Development.

UNIFORM SETTLEMENT STATEMENT

SEC. 4. The Secretary, in consultation with the Administrator of Veterans' Affairs, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, shall develop and prescribe a standard form for the statement of settlement costs which shall be used (with such minimum variations as may be necessary to reflect unavoidable differences in legal and administrative requirements or practices in different areas of the country) as the standard real estate settlement form in all transactions in the United States which involve federally related mortgage loans: Such form shall conspicuously and clearly itemize all charges imposed upon the borrower and all charges imposed upon the seller in connection with the settlement and shall indicate whether any title insurance premium included in such charges covers or insures the lender's interest in the property, the borrower's interest, or both. Such form shall include all information and data required to be provided for such transactions under the Truth in Lending Act and the regulations issued thereunder by the Federal Reserve Board, and may be used in satisfaction of the disclosure requirements of that Act, and shall also include provision for execution of the waiver allowed by section 6(c).

12 USC 2603.

15 USC 1601
note.

SPECIAL INFORMATION BOOKLETS

SEC. 5. (a) The Secretary shall prepare and distribute booklets to help persons borrowing money to finance the purchase of residential real estate better to understand the nature and costs of real estate settlement services. The Secretary shall distribute such booklets to all lenders which make federally related mortgage loans.

12 USC 2604.

(b) Each booklet shall be in such form and detail as the Secretary shall prescribe and, in addition to such other information as the Secretary may provide, shall include in clear and concise language—

(1) a description and explanation of the nature and purpose of each cost incident to a real estate settlement;

(2) an explanation and sample of the standard real estate settlement form developed and prescribed under section 4;

(3) a description and explanation of the nature and purpose of escrow accounts when used in connection with loans secured by residential real estate;

(4) an explanation of the choices available to buyers of residential real estate in selecting persons to provide necessary services incident to a real estate settlement; and

(5) an explanation of the unfair practices and unreasonable or unnecessary charges to be avoided by the prospective buyer with respect to a real estate settlement.

Such booklets shall take into consideration differences in real estate settlement procedures which may exist among the several States and territories of the United States and among separate political subdivisions within the same State and territory.

(c) Each lender referred to in subsection (a) shall provide the booklet described in such subsection to each person from whom it receives an application to borrow money to finance the purchase of residential real estate. Such booklet shall be provided at the time of receipt of such application.

(d) Booklets may be printed and distributed by lenders if their form and content are approved by the Secretary as meeting the requirements of subsection (b) of this section.

ADVANCE DISCLOSURE OF SETTLEMENT COSTS

12 USC 2605.

SEC. 6. (a) Any lender agreeing to make a federally related mortgage loan shall provide or cause to be provided to the prospective borrower, to the prospective seller, and to any officer or agency of the Federal Government proposing to insure, guarantee, supplement, or assist such loan, at the time of the loan commitment, but in no case later than twelve calendar days prior to settlement, upon the standard real estate settlement form developed and prescribed under section 4, or upon a form developed and prescribed by the Secretary specifically for the purposes of this section, and in accordance with regulations prescribed by the Secretary, an itemized disclosure in writing of each charge arising in connection with such settlement. For the purposes of complying with this section, it shall be the duty of the lender agreeing to make the loan to obtain or cause to be obtained from persons who provide or will provide services in connection with such settlement the amount of each charge they intend to make. In the event the exact amount of any such charge is not available, a good faith estimate of such charge may be provided.

Liability.

(b) If any lender fails to provide a prospective borrower or seller with the disclosure as required by subsection (a), it shall be liable to such borrower or seller, as the case may be, in an amount equal to—

(1) the actual damages involved or \$500, whichever is greater, and

(2) in the case of any successful action to enforce the foregoing liability, the court costs of the action together with a reasonable attorney's fee as determined by the court;

except that a lender may not be held liable for a violation in any action brought under this subsection if it shows by a preponderance of the evidence that the violation was not intentional and resulted

from a bona fide error notwithstanding the maintenance of procedures adopted to avoid any such error.

(c) The provisions of subsection (a) shall be deemed to be satisfied with respect to a borrower or seller in connection with any settlement involving a federally related mortgage loan if the disclosure required by subsection (a) is provided at any time prior to settlement and the prospective borrower or seller, as the case may be, executes, under terms and conditions prescribed by regulations to be issued by the Secretary after consultation with the appropriate Federal agencies, a waiver of the requirement that the disclosure be provided at least twelve calendar days prior to such settlement. In issuing such regulations, the Secretary shall take into account the need to protect the borrower's and the seller's right to a timely disclosure.

d) With respect to any particular transaction involving a federally related mortgage loan, no borrower shall maintain an action or separate actions against any lender under both the provisions of this section and the provisions of section 130 of the Consumer Credit Protection Act (15 U.S.C. 1640).

(e) The provisions of this Act shall supersede the provisions of section 121(c) of the Consumer Credit Protection Act insofar as the latter applies to federally related mortgage loans as defined in this Act.

15 USC 1631.

DISCLOSURE OF PREVIOUS SELLING PRICE OF EXISTING REAL PROPERTY

SEC. 7. (a) No lender shall make any commitment for a federally related mortgage loan on a residence on which construction has been completed more than twelve months prior to the date of such commitment unless it has confirmed that the following information has been disclosed in writing by the seller or his agent to the buyer—

12 USC 2606.

(1) the name and address of the present owner of the property being sold;

(2) the date the property was acquired by the present owner (the year only if the property was acquired more than two years previously); and

(3) if the seller has not owned the property for at least two years prior to the date of the loan application and has not used the property as a place of residence, the date and purchase price of the last arm's length transfer of the property, a list of any subsequent improvements made to the property (excluding maintenance repairs) and the cost of such improvements.

(b) the obligations imposed upon a lender by this section shall be deemed satisfied and a commitment for a federally related mortgage loan may thereafter be made if the lender receives a copy of the written statement provided by the seller to the buyer supplying the information required by subsection (a).

(c) Whoever knowingly and willfully provides false information under this section or otherwise willfully fails to comply with its requirements shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

Noncompliance,
penalty.

PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES

SEC. 8. (a) No person shall give and no person shall accept any fee, kickback, or thing of value pursuant to any agreement or understanding, oral or otherwise, that business incident to or a part of a real estate settlement service involving a federally related mortgage loan shall be referred to any person.

12 USC 2607.

(b) No person shall give and no person shall accept any portion, split, or percentage of any charge made or received for the rendering

of a real estate settlement service in connection with a transaction involving a federally related mortgage loan other than for services actually performed.

(c) Nothing in this section shall be construed as prohibiting (1) the payment of a fee (A) to attorneys at law for services actually rendered or (B) by a title company to its duly appointed agent for services actually performed in the issuance of a policy of title insurance or (C) by a lender to its duly appointed agent for services actually performed in the making of a loan, or (2) the payment to any person of a bona fide salary or compensation or other payment for goods or facilities actually furnished or for services actually performed.

Penalties.

(d) (1) Any person or persons who violate the provisions of this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

(2) In addition to the penalties provided by paragraph (1) of this subsection, any person or persons who violate the provisions of subsection (a) shall be jointly and severally liable to the person or persons whose business has been referred in an amount equal to three times the value or amount of the fee or thing of value, and any person or persons who violate the provisions of subsection (b) shall be jointly and severally liable to the person or persons charged for the settlement services involved in an amount equal to three times the amount of the portion, split, or percentage. In any successful action to enforce the liability under this paragraph, the court may award the court costs of the action together with a reasonable attorney's fee as determined by the court.

TITLE COMPANIES

12 USC 2608.

SEC. 9. (a) No seller of property that will be purchased with the assistance of a federally related mortgage loan shall require directly or indirectly, as a condition to selling the property, that title insurance covering the property be purchased by the buyer from any particular title company.

Liability.

(b) Any seller who violates the provisions of subsection (a) shall be liable to the buyer in an amount equal to three times all charges made for such title insurance.

LIMITATION ON REQUIREMENT OF ADVANCE DEPOSITS IN ESCROW ACCOUNTS

12 USC 2609.

SEC. 10. No lender, in connection with a federally related mortgage loan, shall require the borrower or prospective borrower—

(1) to deposit in any escrow account which may be established in connection with such loan for the purpose of assuring payment of taxes and insurance premiums with respect to the property, prior to or upon the date of settlement, an aggregate sum (for such purpose) in excess of—

(A) in any jurisdiction where such taxes and insurance premiums are postpaid, the total amount of such taxes and insurance premiums which will actually be due and payable on the date of settlement and the pro rata portion thereof which has accrued, or

(B) in any jurisdiction where such taxes and insurance premiums are prepaid, a pro rata portion of the estimated taxes and insurance premiums corresponding to the number of months from the last date of payment to the date of settlement,

plus one-twelfth of the estimated total amount of such taxes and insurance premiums which will become due and payable during the twelve-month period beginning on the date of settlement; or

(2) to deposit in any such escrow account in any month beginning after the date of settlement a sum (for the purpose of assuring payment of taxes and insurance premiums with respect to the property) in excess of one-twelfth of the total amount of the estimated taxes and insurance premiums which will become due and payable during the twelve-month period beginning on the first day of such month, except that in the event the lender determines there will be a deficiency on the due date he shall not be prohibited from requiring additional monthly deposits in such escrow account of pro rata portions of the deficiency corresponding to the number of months from the date of the lender's determination of such deficiency to the date upon which such taxes and insurance premiums become due and payable.

LIMITATIONS AND DISCLOSURES WITH RESPECT TO CERTAIN FEDERALLY RELATED MORTGAGE LOANS

SEC. 11. (a) The Federal Deposit Insurance Act is amended by adding at the end thereof the following new section:

"SEC. 25. (a) No insured bank, or mutual savings or cooperative bank which is not an insured bank, shall make any federally related mortgage loan to any agent, trustee, nominee, or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan shall at all times be revealed to the bank. At the request of the Corporation, the bank shall report to the Corporation on the identity of such person and the nature and amount of the loan, discount, or other extension of credit.

12 USC 1831b.

Report.

"(b) In addition to other available remedies, this section may be enforced with respect to mutual savings and cooperative banks which are not insured banks in accordance with section 8 of this Act, and for such purpose such mutual savings and cooperative banks shall be held and considered to be State nonmember insured banks and the appropriate Federal agency with respect to such mutual savings and cooperative banks shall be the Federal Deposit Insurance Corporation."

(b) Title IV of the National Housing Act is amended by adding at the end thereof the following new section:

"SEC. 413. No insured institution shall make any federally related mortgage loan to any agent, trustee, nominee, or other person acting in a fiduciary capacity without the prior condition that the identity of the person receiving the beneficial interest of such loan shall at all times be revealed to the institution. At the request of the Federal Home Loan Bank Board, the insured institution shall report to the Board on the identity of such person and the nature and amount of the loan."

12 USC 1730f.

(c) The Federal Deposit Insurance Corporation or the Federal Home Loan Bank Board as appropriate may by regulation exempt classes or types of transactions from the provisions added by this section if the Corporation or the Board determines that the purposes of such provisions would not be advanced materially by their application to such transactions.

12 USC 1730f note.

FEE FOR PREPARATION OF TRUTH-IN-LENDING AND UNIFORM SETTLEMENT STATEMENTS

SEC. 12. No fee shall be imposed or charge made upon any other person (as a part of settlement costs or otherwise) by a lender in connection with a federally related mortgage loan made by it (or a loan for the purchase of a mobile home), for or on account of the preparation and submission by such lender of the statement or statements required (in connection with such loan) by sections 4 and 6 of this Act or by the Truth in Lending Act.

12 USC 2610.

16 USC 1601 note.

ESTABLISHMENT ON DEMONSTRATION BASIS OF LAND PARCEL
RECORDATION SYSTEM

12 USC 2611.

SEC. 13. The Secretary shall establish and place in operation on a demonstration basis, in representative political subdivisions (selected by him) in various areas of the United States, a model system or systems for the recordation of land title information in a manner and form calculated to facilitate and simplify land transfers and mortgage transactions and reduce the cost thereof, with a view to the possible development (utilizing the information and experience gained under this section) of a nationally uniform system of land parcel recordation.

REPORT OF THE SECRETARY ON NECESSITY FOR FURTHER
CONGRESSIONAL ACTION

Report to
Congress.
12 USC 2612.

SEC. 14. (a) The Secretary, after consultation with the Administrator of Veterans' Affairs, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board, and after such study, investigation, and hearings (at which representatives of consumers groups shall be allowed to testify) as he deems appropriate, shall, not less than three years nor more than five years from the effective date of this Act, report to the Congress on whether, in view of the implementation of the provisions of this Act imposing certain requirements and prohibiting certain practices in connection with real estate settlements, there is any necessity for further legislation in this area.

Report to
Congress.

(b) If the Secretary concludes that there is necessity for further legislation, he shall report to the Congress on the specific practices or problems that should be the subject of such legislation and the corrective measures that need to be taken. In addition, the Secretary shall include in his report—

(1) recommendations on the desirability of requiring lenders of federally related mortgage loans to bear the costs of particular real estate settlement services that would otherwise be paid for by borrowers;

(2) recommendations on whether Federal regulation of the charges for real estate settlement services in federally related mortgage transactions is necessary and desirable, and, if he concludes that such regulation is necessary and desirable, a description and analysis of the regulatory scheme he believes Congress should adopt; and

(3) recommendations on the ways in which the Federal Government can assist and encourage local governments to modernize their methods for the recordation of land title information, including the feasibility of providing financial assistance or incentives to local governments that seek to adopt one of the model systems developed by the Secretary in accordance with the provisions of section 13 of this Act.

DEMONSTRATION TO DETERMINE FEASIBILITY OF INCLUDING STATEMENTS
OF SETTLEMENT COSTS IN SPECIAL INFORMATION BOOKLETS

12 USC 2613.

SEC. 15. The Secretary shall, on a demonstration basis in selected housing market areas, have prepared and included in the special information booklets required to be furnished under section 5 of this Act, statements of the range of costs for specific settlement services in such areas. Not later than June 30, 1976, the Secretary shall transmit to the Congress a full report on the demonstration conducted under this section. Such report shall contain the Secretary's assessment of the

Report to
Congress.

feasibility of preparing and including settlement cost range statements for all housing market areas in the special information booklets for such areas.

JURISDICTION OF COURTS

SEC. 16. Any action to recover damages pursuant to the provisions of section 6, 8, or 9 may be brought in the United States district court for the district in which the property involved is located, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation.

12 USC 2614.

VALIDITY OF CONTRACTS AND LIENS

SEC. 17. Nothing in this Act shall affect the validity or enforceability of any sale or contract for the sale of real property or any loan, loan agreement, mortgage, or lien made or arising in connection with a federally related mortgage loan.

12 USC 2615.

RELATION TO STATE LAWS

SEC. 18. (a) This Act does not annul, alter, or affect, or exempt any person subject to the provisions of this Act from complying with, the laws of any State with respect to settlement practices, except to the extent that those laws are inconsistent with any provision of this Act, and then only to the extent of the inconsistency. The Secretary is authorized to determine whether such inconsistencies exist. The Secretary may not determine that any State law is inconsistent with any provision of this Act if the Secretary determines that such law gives greater protection to the consumer. In making these determinations the Secretary shall consult with the appropriate Federal agencies.

(b) No provision of this Act or of the laws of any State imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Secretary, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

12 USC 2616.

EFFECTIVE DATE

SEC. 19. The provisions of this Act, and the amendments made thereby, shall become effective one hundred and eighty days after the date of the enactment of this Act.

12 USC 2601 note.

Approved December 22, 1974.

Public Law 93-534

AN ACT

To allow advance payment of subscription charges for publication for official use prepared for auditory as well as visual usage.

December 22, 1974
[H. R. 7072]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 12, 1930 (46 Stat. 580, 31 U.S.C. 530a), as amended, is hereby amended by adding at the end thereof the following new section:

Publications for official use. Advance payment.
31 USC 530b.

“SEC. 2. For the purposes of this Act, the term ‘other publications’ shall include any publication printed, microfilmed, photocopied, or magnetically or otherwise recorded for auditory or visual usage.”

Approved December 22, 1974.

Public Law 93-535

December 22, 1974
[H. R. 8352]

AN ACT

To establish the Cascade Head Scenic-Research Area in the State of Oregon, and for other purposes.

Cascade Head
Scenic-Research
Area, Oreg.
Establishment.
16 USC 541.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to provide present and future generations with the use and enjoyment of certain ocean headlands, rivers, streams, estuaries, and forested areas, to insure the protection and encourage the study of significant areas for research and scientific purposes, and to promote a more sensitive relationship between man and his adjacent environment, there is hereby established, subject to valid existing rights, the Cascade Head Scenic-Research Area (hereinafter referred to as "the Area") in the Siuslaw National Forest in the State of Oregon.

Administration.
16 USC 541a.

SEC. 2. The administration, protection, development, and regulation of use of the Area shall be by the Secretary of Agriculture (hereinafter referred to as the "Secretary") in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best contribute to attainment of the purposes of this Act.

Boundaries.
16 USC 541b.

SEC. 3. (a) The boundaries of the Area, and the boundaries of the subareas included therein, shall be those shown on the map entitled "Proposed Cascade Head Scenic-Research Area", dated June 1974, which is on file and available for public inspection in the office of the Chief, Forest Service, United States Department of Agriculture: *Provided*, That, from time to time, the Secretary may, after public hearing or other appropriate means for public participation, make adjustments in the boundaries of subareas to reflect changing natural conditions or to provide for more effective management of the Area and each of the subareas in accordance with the purposes and provisions of this Act.

Comprehensive
management plan.

(b) As soon as practicable after the enactment of this Act, the Secretary shall, with provisions for appropriate public participation in the planning process, develop a comprehensive management plan for the Area. Said plan shall prescribe specific management objectives and management controls necessary for the protection, management, and development of the Area and each of the subareas established pursuant to subsection (c) hereof.

Subareas, es-
tablishment.

(c) Within the Area, the following subareas shall be established and shall be managed in accord with the following primary management objectives which shall be supplemental to the general management objectives applicable to the entire Area:

(1) Estuary and Associated Wetlands Subarea: An area managed to protect and perpetuate the fish and wildlife, scenic, and research-education values, while allowing dispersed recreation use, such as sport fishing, nonmotorized pleasure boating, waterfowl hunting, and other uses which the Secretary determines are compatible with the protection and perpetuation of the unique natural values of the subarea. After appropriate study, breaching of existing dikes may be permitted within the subarea.

(2) Lower Slope-Dispersed Residential Subarea: An area managed to maintain the scenic, soil and watershed, and fish and wildlife values, while allowing dispersed residential occupancy, selective recreation use, and agricultural use.

(3) Upper Timbered Slope and Headlands Subareas: Areas managed to protect the scenic, soil and watershed, and fish and wildlife values while allowing selective recreation and extensive

research-educational activities. Timber harvesting activity may occur in these subareas only when the Secretary determines that such harvesting is to be conducted in connection with research activities or that the preservation of the timber resource is imminently threatened by fire, old age, infestation, or similar natural occurrences.

(4) Coastline and Sand Dune-Spit Subareas: Areas managed to protect and maintain the scenic and wildlife values while allowing selective recreation and extensive research-educational activities.

SEC. 4. (a) The boundaries of the Siuslaw National Forest are hereby extended to include all of the lands lying within the Area as described in accordance with section 3 of this Act which are not within the national forest boundaries on the date of enactment of this Act.

Siuslaw National Forest, boundary extension.
16 USC 541c.

(b) Notwithstanding any other provision of law, any Federal property located on the lands added to the Siuslaw National Forest by this section may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary. Any lands so transferred shall become part of the Siuslaw National Forest.

SEC. 5. (a) Subject to the provisions of subsection (b) of this subsection, the Secretary is authorized to acquire lands, waters, or interests therein within the Area by donation, purchase, exchange, or otherwise.

Lands and waters, acquisition.
16 USC 541d.

(b) Within all subareas of the Area except the estuary and associated wetlands subarea, the Secretary may not acquire any land or interest in land without the consent of the owner or owners so long as the owner or owners use such land for substantially the same purposes and in the same manner as it was used and maintained on June 1, 1974: *Provided, however,* That the Secretary may acquire any land or interest in land without the consent of the owner or owners when such land is in imminent danger of being used for different purposes or in a different manner from the use or uses existing on June 1, 1974. The Secretary shall publish, within one hundred and eighty days of the enactment of this Act, guidelines which shall be used by him to determine what constitutes a substantial change in land use or maintenance for the non-federally-owned lands within the Area. Within the estuary and associated wetlands subarea the Secretary may acquire any land or interest in land without the consent of the owner or owners at any time, after public hearing.

Guidelines, publication.

Hearing.

(c) At least thirty days prior to any substantial change in the use or maintenance of any non-federally-owned land within the Area, the owner or owners of such land shall provide notice of such proposed change to the Secretary or his designee, in accordance with such guidelines as the Secretary may establish.

Notice of proposed change.

SEC. 6. Notwithstanding the provisions of clause 7(a)(1) of the Act of September 3, 1964 (78 Stat. 903), as amended, moneys appropriated from the Land and Water Conservation Fund shall be available for the acquisition of any lands, waters, or interests therein within the area added to the Siuslaw National Forest by this Act.

Availability of funds.
16 USC 541e.
16 USC 460l-9.

SEC. 7. The lands within the Area, subject to valid existing rights, are hereby withdrawn from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

16 USC 541f.

SEC. 8. (a) The Secretary, pursuant to the Federal Advisory Committee Act (86 Stat. 770), shall establish an advisory council for the Area, and shall consult on a periodic and regular basis with such coun-

Advisory council.
16 USC 541g.
5 USC app. I.

Membership.

cil with respect to matters relating to management of the Area. The members of the advisory council, who shall not exceed eleven in number, shall serve for the individual staggered terms of three years each and shall be appointed by the Secretary as follows—

(1) a member to represent each county in which a portion of the Area is located, each such appointee to be designated by the respective governing body of the county involved;

(2) a member appointed to represent the State of Oregon, who shall be designated by the Governor of Oregon; and

(3) not to exceed eight members appointed by the Secretary from among persons who, individually or through association with national or local organizations, have an interest in the administration of the Area.

(b) The Secretary shall designate one member to be chairman and shall fill vacancies in the same manner as the original appointment.

Compensation.

(c) The members shall not receive any compensation for their services as members of the advisory council, but they shall be reimbursed for travel expenses and shall be allowed, as appropriate, per diem or actual subsistence expenses.

(d) In addition to his consultation with the advisory council, the Secretary shall seek the views of other private groups, individuals, and the public, and shall seek the views and assistance of, and cooperate with, all other Federal, State, and local agencies with responsibilities for zoning, planning, migratory fish, waterfowl, and marine animals, water, and natural resources, and all nonprofit agencies and organizations which may contribute information or expertise about the resources, and the management, of the Area, in order that the knowledge, expertise and views of all agencies and groups may contribute affirmatively to the most sensitive present and future use of the Area and its various subareas for the benefit of the public.

State jurisdiction,
16 USC 541h.

SEC. 9. The Secretary shall cooperate with the State of Oregon and political subdivisions thereof in the administration of the Area and in the administration and protection of lands within and adjacent to the Area owned or controlled by the State or political subdivisions thereof. Nothing in this Act shall deprive the State of Oregon or any political subdivision thereof of its right to exercise civil and criminal jurisdiction within the Area consistent with the provisions of this Act, or of its right to tax persons, corporations, franchises or other non-Federal property, in or on the lands or waters within the Area.

Approved December 22, 1974.

Public Law 93-536

AN ACT

December 22, 1974
[H. R. 15818]

To amend title 44, United States Code, to redesignate the National Historical Publications Commission as the National Historical Publications and Records Commission, to increase the membership of such Commission, and to increase the authorization of appropriations for such Commission.

National Historical Publications Commission.
Name change.
44 USC 2501.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 25 of title 44, United States Code, is amended by inserting “**AND RECORDS**” immediately after “**PUBLICATIONS**” in the chapter heading.

(b) Section 2501 of such title is amended by inserting "two members of the Society of American Archivists to be appointed, for terms of four years, by the Society of American Archivists; two members of the American Association for State and Local History to be appointed, for terms of four years, by the American Association for State and Local History;" immediately after the last semicolon in such section.

Membership increase.

(c) Section 2504(b) of such title is amended by—

Appropriation.

(1) striking out "1973" and inserting in lieu thereof "1975"; and

(2) striking out "\$2,000,000" and inserting in lieu thereof "\$4,000,000".

SEC. 2. The chapter analysis at the beginning of title 44, United States Code, is amended by striking out

"25. National Historical Publications Commission"

and inserting in lieu thereof

"25. National Historical Publications and Records Commission".

Approved December 22, 1974.

Public Law 93-537

AN ACT

To provide for increased participation by the United States in the Asian Development Bank.

December 22, 1974
[S. 2193]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Asian Development Bank Act, as amended (22 U.S.C. 285-285p), is further amended by adding at the end thereof the following new sections:

Asian Development Bank.
U.S. participation, increase.
22 USC 285q.

"Sec. 20. (a) The United States Governor of the Bank is authorized to subscribe on behalf of the United States to thirty thousand additional shares of the capital stock of the Bank in accordance with and subject to the terms and conditions of Resolution Numbered 46 adopted by the Bank's Board of Governors on November 30, 1971.

"(b) In order to pay for the increase in the United States subscription to the Bank provided for in this section, there is hereby authorized to be appropriated without fiscal year limitation \$361,904,726 for payment by the Secretary of the Treasury.

Appropriation.

"Sec. 21. (a) The United States Governor of the Bank is hereby authorized to agree to contribute on behalf of the United States \$50,000,000 to the special funds of the Bank. This contribution shall be made available to the Bank pursuant to the provisions of article 19 of the articles of agreement of the Bank.

22 USC 285r.

"(b) In order to pay for the United States contribution to the special funds, there is hereby authorized to be appropriated without fiscal year limitation \$50,000,000 for payment by the Secretary of the Treasury."

Appropriation.

Approved December 22, 1974.

Public Law 93-538

AN ACT

December 22, 1974
[S. 2363]

To amend chapter 39 of title 38, United States Code, relating to automobiles and adaptive equipment for certain disabled veterans and members of the Armed Forces.

Disabled Veterans' and Servicemen's Automobile and Adaptive Equipment Amendments of 1974.

38 USC 1901 note.

"Adaptive equipment."

38 USC 1902.

38 USC 1903.

Special driver training courses.

38 USC 601.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Disabled Veterans' and Servicemen's Automobile and Adaptive Equipment Amendments of 1974".

SEC. 2. Section 1901 of title 38, United States Code, is amended as follows:

(1) by striking out in paragraph (1) all of that part of clause (A) beginning with "World War II," down through the end of such clause, and inserting in lieu thereof "World War II or thereafter:";

(2) by striking out in paragraph (1) all of that part of clause (B) beginning with "World War II," down through the end of such clause, and inserting in lieu thereof "World War II or thereafter.;" and

(3) by amending paragraph (2) to read as follows:

"(2) The term 'adaptive equipment' includes, but is not limited to, power steering, power brakes, power window lifts, power seats, and special equipment necessary to assist the eligible person into and out of the automobile or other conveyance. Such term also includes (A) air-conditioning equipment when such equipment is necessary to the health and safety of the veteran and to the safety of others, regardless of whether the automobile or other conveyance is to be operated by the eligible person or is to be operated for such person by another person; and (B) any modification of the size of the interior space of the automobile or other conveyance if needed because of the physical condition of such person in order for such person to enter or operate the vehicle."

SEC. 3. Section 1902 of such title is amended as follows:

(1) by inserting in subsection (a) "(including all State, local, and other taxes)" after "conveyance" the second time it appears;

(2) by striking out in subsection (a) "\$2,800," and inserting in lieu thereof "\$3,300,;" and

(3) by inserting in subsection (c) (2) "previously or" after "may".

SEC. 4. (a) Section 1903 of such title is amended by adding at the end thereof the following new subsection:

"(e) (1) The Administrator shall provide, directly or by contract, for the conduct of special driver training courses at every hospital and, where appropriate, at regional offices and other medical facilities, of the Veterans' Administration to instruct such eligible person to operate the type of automobile or other conveyance such person wishes to obtain with assistance under this chapter, and may make such courses available to any veteran or member of the Armed Forces, eligible for care under chapter 17 of this title, who is determined by the Administrator to need the special training provided in such courses even though such veteran or member is not eligible for the assistance provided under this chapter.

“(2) The Administrator is authorized to obtain insurance on automobiles and other conveyances (not owned by the Government) used in conducting the special driver training courses provided under this subsection and to obtain, at Government expense, personal liability and property damage insurance for all persons taking such courses without regard to whether such persons are taking the course on an in-patient or out-patient basis.”.

Insurance.

(b) The catchline of such section is amended by adding at the end thereof a semicolon and “**special training courses**”.

(c) The table of sections at the beginning of chapter 39 of such title is amended by striking out

“1903. Limitations on assistance.”

and inserting in lieu thereof

“1903. Limitations on assistance ; special training courses.”.

SEC. 5. (a) Chapter 39 of such title is further amended by adding at the end thereof the following new section :

“§ 1904. Research and development ; coordination with other Federal programs

38 USC 1904.

“(a) In carrying out prosthetic and orthopedic appliance research under section 216 and medical research under section 4101 of this title, the Administrator, through the Chief Medical Director, shall provide for special emphasis on the research and development of adaptive equipment and adapted conveyances (including vans) meeting standards of safety and quality prescribed under subsection (d) of section 1903, including support for the production and distribution of devices and conveyances so developed.

“(b) In carrying out subsection (a) of this section, the Administrator, through the Chief Medical Director, shall consult and cooperate with the Secretary of Health, Education, and Welfare and the Commissioner of the Rehabilitation Services Administration, Department of Health, Education, and Welfare, in connection with programs carried out under section 3(b) of the Rehabilitation Act of 1973 (Public Law 93-112; 87 Stat. 357) (relating to the development and support, and the stimulation of the development and utilization, including production and distribution of new and existing devices, of innovative methods of applying advanced medical technology, scientific achievement, and psychological and social knowledge to solve rehabilitation problems), section 202(b) (2) of such Act (relating to the establishment and support of Rehabilitation Engineering Research Centers), and section 405 of such Act (relating to the Secretarial responsibilities for planning, analysis, promoting utilization of scientific advances, and information clearinghouse activities).”.

29 USC 702.

29 USC 762.

29 USC 785.

(b) The table of sections at the beginning of such chapter 39 is amended by inserting at the end thereof :

“1904. Research and development ; coordination with other Federal programs.”.

SEC. 6. The provisions of this Act shall become effective on the first day of the second calendar month following the date of enactment, except that clause (3) of section 3 shall take effect on January 11, 1971.

Effective date.
38 USC 1901
note.

Approved December 22, 1974.

Public Law 93-539

AN ACT

December 22, 1974
[H. R. 6274]

To grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositories of the United States by extending the availability of the check forgery insurance fund, and for other purposes.

Check forgery
insurance fund.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of November 21, 1941 (55 Stat. 777; 31 U.S.C. 561-564), is amended as follows:

31 USC 561
note, 564.

(a) Sections 4 and 5 are redesignated as sections 5 and 6.

31 USC 563a.

(b) A new section 4 is added to read as follows:

Supra.

31 USC 562.

"SEC. 4. The Secretary of the Treasury is authorized to make available to accountable officers of the United States sums in the fund to pay to a payee or special indorsee of a check drawn on and paid by a designated depository of the United States the amount of the check, without interest, where it is established, in accordance with regulations promulgated under section 5, that the conditions specified in section 2 of this Act, except as they pertain to the Treasurer of the United States, have been fulfilled. Notwithstanding the provisions of section 1415 of the Supplemental Appropriation Act, 1953 (66 Stat. 662; 31 U.S.C. 724), where such check was payable in a foreign currency the accountable officer may be authorized to make payment in that foreign currency. The liability and restoration provisions of section 3 of this Act shall apply with respect to checks drawn on designated depositories, except that recoveries of foreign currency shall be used, as required, to reimburse either the foreign currency fund or account or the check forgery insurance fund, whichever account or fund is charged when settlement is made with the payee or indorsee."

31 USC 563.

Approved December 22, 1974.

Public Law 93-540

AN ACT

December 22, 1974
[H. R. 6925]

To authorize the exchange of certain lands between the Pueblo of Acoma and the Forest Service.

Indians.
Pueblo of
Acoma Tribe,
N. Mex.
Land exchange
with Forest Serv-
ice.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior shall transfer lands and minerals therein, within section 17, township 11 north, range 8 west, and section 13, township 11 north, range 9 west, New Mexico Principal Meridian, now held in trust for the Pueblo of Acoma Tribe, to the Secretary of Agriculture for administration as a part of the Mount Taylor Division, Cibola National Forest, and subject to the laws, rules, and regulations applicable to the National Forest System.

SEC. 2. The lands and minerals therein, within section 20, township 11 north, range 8 west, and section 24, township 11 north, range 9 west, New Mexico Principal Meridian, now a part of the Cibola National Forest, are hereby declared to be held in trust by the Secretary of the Interior for the Pueblo of Acoma Tribe: *Provided*, That rights-of-way sixty-six feet in width, being thirty-three feet on either side of the centerline, for Forest Service Development System roads now in place across said lands, shall be retained by the Secretary of Agriculture.

SEC. 3. Any transfer effected by this Act shall be subject to valid claims as long as they are maintained.

Approved December 22, 1974.

Public Law 93-541

JOINT RESOLUTION

December 26, 1974
[S. J. Res. 263]

Amending the National Housing Act to clarify the authority of the Federal Savings and Loan Insurance Corporation with respect to the insurance of public deposits, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 405 of the National Housing Act (12 U.S.C. 1728) is amended—

Insurance of
public deposits.

(1) by inserting after “this subsection” in the second sentence of subsection (a) thereof a comma and the following: “subsection (d) of this section.”;

(2) by striking out “this subchapter” in subsection (d) and inserting in lieu thereof “this title”;

(3) by inserting immediately after “or of the Virgin Islands” in subsection (d) (1) (iv) a comma and the following: “or of any territory or possession of the United States”; and

(4) by striking out “or the Virgin Islands” in subsection (d) (1) (iv) and inserting in lieu thereof a comma and the following: “the Virgin Islands, or any such territory or possession”.

SEC. 2. The first sentence of section 302(b) (1) of the National Housing Act (12 U.S.C. 1717(b) (1)) is amended by striking out “to a public agency” and inserting in lieu thereof “or guaranteed”.

SEC. 3. The first sentence of section 7(a) of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended by striking “twelve”, “four”, and “one-half” and inserting in lieu thereof “fourteen”, “six”, and “three-fourths”, respectively.

SEC. 4. Public Law 93-127 is amended by adding at the end thereof the following new section:

Coinage, con-
tinuation of mint-
ing authority.
31 USC 324i.

“SEC. 6. Nothing in this Act prohibits the Secretary of the Treasury, when he deems it necessary to assure an adequate supply of coins to meet the national needs, from continuing the minting for issuance during the calendar year 1975 of dollar, half-dollar, and quarter-dollar coins bearing the design and coinage date provided for in section 3517 of the Revised Statutes, as amended (31 U.S.C. 324).”.

SEC. 5. The first sentence of section 4 of Public Law 93-127 is amended by striking out “July 4, 1975, for issuance on and after such date” and inserting in lieu thereof “July 4, 1976, for issuance on and after July 4, 1975”.

31 USC 324g.

SEC. 6. Section 8a of the Federal Home Loan Bank Act (12 U.S.C. 1428a) is hereby amended by striking the first sentence thereof and inserting in lieu thereof the following: “There is hereby created a Federal Savings and Loan Advisory Council, which shall continue to exist as long as the Board biannually determines, as a matter of formal record, after consultation with the Director of the Office of Management and Budget, with timely notice in the Federal Register, to be in the public interest in connection with the performance of duties imposed on the Council by law. The Council shall, in all other respects, be subject to the provisions of the Federal Advisory Committee Act. The Council shall consist of one member for each Federal Home Loan Bank district to be elected annually by the board of directors of the Federal Home Loan Bank in such district and twelve members to be appointed annually by the Board to represent the public interest.”.

Publication in
Federal Register.

5 USC app. I.

Approved December 26, 1974.

Public Law 93-542

December 26, 1974

[S. J. Res. 234]

JOINT RESOLUTION

Transferring to the State of Alaska certain archives and records in the custody of the National Archives of the United States.

Whereas the archives and records of the Office of the Territorial Governors of Alaska, 1884–1958, were transferred to the Federal Archives and Records Center, Seattle, Washington, in 1958 as part of a records management improvement program and because of a lack of proper archival facilities in Alaska; and

Whereas it was agreed by officials of the General Services Administration and the State of Alaska at that time that legislation would be requested to return these archives and records to the custody of the State of Alaska at such time as a State archival agency should be prepared to receive them; and

Whereas the State of Alaska will complete construction of a State archival facility in the near future; and

Whereas Federal records created by territorial governments pertaining to territorial activities have traditionally been transferred to the successor State government when a State enters the Union: Now, therefore, be it

State of Alaska.
Archives and
records, transfer.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the official archives and records of the Territorial Governors of Alaska, 1884–1958, now deposited with the National Archives of the United States at the Federal Archives and Records Center, Seattle, Washington, shall be transferred to the State of Alaska at the expense of the United States: *Provided*, That the State of Alaska makes provisions for the safekeeping, repair, and preservation of such archives and records in fireproof, air-conditioned storage space under professional archival direction: *Provided further*, That the Administrator of General Services shall determine that the condition imposed above has been met prior to his release of such archives and records for transfer to the State of Alaska.

Approved December 26, 1974.

Public Law 93-543

December 26, 1974

[S. 2343]

AN ACT

To authorize the Secretary of the Interior to convey, by quitclaim deed, all right, title, and interest of the United States in and to certain lands in Coeur d'Alene, Idaho, in order to eliminate a cloud on the title to such lands.

Coeur d'Alene,
Idaho.
Land convey-
ance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the Act of April 28, 1904 (33 Stat. 485), the Secretary of the Interior is authorized and directed to convey, by quitclaim deed and without consideration, to the city of Coeur d'Alene, Idaho, all right, title, and interest of the United States in and to the following tract of land: A triangular shaped tract of land lying in the northeast corner of Government lot 48, section 14, township 50 north, range 4 W.B.M., Kootenai County, State of Idaho, bounded on the west by the Northwest Boulevard, and on the north by Garden Avenue.

Approved December 26, 1974.

Public Law 93-544

AN ACT

December 26, 1974
[H. R. 10834]

To amend the Act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, California, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(a) of the Act of October 27, 1972 (86 Stat. 1299), is hereby amended by deleting "Boundary Map, Golden Gate National Recreation Area, numbered NRA-GG-80,003, sheets 1 through 3, and dated July, 1972." and inserting in lieu thereof "Revised Boundary Map, Golden Gate National Recreation Area, numbered NRA-GG-80,003-G, and dated September 1974", which shall include, in addition to the existing properties within the Golden Gate National Recreation Area, the following:

Golden Gate
National Recrea-
tion Area, Calif.
Additional land.
16 USC 460bb-1.

"Marin County:

- "(1) Allan Associates, Incorporated property, 38.89 acres,
- "(2) County of Marin and Tamalpais Community Services District lands, 22.94 acres,
- "(3) Ghilotti Brothers property, 10.40 acres,
- "(4) Oakwood Valley area, various properties, 208.89 acres,
- "(5) Olds property, 207.56 acres,
- "(6) Wolfback Ridge area, various properties, approximately 265 acres, including approximately 30 acres known as South Ridge Lands: *Provided*, That the Secretary is authorized to acquire such interest as he deems reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection,

"(7) Keller property, Stinson Beach, 10.59 acres,

"(8) Leonard property, Stinson Beach, 8.25 acres,

"(9) Muir Beach properties, 3.94 acres.

"San Francisco County:

"Haslett Warehouse; and shall exclude the following:

"(1) Leonard (homesite), 10.03 acres,

"(2) Panoramic Highway area, Stinson Beach, 40.65 acres."

Approved December 26, 1974.

Public Law 93-545

AN ACT

December 26, 1974
[H. R. 5056]

To provide for crediting service as an aviation midshipman for purposes of retirement for nonregular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1332 (b) (7) of title 10, United States Code, is amended by inserting "aviation midshipman," immediately after "flight officer,".

Armed Forces.
Aviation mid-
shipman, service
credit.

SEC. 2. Section 205(a) (1) of title 37, United States Code, is amended by inserting "aviation midshipman," immediately after "flight officer,".

Approved December 26, 1974.

Public Law 93-546

December 26, 1974
[H. R. 1355]

AN ACT

To donate certain surplus railway equipment to the Hawaii Chapter of the National Railway Historical Society, Incorporated.

National Rail-
way Historical So-
ciety, Inc., Hawaii
Chapter.
Surplus property
donations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Administrator of General Services shall donate to the Hawaii Chapter of the National Railway Historical Society, Incorporated, a Hawaii corporation, within thirty days after the date of enactment of this Act without monetary consideration, all right, title, and interest of the United States in and to surplus railway property consisting of one locomotive and twelve flatcars more particularly described in section 5 of this Act.

Conditions.

SEC. 2. The donation of the surplus property described in section 1 is subject to the following conditions:

(a) A railroad park and museum will be built in the State of Hawaii and open to the public within three years after the date of the enactment of this Act.

(b) After the park and museum mentioned in subsection (a) becomes open to the public, all property donated pursuant to this Act will be used for park or museum purposes in or in conjunction with such park and museum.

(c) All property donated pursuant to this Act shall be maintained in a reasonable state of repair, and (after the opening of the park and museum mentioned in subsection (a)) shall be available for public access without charge or with minimal charge.

(d) The Hawaii Chapter, as such, of the National Railway Historical Society, Incorporated, is of legal capacity, according to the law of the appropriate jurisdiction, to receive and hold title to the property donated pursuant to this Act.

SEC. 3. Upon failure of any condition in section 2 of this Act, except the condition in section 2(a), the Administrator of General Services, or his authorized delegate, may retake title and possession of any and all such donated property. In the event the condition in section 2(a) fails, the Administrator, or his authorized delegate, may retake title or possession unless the property conveyed is being used for other similar public purposes.

SEC. 4. Donation of property pursuant to this Act shall be on an "as is" and "where is" basis, and without warranty of any kind.

Description.

SEC. 5. The surplus property donated pursuant to this Act comprises one 25-ton Cummins, 6 cylinder diesel engine locomotive, USA numbered 7750; and twelve wooden platformed railway flatcars, USA numbered 91816, 91899, 91868, 91903, 91872, 91912, 91876, 91915, 91932, 91878, 91920, and 91940.

Approved December 26, 1974.

Public Law 93-547

December 26, 1974
[H. R. 14349]

AN ACT

To amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff.

U.S. Army Dep-
uty Chiefs of
Staff, increase.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3031 (a) of title 10, United States Code, is amended by striking out "three" in clause (3) and inserting in place thereof "four".

Approved December 26, 1974.

Public Law 93-548

AN ACT

December 26, 1974
[H. R. 16006]

To amend section 2634 of title 10, United States Code, relating to the shipment at Government expense of motor vehicles owned by members of the armed forces, and to amend chapter 10 of title 37, United States Code, to authorize certain travel and transportation allowances to members of the uniformed services incapacitated by illness.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2634(a) of title 10, United States Code, is amended by—

Armed Forces.
Motor vehicles,
shipment.

- (1) striking out the word “or” at the end of clause (2);
- (2) striking out the period at the end of clause (3) and inserting in lieu thereof a semicolon and the word “or”; and
- (3) adding at the end thereof a new clause as follows:

“(4) in the case of movement, the major portion of which is by shipping services described in clause (1) or (2), by other surface transportation between customary ports of embarkation and debarkation if such means of transport does not exceed the cost to the United States of other authorized means.”

SEC. 2. Section 2634 of title 10, United States Code, is further amended by adding at the end thereof the following new subsection:

Reshipment.

“(c) When there has been a shipping error, or when orders directing a change of permanent station have been canceled, revoked, or modified after receipt by the member, a motor vehicle transported pursuant to this section may also be reshipped or transshipped in accordance with this section.”

SEC. 3. (1) Subsection (b) of section 554, title 37, United States Code, is amended by—

Certain uni-
formed services,
travel and trans-
portation allow-
ances.

(A) inserting “ill,” before “or absent for a period of more than 29 days in a missing status—”; and

(B) striking out “(if injured)” in paragraph (3) and inserting in lieu thereof “(if injured or ill)”.

(2) Subsection (c) of section 554, title 37, United States Code, is amended by inserting “or ill” before “status.”

SEC. 4. The amendments made by section 3 of this Act shall apply with respect to members of the uniformed services incapacitated by illness on or after January 1, 1974.

Applicability.
37 USC 554
note.

Approved December 26, 1974.

Public Law 93-549

AN ACT

December 26, 1974
[H. R. 15067]

To prevent reductions in pay for any officer or employee who would be adversely affected as a result of implementing Executive Order 11777.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of any other law or any regulation issued thereunder, no officer or employee of the United States shall have his pay reduced by reason of Executive Order 11777, dated April 12, 1974, relating to the effective date of the 1972 Federal pay comparability adjustment.

Federal employ-
ees.
Prevention of
pay reductions.
5 USC 5332
note.

SEC. 2. The Civil Service Commission shall issue regulations necessary to implement this Act.

Regulations.

Approved December 26, 1974.

Public Law 93-550

December 26, 1974
[H. R. 11013]

AN ACT

To designate certain lands in the Farallon National Wildlife Refuge, California, as wilderness; to add certain lands to the Point Reyes National Seashore; and for other purposes.

Farallon Wilderness, Calif., designation; Point Reyes National Seashore, Calif., additional lands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SEC. 101. In accordance with section 3(c) of the Wilderness Act of September 3, 1964 (78 Stat. 890, 892; 16 U.S.C. 1132(c)), certain lands in the Farallon National Wildlife Refuge, California, which comprise about one hundred and forty-one acres and which are depicted on a map entitled "Farallon Wilderness—Proposed" and dated October 1969, and revised March 1970, are hereby designated as wilderness. The map shall be on file and available for public inspection in the offices of the Bureau of Sport Fisheries and Wildlife, Department of the Interior.

Administration.

SEC. 102. The area designated by this Act as wilderness shall be known as the Farallon Wilderness and shall be administered by the Secretary of the Interior in accordance with the applicable provisions of the Wilderness Act.

16 USC 1131
note.

TITLE II

16 USC 459c-1.

SEC. 201. Subsection (a) of section 2 of the Act of September 13, 1962 (76 Stat. 538), describing the boundaries of the Point Reyes National Seashore, California, is amended to read as follows:

"SEC. 2. (a) The area comprising that portion of the land and waters located on Point Reyes Peninsula, Marin County, California, which shall be known as the Point Reyes National Seashore, is described as the area within the boundaries generally depicted on the map entitled 'Boundary Map, Point Reyes National Seashore, Marin County, California', numbered 612-80,008-B, and dated August 1974, which shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior."

Publication in
Federal Register.

SEC. 202. The Secretary of the Interior shall, as soon as practicable after the date of enactment of this title, publish an amended description of the boundaries of the Point Reyes National Seashore in the Federal Register, and thereafter he shall take such action with regard to such amended description and the map referred to in section 201 of this title as is required in the second sentence of subsection (b) of section 4 of the Act of September 13, 1962, as amended.

16 USC 459c-4.

Approved December 26, 1974.

Public Law 93-551

December 26, 1974
[H. R. 8864]

AN ACT

To amend the Act to incorporate Little League Baseball to provide that the league shall be open to girls as well as to boys.

Little League Baseball, Inc. Girls, equal participation.
36 USC 1073.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Act of July 16, 1964, entitled "An Act to incorporate the Little League Baseball, Incorporated" (Public Law 88-378), is amended by striking out "boys" each place it appears and inserting in lieu thereof "young people" and by striking out "citizenship, sportsmanship, and manhood" and inserting in lieu thereof "citizenship and sportsmanship".

Approved December 26, 1974.

Public Law 93-552

AN ACT

To authorize certain construction at military installations, and for other purposes.

December 27, 1974
[H. R. 16136]*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

TITLE I

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

Military construction and reserve forces facilities authorization acts, 1975.
Military Construction Authorization Act, 1975.
Army.

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Fort Bragg, North Carolina, \$26,170,000.
Fort Campbell, Kentucky, \$9,742,000.
Fort Carson, Colorado, \$27,701,000.
Fort Hood, Texas, \$42,754,000.
Fort Sam Houston, Texas, \$4,286,000.
Fort Lewis, Washington, \$10,270,000.
Fort Riley, Kansas, \$25,933,000.
Fort Stewart/Hunter Army Airfield, Georgia, \$42,197,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Belvoir, Virginia, \$9,625,000.
Fort Benning, Georgia, \$36,827,000.
Fort Bliss, Texas, \$12,296,000.
Fort Eustis, Virginia, \$8,124,000.
Fort Gordon, Georgia, \$9,858,000.
Hunter-Liggett Military Reservation, California, \$1,108,000.
Fort Jackson, South Carolina, \$19,078,000.
Fort Knox, Kentucky, \$2,264,000.
Fort Leavenworth, Kansas, \$9,911,000.
Fort Lee, Virginia, \$11,473,000.
Fort McClellan, Alabama, \$17,344,000.
Presidio of Monterey, California, \$3,107,000.
Fort Ord, California, \$3,660,000.
Fort Polk, Louisiana, \$7,304,000.
Fort Rucker, Alabama, \$4,928,000.
Fort Sill, Oklahoma, \$15,587,000.
Fort Leonard Wood, Missouri, \$3,360,000.

UNITED STATES ARMY MILITARY DISTRICT OF WASHINGTON

Fort Myer, Virginia, \$2,497,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, \$1,030,000.
Aeronautical Maintenance Center, Texas, \$541,000.
Anniston Army Depot, Alabama, \$7,648,000.
Letterkenny Army Depot, Pennsylvania, \$4,726,000.
Lexington/Blue Grass Army Depot, Kentucky, \$616,000.

Picatinny Arsenal, New Jersey, \$2,820,000.
Red River Army Depot, Texas, \$269,000.
Redstone Arsenal, Alabama, \$10,322,000.
Rock Island Arsenal, Illinois, \$2,731,000.
Sacramento Army Depot, California, \$2,599,000.
Seneca Army Depot, New York, \$815,000.
Sierra Army Depot, California, \$717,000.
Watervliet Arsenal, New York, \$3,256,000.
White Sands Missile Range, New Mexico, \$1,808,000.
Yuma Proving Ground, Arizona, \$1,859,000.

UNITED STATES ARMY COMMUNICATION COMMAND

Fort Huachuca, Arizona, \$556,000.
Fort Ritchie, Maryland, \$2,023,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, \$8,720,000.

HEALTH SERVICES COMMAND

Fort Detrick, Maryland, \$486,000.
Various Locations, \$19,773,000.

CORPS OF ENGINEERS

Cold Regions Laboratories, New Hampshire, \$2,515,000.

UNITED STATES ARMY, ALASKA

Fort Greely, Alaska, \$251,000.
Fort Richardson, Alaska, \$1,732,000.
Fort Wainwright, Alaska, \$1,512,000.

UNITED STATES ARMY, HAWAII

Schofield Barracks, Hawaii, \$15,324,000.
Tripler General Hospital, Hawaii, \$1,205,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, \$1,356,000.
Various Locations, Water Pollution Abatement, \$16,358,000.

DINING FACILITIES MODERNIZATION

Various Locations, \$10,723,000.

OUTSIDE THE UNITED STATES

UNITED STATES ARMY FORCES, SOUTHERN COMMAND

Canal Zone, Various Locations, \$557,000.

UNITED STATES ARMY, PACIFIC

Korea, Various Locations, \$2,034,000.

KWAJALEIN MISSILE RANGE

National Missile Range, \$1,272,000.

UNITED STATES ARMY SECURITY AGENCY

Various Locations, \$148,000.

UNITED STATES ARMY COMMUNICATION COMMAND

Fort Buckner, Okinawa, \$532,000.

UNITED STATES ARMY, EUROPE

Germany, Various Locations, \$27,482,000.

Camp Darby, Italy, \$4,159,000.

Various Locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters for the collective defense of the North Atlantic Treaty Area, \$84,000,000: *Provided*, That within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives a description of obligations incurred as the United States share of such multilateral programs.

Report to congressional committees.

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment; in the total amount of \$10,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1976 Military Construction Authorization Act except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Emergency construction.

Congressional committees, notification.

Authorization expiration.

SEC. 103. (a) Public Law 93-166, is amended under the heading "OUTSIDE THE UNITED STATES—UNITED STATES ARMY, EUROPE", in section 101 as follows:

87 Stat. 661.

With respect to "Germany, Various Locations" strike out "\$12,517,000" and insert in place thereof "\$16,360,000".

(b) Public Law 93-166 is amended by striking out in clause (1) of section 602 "\$107,257,000" and "\$596,084,000" and inserting in place thereof "\$111,100,000" and "\$599,927,000", respectively.

SEC. 104. (a) Public Law 92-545, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 101 as follows:

86 Stat. 1135.

With respect to "Fort Myer, Virginia," strike out "\$1,815,000" and insert in place thereof "\$3,615,000."

With respect to "Fort Sill, Oklahoma," strike out "\$14,958,000" and insert in place thereof "\$16,159,000".

(b) Public Law 92-545, as amended, is amended under the heading "OUTSIDE THE UNITED STATES—UNITED STATES ARMY FORCES, SOUTHERN COMMAND" in section 101 as follows:

With respect to "Canal Zone, Various Locations" strike out "\$8,129,000" and insert in place thereof "\$9,238,000".

87 Stat. 664.

(c) Public Law 92-545, as amended, is amended by striking out in clause (1) of section 702 "\$444,767,000;" "\$117,311,000;" and "\$562,078,000" and inserting in place thereof "\$447,768,000;" "\$118,420,000;" and "\$566,188,000", respectively.

84 Stat. 1206.

SEC. 105. (a) Public Law 91-511, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 101 as follows:

With respect to "Rock Island Arsenal, Illinois," strike out "\$2,750,000" and insert in place thereof "\$3,650,000".

87 Stat. 664.

(b) Public Law 91-511, as amended, is amended by striking out in clause (1) of section 602 "\$181,834,000" and "\$267,031,000" and inserting in place thereof "\$182,734,000" and "\$267,931,000", respectively.

87 Stat. 664.

SEC. 106. Public Law 93-166 is amended in section 105 as follows:

Clause (1) of section 702 of Public Law 92-145, as amended by section 105(b) of Public Law 93-166, is amended by striking out "\$404,500,000" and "\$405,107,000" and inserting in place thereof "\$405,000,000" and "\$405,607,000", respectively.

TITLE II

Navy.

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

FIRST NAVAL DISTRICT

Naval Air Station, Brunswick, Maine, \$261,000.

Portsmouth Naval Shipyard, Kittery, Maine, \$7,232,000.

Naval Security Group Activity, Winter Harbor, Maine, \$255,000.

Naval Education and Training Center, Newport, Rhode Island, \$3,553,000.

Naval Underwater Systems Center, Newport, Rhode Island, \$9,249,000.

THIRD NAVAL DISTRICT

Naval Submarine Base, New London, Connecticut, \$971,000.

FOURTH NAVAL DISTRICT

Naval Air Test Facility, Lakehurst, New Jersey, \$7,350,000.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, \$2,336,000.

Naval Hospital, Philadelphia, Pennsylvania, \$296,000.

NAVAL DISTRICT, WASHINGTON

Naval District Commandant, Washington, District of Columbia, \$2,883,000.

Naval Research Laboratory, Washington, District of Columbia, \$205,000.

Naval Academy, Annapolis, Maryland, \$7,706,000.

National Naval Medical Center, Bethesda, Maryland, \$14,943,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, \$15,000,000.

FIFTH NAVAL DISTRICT

Naval Regional Medical Center, Camp Lejeune, North Carolina, \$290,000.

Naval Air Rework Facility, Cherry Point, North Carolina, \$252,000.

Fleet Combat Direction Systems Training Center, Atlantic, Dam Neck, Virginia, \$2,034,000.

Naval Amphibious Base, Little Creek, Virginia, \$896,000.

Atlantic Command Operations Control Center, Norfolk, Virginia, \$633,000.

Naval Air Station, Norfolk, Virginia, \$3,471,000.

Naval Station, Norfolk, Virginia, \$8,364,000.

Naval Supply Center, Norfolk, Virginia, \$4,990,000.

Naval Air Station, Oceana, Virginia, \$1,047,000.

Norfolk Naval Regional Medical Center, Portsmouth, Virginia, \$15,801,000.

Norfolk Naval Shipyard, Portsmouth, Virginia, \$5,602,000.

Naval Weapons Station, Yorktown, Virginia, \$1,595,000.

SIXTH NAVAL DISTRICT

Naval Air Station, Cecil Field, Florida, \$6,893,000.

Naval Air Station, Jacksonville, Florida, \$446,000.

Naval Regional Medical Center, Jacksonville, Florida, \$12,413,000.

Naval Station, Mayport, Florida, \$3,239,000.

Naval Training Center, Orlando, Florida, \$8,709,000.

Naval Coastal Systems Laboratory, Panama City, Florida, \$795,000.

Naval Air Station, Pensacola, Florida, \$20,948,000.

Naval Technical Training Center, Pensacola, Florida, \$4,478,000.

Naval Air Station, Whiting Field, Florida, \$1,561,000.

Naval Air Station, Meridian, Mississippi, \$1,485,000.

Naval Hospital, Beaufort, South Carolina, \$7,112,000.

Charleston Naval Shipyard, Charleston, South Carolina, \$200,000.

Naval Station, Charleston, South Carolina, \$15,352,000.

Naval Supply Center, Charleston, South Carolina, \$3,750,000.

Naval Weapons Station, Charleston, South Carolina, \$2,564,000.

Naval Air Station, Memphis, Tennessee, \$4,284,000.

EIGHTH NAVAL DISTRICT

Naval Support Activity, New Orleans, Louisiana, \$3,080,000.

Naval Air Station, Corpus Christi, Texas, \$1,830,000.

Naval Air Station, Kingsville, Texas, \$1,428,000.

NINTH NAVAL DISTRICT

Naval Training Center, Great Lakes, Illinois, \$1,953,000.

ELEVENTH NAVAL DISTRICT

Naval Regional Medical Center, Camp Pendleton, California, \$7,619,000.

Naval Weapons Center, China Lake, California, \$8,371,000.

Long Beach Naval Shipyard, Long Beach, California, \$6,011,000.

Naval Air Station, Miramar, California, \$11,772,000.

Naval Air Station, North Island, California, \$12,943,000.

Naval Construction Battalion Center, Port Hueneme, California, \$1,048,000.

Naval Electronics Laboratory Center, San Diego, California, \$3,238,000.

Naval Regional Medical Center, San Diego, California, \$13,493,000.
Naval Training Center, San Diego, California, \$8,657,000.
Navy Submarine Support Facility, San Diego, California, \$4,234,000.
Naval Weapons Station, Seal Beach, California, \$2,147,000.

TWELFTH NAVAL DISTRICT

Naval Air Rework Facility, Alameda, California, \$1,638,000.
Naval Hospital, Lemoore, California, \$333,000.
Naval Air Station, Moffett Field, California, \$77,000.
Naval Communications Station, Stockton, California, \$1,102,000.

THIRTEENTH NAVAL DISTRICT

Naval Station, Adak, Alaska, \$7,697,000.
Trident Support Site, Bangor, Washington, \$100,000,000.
Puget Sound Naval Shipyard, Bremerton, Washington, \$393,000.
Naval Air Station, Whidbey Island, Washington, \$2,603,000.

FOURTEENTH NAVAL DISTRICT

Naval Ammunition Depot, Oahu, Hawaii, \$795,000.
Naval Station, Pearl Harbor, Hawaii, \$1,505,000.
Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii, \$3,356,000.

MARINE CORPS

Marine Barracks, Washington, District of Columbia, \$1,874,000.
Marine Corps Development and Education Command, Quantico, Virginia, \$2,803,000.
Marine Corps Base, Camp Lejeune, North Carolina, \$13,864,000.
Marine Corps Air Station, Cherry Point, North Carolina, \$1,260,000.
Marine Corps Air Station, New River, North Carolina, \$499,000.
Marine Corps Air Station, Yuma, Arizona, \$3,203,000.
Marine Corps Supply Center, Barstow, California, \$1,463,000.
Marine Corps Base, Camp Pendleton, California, \$7,271,000.
Marine Corps Base, Twentynine Palms, California, \$397,000.
Marine Corps Air Station, Kaneohe Bay, Hawaii, \$5,497,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, \$9,849,000.
Various Locations, Water Pollution Abatement, \$44,251,000.

OUTSIDE THE UNITED STATES

TENTH NAVAL DISTRICT

Naval Telecommunications Center, Roosevelt Roads, Puerto Rico, \$3,186,000.
Naval Station, Roosevelt Roads, Puerto Rico, \$947,000.
Naval Security Group Activity, Sabana Seca, Puerto Rico, \$1,026,000.

FIFTEENTH NAVAL DISTRICT

Naval Support Activity, Canal Zone, \$800,000.

ATLANTIC OCEAN AREA

Naval Air Station, Bermuda, \$1,866,000.
Naval Station, Keflavik, Iceland, \$2,317,000.

EUROPEAN AREA

Naval Security Group Activity, Edzell, Scotland, \$571,000.
Naval Activities Detachment, Holy Loch, Scotland, \$1,188,000.

INDIAN OCEAN AREA

Naval Communications Facility, Diego Garcia, Chagos Archipelago, \$14,802,000.

PACIFIC OCEAN AREA

Naval Communication Station, Finegayan, Guam; Mariana Islands, \$355,000.
Naval Ship Repair Facility, Guam, Mariana Islands, \$1,782,000.
Navy Public Works Center, Guam, Mariana Islands, \$907,000.
Naval Air Station, Cubi Point, Republic of the Philippines, \$2,873,000.
Naval Station, Subic Bay, Republic of the Philippines, \$3,741,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, \$1,059,000.
Various Locations, Water Pollution Abatement, \$4,038,000.

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of \$10,000,000: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1976 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Emergency construction.

Congressional committees, notification.

Authorization expiration.

SEC. 203. (a) Public Law 90-408, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

82 Stat. 373.

With respect to "Naval Academy, Annapolis, Maryland," strike out "\$2,000,000" and insert in place thereof "\$4,391,000".

(b) Public Law 90-408, as amended, is amended by striking out in clause (2) of section 802 "\$241,668,000" and "\$248,533,000" and inserting in place thereof "\$244,059,000" and "\$250,924,000", respectively.

87 Stat. 669.

SEC. 204. (a) Public Law 91-511, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

84 Stat. 1210.

With respect to "Naval Air Rework Facility, Jacksonville, Florida," strike out "\$3,869,000" and insert in place thereof "\$4,534,000".

(b) Public Law 91-511, as amended, is amended by striking out in clause (2) of section 602 "\$247,204,000" and "\$274,342,000" and inserting in place thereof "\$247,869,000" and "\$275,007,000", respectively.

87 Stat. 669.

86 Stat., 1139. SEC. 205. (a) Public Law 92-545, as amended, is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

With respect to "Navy Public Works Center, Norfolk, Virginia," strike out "\$3,319,000" and insert in place thereof "\$7,019,000".

With respect to "Naval Hospital, New Orleans, Louisiana," strike out "\$11,680,000" and insert in place thereof "\$14,609,000".

With respect to "Naval Ammunition Depot, Hawthorne, Nevada," strike out "\$6,003,000" and insert in place thereof "\$10,203,000".

86 Stat., 1141. (b) Public Law 92-545 is amended under the heading "OUTSIDE THE UNITED STATES" in section 201 as follows:

With respect to "Naval Air Facility, Sigonella, Sicily, Italy", strike out "\$8,932,000" and insert in place thereof "\$12,632,000".

87 Stat., 669. (c) Public Law 92-545, as amended, is amended by striking out in clause (2) of section 702 "\$477,664,000", "\$41,217,000", and "\$518,881,000" and inserting in place thereof "\$488,493,000", "\$44,917,000", and "\$533,410,000", respectively.

87 Stat., 665. SEC. 206. (a) Public Law 93-166 is amended under the heading "INSIDE THE UNITED STATES", in section 201 as follows:

With respect to "Naval Home, Gulfport, Mississippi," strike out "\$9,444,000" and insert in place thereof "\$11,802,000".

With respect to "Naval Air Station, Meridian, Mississippi," strike out "\$4,532,000" and insert in place thereof "\$5,466,000".

With respect to "Naval Hospital, New Orleans, Louisiana," strike out "\$3,386,000" and insert in place thereof "\$4,157,000".

With respect to "Naval Air Station, Alameda, California," strike out "\$3,827,000" and insert in place thereof "\$7,756,000".

With respect to "Marine Corps Supply Center, Barstow, California," strike out "\$3,802,000" and insert in place thereof "\$6,210,000".

(b) Public Law 93-166 is amended by striking out in clause (2) of section 602 "\$511,606,000" and "\$570,439,000" and inserting in place thereof "\$522,006,000" and "\$580,839,000", respectively.

TITLE III

Air Force.

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Peterson Field, Colorado Springs, Colorado, \$6,885,000.

Tyndall Air Force Base, Panama City, Florida, \$2,775,000.

AIR FORCE COMMUNICATIONS SERVICE

Richards-Gebaur Air Force Base, Grandview, Missouri, \$805,000.

AIR FORCE LOGISTICS COMMAND

Hill Air Force Base, Ogden, Utah, \$11,894,000.

Kelly Air Force Base, San Antonio, Texas, \$11,150,000.

McClellan Air Force Base, Sacramento, California, \$15,873,000.

Newark Air Force Station, Newark, Ohio, \$1,977,000.

Robins Air Force Base, Warner Robins, Georgia, \$792,000.

Tinker Air Force Base, Oklahoma City, Oklahoma, \$9,839,000.

Wright-Patterson Air Force Base, Dayton, Ohio, \$13,871,000.

AIR FORCE SYSTEMS COMMAND

Arnold Engineering Development Center, Tullahoma, Tennessee,
\$4,240,000.

Brooks Air Force Base, San Antonio, Texas \$3,100,000.

Edwards Air Force Base, Muroc, California, \$1,198,000.

Eglin Air Force Base, Valparaiso, Florida, \$13,512,000.

Kirtland Air Force Base, Albuquerque, New Mexico, \$232,000.

Patrick Air Force Base, Cocoa, Florida, \$642,000.

Satellite Tracking Facilities, \$832,000.

AIR TRAINING COMMAND

Chanute Air Force Base, Rantoul, Illinois, \$6,267,000.

Columbus Air Force Base, Columbus, Mississippi, \$169,000.

Keesler Air Force Base, Biloxi, Mississippi, \$7,297,000.

Laughlin Air Force Base, Del Rio, Texas, \$298,000.

Lowry Air Force Base, Denver, Colorado, \$7,885,000.

Mather Air Force Base, Sacramento, California, \$2,143,000.

Randolph Air Force Base, San Antonio, Texas, \$790,000.

Reese Air Force Base, Lubbock, Texas, \$836,000.

Sheppard Air Force Base, Wichita Falls, Texas, \$8,631,000.

Vance Air Force Base, Enid, Oklahoma, \$6,798,000.

Webb Air Force Base, Big Spring, Texas, \$776,000.

Williams Air Force Base, Chandler, Arizona, \$5,849,000.

AIR UNIVERSITY

Maxwell Air Force Base, Montgomery, Alabama, \$2,500,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Fairbanks, Alaska, \$310,000.

Various Locations, \$15,242,000.

HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland, \$14,699,000.

Bolling Air Force Base, Washington, District of Columbia,
\$3,155,000.

MILITARY AIRLIFT COMMAND

Dover Air Force Base, Dover, Delaware, \$1,373,000.

McGuire Air Force Base, Wrightstown, New Jersey, \$408,000.

Scott Air Force Base, Belleville, Illinois, \$5,451,000.

Travis Air Force Base, Fairchild, California, \$8,800,000.

PACIFIC AIR FORCES

Hickam Air Force Base, Honolulu, Hawaii, \$11,878,000.

STRATEGIC AIR COMMAND

Barksdale Air Force Base, Shreveport, Louisiana, \$641,000.

Blytheville Air Force Base, Blytheville, Arkansas, \$675,000.

Davis-Monthan Air Force Base, Tucson, Arizona, \$3,009,000.

Ellsworth Air Force Base, Rapid City, South Dakota, \$2,109,000.

Griffiss Air Force Base, Rome, New York, \$1,774,000.

Grissom Air Force Base, Peru, Indiana, \$323,000.

K. I. Sawyer Air Force Base, Marquette, Michigan, \$7,050,000.

Kincheloe Air Force Base, Kinross, Michigan, \$835,000.

Malmstrom Air Force Base, Great Falls, Montana, \$3,740,000.
McConnell Air Force Base, Wichita, Kansas, \$3,038,000.
Minot Air Force Base, Minot, North Dakota, \$238,000.
Offutt Air Force Base, Omaha, Nebraska, \$5,595,000.
Pease Air Force Base, Portsmouth, New Hampshire, \$115,000.
Plattsburgh Air Force Base, Plattsburgh, New York, \$882,000.
Whiteman Air Force Base, Knob Noster, Missouri, \$6,692,000.

TACTICAL AIR COMMAND

Cannon Air Force Base, Clovis, New Mexico, \$1,715,000.
George Air Force Base, Victorville, California, \$3,846,000.
Holloman Air Force Base, Alamogordo, New Mexico, \$1,565,000.
Langley Air Force Base, Hampton, Virginia, \$3,056,000.
Little Rock Air Force Base, Little Rock, Arkansas, \$5,141,000.
Myrtle Beach Air Force Base, Myrtle Beach, South Carolina,
\$300,000.
Nellis Air Force Base, Las Vegas, Nevada, \$6,495,000.
Pope Air Force Base, Fayetteville, North Carolina, \$730,000.
Seymour Johnson Air Force Base, Goldsboro, North Carolina,
\$3,948,000.
Various Locations, \$5,194,000.

POLLUTION ABATEMENT

Various Locations, Air Pollution Abatement, \$2,056,000.
Various Locations, Water Pollution Abatement, \$13,700,000.

SPECIAL FACILITIES

Various Locations, \$12,152,000.

AEROSPACE CORPORATION

Los Angeles, California, \$9,000,000.

OUTSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Various Locations, \$138,000.

PACIFIC AIR FORCES

Various Locations, \$3,775,000.

UNITED STATES AIR FORCES IN EUROPE

Germany, \$280,000.
United Kingdom, \$884,000.
Various Locations, \$63,081,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Various Locations, \$4,135,000.

POLLUTION ABATEMENT

Various Locations, Water Pollution Abatement, \$595,000.

SPECIAL FACILITIES

Various Locations, \$1,999,000.

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, in the total amount of \$8,100,000.

Classified installations, establishment.

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of \$10,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire upon enactment of the fiscal year 1976 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

Emergency construction.

Congressional committees, notification.

Authorization expiration.

SEC. 304. (a) Section 301 of Public Law 93-166 is amended under the heading "INSIDE THE UNITED STATES" as follows:

87 Stat. 669.

(1) Under the subheading "AEROSPACE DEFENSE COMMAND" with respect to "Peterson Field, Colorado Springs, Colorado", strike out "\$7,843,000" and insert in place thereof "\$9,733,000".

(2) Under the subheading "AEROSPACE DEFENSE COMMAND" with respect to "Tyndall Air Force Base, Panama City, Florida", strike out "\$1,020,000" and insert in place thereof "\$1,284,000".

(3) Under the subheading "AIR FORCE COMMUNICATIONS SERVICE" with respect to "Richards-Gebaur Air Force Base, Grandview, Missouri", strike out "\$3,963,000" and insert in place thereof "\$6,130,000".

(4) Under the subheading "AIR FORCE LOGISTICS COMMAND" with respect to "Robins Air Force Base, Warner Robins, Georgia", strike out "\$4,628,000" and insert in place thereof "\$7,324,000".

(5) Under the subheading "AIR FORCE SYSTEMS COMMAND" with respect to "Eglin Air Force Base, Valparaiso, Florida", strike out "\$7,039,000" and insert in place thereof "\$8,882,000".

(6) Under the subheading "AIR TRAINING COMMAND" with respect to "Keesler Air Force Base, Biloxi, Mississippi", strike out "\$8,786,000" and insert in place thereof "\$10,733,000".

(7) Under the subheading "AIR TRAINING COMMAND" with respect to "Lackland Air Force Base, San Antonio, Texas", strike out "\$6,509,000" and insert in place thereof "\$9,186,000".

(8) Under the subheading "AIR TRAINING COMMAND" with respect to "Reese Air Force Base, Lubbock, Texas", strike out "\$4,211,000" and insert in place thereof "\$6,461,000".

(9) Under the subheading "AIR TRAINING COMMAND" with respect to "Vance Air Force Base, Enid, Oklahoma", strike out "\$371,000" and insert in place thereof "\$895,000".

(10) Under the subheading "AIR TRAINING COMMAND" with respect to "Webb Air Force Base, Big Spring, Texas", strike out "\$3,154,000" and insert in place thereof "\$4,307,000".

(11) Under the subheading "MILITARY AIRLIFT COMMAND" with respect to "Altus Air Force Base, Altus, Oklahoma", strike out "\$1,078,000" and insert in place thereof "\$1,440,000".

(12) Under the subheading "STRATEGIC AIR COMMAND" with respect to "Francis E. Warren Air Force Base, Cheyenne, Wyoming", strike out "\$5,834,000" and insert in place thereof "\$8,265,000".

(13) Under the subheading "TACTICAL AIR COMMAND" with respect to "Little Rock Air Force Base, Little Rock, Arkansas", strike out "\$1,165,000" and insert in place thereof "\$2,200,000".

(14) Under the subheading "TACTICAL AIR COMMAND" with respect to "Nellis Air Force Base, Las Vegas, Nevada", strike out "\$2,588,000" and insert in place thereof "\$3,637,000".

87 Stat. 679.

(b) Public Law 93-166 is further amended by striking out in clause (3) of section 602 "\$238,439,000" and "\$260,741,000" and inserting in place thereof "\$260,727,000" and "\$283,029,000", respectively.

TITLE IV

Defense agencies.

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities and equipment, for defense agencies for the following acquisition and construction:

INSIDE THE UNITED STATES

DEFENSE MAPPING AGENCY

Defense Mapping Agency Aerospace Center (St. Louis AFS), St. Louis, Missouri, \$2,573,000.
Fort Belvoir, Virginia, \$670,000.

DEFENSE SUPPLY AGENCY

Defense Construction Supply Center, Columbus, Ohio, \$1,862,000.
Defense Depot, Mechanicsburg, Pennsylvania, \$394,000.
Defense Depot, Memphis, Tennessee, \$1,399,000.
Defense Depot, Ogden, Utah, \$527,000.
Defense Electronics Supply Center, Dayton, Ohio, \$572,000.
Defense Industrial Plant Equipment Facility, Atchison, Kansas, \$646,000.
Defense Personnel Support Center, Philadelphia, Pennsylvania, \$936,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, \$2,363,000.

OUTSIDE THE UNITED STATES

DEFENSE NUCLEAR AGENCY

Johnston Atoll, \$1,458,000.

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities.

and equipment in the total amount of \$15,000,000: *Provided*, That the Secretary of Defense or his designee shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including real estate actions pertaining thereto.

Congressional
committees, noti-
fication.

TITLE V—MILITARY FAMILY HOUSING AND HOME-OWNERS ASSISTANCE PROGRAM

SEC. 501. The Secretary of Defense, or his designee, is authorized to construct, at the locations hereinafter named, family housing units and mobile home facilities in the numbers hereinafter listed, but no family housing construction shall be commenced at any such locations in the United States, until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development, as to the availability of adequate private housing at such locations. If agreement cannot be reached with respect to the availability of adequate private housing at any location, the Secretary of Defense shall immediately notify the Committees on Armed Services of the House of Representatives and the Senate, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

Construction
authorization.

Secretary of
HUD, consulta-
tion.

Congressional
committees, noti-
fication.

(a) Family Housing units—

(1) The Department of the Army, two thousand nine hundred units, \$98,477,900. Army.

Fort Stewart/Hunter Army Airfield, Georgia, four hundred units.

United States Army Installations, Oahu, Hawaii, one thousand units.

Fort Riley, Kansas, one hundred units.

Fort Campbell, Kentucky, one thousand units.

Fort Eustis, Virginia, one hundred units.

United States Army Installations, Atlantic Side, Canal Zone, one hundred units.

United States Army Installations, Pacific Side, Canal Zone, two hundred units.

(2) The Department of the Navy, two thousand six hundred and fifty units, \$93,785,980. Navy.

Naval Complex, San Diego, California, five hundred units.

Naval Complex, Jacksonville, Florida, two hundred units.

Naval Complex, Oahu, Hawaii, six hundred units.

Naval Complex, New Orleans, Louisiana, two hundred units.

Marine Corps Air Station, Cherry Point, North Carolina, three hundred units.

Naval Complex, Charleston, South Carolina, three hundred and fifty units.

Naval Complex, Bremerton, Washington, three hundred units.

Naval Complex, Guantanamo Bay, Cuba, two hundred units.

(3) The Department of the Air Force, one thousand and fifty units, \$35,236,120. Air Force.

United States Air Force Installations, Oahu, Hawaii, two hundred units.

Pease Air Force Base, New Hampshire, one hundred units.
 Altus Air Force Base, Oklahoma, one hundreds units.
 Misawa Air Base, Japan, two hundred units.
 Kadena Air Base, Okinawa, two hundred units.
 Clark Air Base, Philippines, two hundred and fifty units.

(b) Mobile Home Facilities—

(1) The Department of the Army, two hundred and forty spaces, \$960,000.

(2) The Department of the Air Force, two hundred spaces, \$888,000.

(c) Demolition of existing structures on proposed sites for family housing:

Naval Complex, Bremerton, Washington, \$540,000.

Cost limita-
tions.

SEC. 502. (a) Authorization for the construction of family housing provided in section 501 of this Act shall be subject, under such regulations as the Secretary of Defense may prescribe, to the following limitations on cost, which shall include shades, screens, ranges, refrigerators, and all other installed equipment and fixtures, the cost of the family unit, and the proportionate costs of land acquisition, site preparation (excluding demolition authorized in section 501(c)), and installation of utilities.

(b) The average unit cost for all units of family housing constructed in the United States (other than Alaska and Hawaii) shall not exceed \$30,000 and in no event shall the cost of any unit exceed \$46,000.

(c) When family housing units are constructed in areas other than that specified in subsection (b) the average cost of all such units shall not exceed \$40,000, and in no event shall the cost of any unit exceed \$46,000.

Alterations to
existing housing.

SEC. 503. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, \$20,000,000.

(2) for the Department of the Navy, \$20,000,000.

(3) for the Department of the Air Force, \$20,000,000.

SEC. 504. Notwithstanding the limitations contained in prior Military Construction Authorization Acts on cost of construction of family housing, the limitations on such cost contained in section 502 of this Act shall apply to all prior authorizations for construction of family housing not heretofore repealed and for which construction contracts have not been executed prior to the date of enactment of this Act.

Housing in for-
eign countries.

SEC. 505. The Secretary of Defense, or his designee, is authorized to construct or otherwise acquire at the locations hereinafter named, family housing units not subject to the limitations on such cost contained in section 502 of this Act. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise. Total costs shall include shades, screens, ranges, refrigerators, and other installed equipment and fixtures, the cost of the family unit, and the costs of land acquisition, site preparation, and installation of utilities.

(a) Naval Station, Keflavik, Iceland, two hundred units, at a total cost not to exceed \$9,600,000.

(b) Two family housing units in Warsaw, Poland, at a total cost not to exceed \$120,000. This authority shall be funded by use of excess foreign currency when so provided in Department of Defense Appropriation Acts.

Repairs and im-
provements.

SEC. 506. The Secretary of Defense, or his designee, is authorized to accomplish repairs and improvements to existing public quarters in

amounts in excess of the \$15,000 limitation prescribed in section 610(a) of Public Law 90-110, as amended (81 Stat. 279, 305), as follows:

Fort McNair, Washington, District of Columbia, five units, \$175,500.

Fort Sam Houston, Texas, one hundred and forty units, \$2,352,800.

SEC. 507. (a) Section 515 of Public Law 84-161 (69 Stat. 324, 352), as amended, is further amended by (1) striking out "1974 and 1975" and inserting in lieu thereof "1975 and 1976", and (2) revising the third sentence to read as follows: "Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: For the United States (other than Alaska and Hawaii), Puerto Rico, and Guam an average of \$235 per month for each military department or the amount of \$310 per month for any one unit; and for Alaska and Hawaii, an average of \$295 per month for each military department, or the amount of \$365 per month for any one unit."

(b) Section 507(b) of Public Law 93-166 (87 Stat. 661, 676), is amended by striking out "\$325" and "seven thousand five hundred" in the first sentence, and inserting in lieu thereof "\$355", and "twelve thousand", respectively; and in the second sentence by striking out "three hundred units", and inserting in lieu thereof "one hundred fifty units".

SEC. 508. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing and homeowners assistance as authorized by law for the following purposes:

(1) for construction and acquisition of family housing, including demolition, authorized improvements to public quarters, minor construction, relocation of family housing, rental guarantee payments, construction and acquisition of mobile home facilities, and planning, an amount not to exceed \$304,088,000.

(2) for support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m), an amount not to exceed \$935,515,000; and

(3) for homeowners assistance under section 1013 of Public Law 89-754 (80 Stat. 1255, 1290), including acquisition of properties, an amount not to exceed \$5,000,000.

SEC. 509. None of the funds authorized to be appropriated by this or any other Act may be used for the purpose of installing air-conditioning equipment in any new or existing military family housing unit in the State of Hawaii.

87 Stat. 675.

Leasing of facilities.
10 USC 2674
note.

Average unit rental, limitation.

Military housing and homeowners assistance.

Air-conditioning, installation in Hawaii, prohibition.

TITLE VI

GENERAL PROVISIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in

Construction authority, waiver of restrictions.

land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

Appropriation
limitations.

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: Inside the United States \$491,695,000; outside the United States \$120,184,000; or a total of \$611,879,000.

(2) for title II: Inside the United States, \$509,498,000; outside the United States, \$41,458,000; or a total of \$550,956,000.

(3) for title III: Inside the United States, \$307,786,000; outside the United States, \$74,887,000; section 302, \$8,100,000; or a total of \$390,773,000.

(4) for title IV: A total of \$28,400,000.

(5) for title V: Military family housing and homeowners assistance, \$1,244,603,000.

Cost variations.

SEC. 603. (a) Except as provided in subsections (b) and (c), any of the amounts specified in titles I, II, III, and IV of this Act, may, in the discretion of the Secretary concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress. However, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of Defense, or his designee, determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), the Secretary concerned may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum of the amount named for such project by the Congress.

(c) Subject to the limitations contained in subsection (a), no individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation may be placed under contract if—

(1) the estimated cost of such project is \$250,000 or more, and

(2) the current working estimates of the Department of Defense, based upon bids received, for the construction of such project exceeds by more than 25 per centum the amount authorized for such project by the Congress, until after the expiration of thirty days from the date on which a written report of the facts relating to the increased cost of such project, including a statement of the reasons for such increase has been submitted to the Committees on Armed Services of the House of Representatives and the Senate.

Report to con-
gressional com-
mittees.

Annual report
to Congress.

(d) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced in order to permit contract award within the available authorization for such

project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

(e) In addition to other cost variation limitations contained in this section or in similar sections of prior year military construction authorization Acts, any of the amounts specified in titles I, II, III, and IV of this and prior military construction authorization Acts may be varied upward by an additional 10 per centum when the Secretary of the military department concerned determines that such increase is required to meet unusual variations in cost directly attributable to difficulties arising out of the current energy crisis. However, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Naval Facilities Engineering Command, Department of the Navy, or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

Contract supervision.

Reports to Congress.

10 USC 2301.
Reports to Congress.

SEC. 605. As of October 1, 1975, all authorizations for military public works including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities, and all authorizations for appropriations therefor, that are contained in titles I, II, III, IV, and V of the Act of November 29, 1973, Public Law 93-166 (87 Stat. 661), and all such authorizations contained in Acts approved before November 30, 1973, and not superseded or otherwise modified by a later authorization are repealed except—

Repeals.

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

Exceptions.

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part before October 1, 1975, and authorizations for appropriations therefor;

(3) notwithstanding the repeal provisions of section 605 of the Act of November 29, 1973, Public Law 93-166 (87 Stat. 661, 681), authorizations for the following items which shall remain in effect until October 1, 1976:

(A) Sanitary sewer connection in the amount of \$2,200,000 at Fort Belvoir, Virginia, that is contained in title I, section 101 of the Act of October 26, 1970 (84 Stat. 1204), as amended and extended in section 705(a)(3)(A) of the Act of October 25, 1972 (86 Stat. 1153).

(B) Cold storage warehouse construction in the amount of \$1,215,000 at Fort Dix, New Jersey, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1135), as amended.

(C) Enlisted men's barracks complex construction in the amount of \$12,160,000 at Fort Knox, Kentucky, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1135), as amended.

(D) Enlisted women's barracks construction in the amount of \$245,000 and bachelor officer's quarters construction in the amount of \$803,000 at Fort Lee, Virginia, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1135), as amended.

(E) Chapel center construction in the amount of \$1,088,000 at Fort Benjamin Harrison, Indiana, that is contained in title I, section 101, of the Act of October 25, 1972 (86 Stat. 1135), as amended.

(F) Enlisted men's barracks construction in the amount of \$1,996,000 at Fort Ord, California, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1135), as amended.

(G) Enlisted men's barracks and mess construction in the amount of \$699,000 at Sierra Army Depot, California, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1136), as amended.

(H) Test facilities Solid State Radar in the amount of \$7,600,000 at Kwajalein National Missile Range, Kwajalein, that is contained in title I, section 101 of the Act of October 25, 1972 (86 Stat. 1137), as amended.

(I) Land acquisition in the amount of \$10,000,000 for the Naval Ammunition Depot, Oahu, Hawaii, that is contained in title II, section 201 of the Act of October 25, 1972 (86 Stat. 1140), as amended.

(J) Message Center Addition, Aircraft Fire and Crash Station, Aircraft Maintenance Hangar Shops, Bachelor Enlisted Quarters, Mess Hall, Bachelor Officers' Quarters, Exchange and Recreation Building, and Utilities construction in the amount of \$110,000; \$199,000; \$837,000; \$1,745,000; \$377,000; \$829,000; \$419,000; and \$792,000, respectively, for the Naval Detachment, Souda Bay, Crete, Greece, that is contained in title II, section 201 of the Act of October 25, 1972 (86 Stat. 1141), as amended.

(K) Authorization for exchange of lands in support of the Air Installation Compatible Use Zones at Various Locations in the amount of \$12,000,000 that is contained in title III, section 301 of the Act of October 25, 1972 (86 Stat. 1145), as amended.

(4) Notwithstanding the repeal provisions of section 705(b) of the Act of October 25, 1972, Public Law 92-545 (86 Stat. 1135, 1153), as modified by section 605(3) of the Act of November 29,

1973, Public Law 93-166 (87 Stat. 661, 681), the authorization to construct six hundred family housing units at Naval Complex, Norfolk, Virginia, contained in title V, section 501(a)(2) of the Act of October 25, 1972 (86 Stat. 1148), shall remain in effect until October 1, 1975.

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

- (1) \$31 per square foot for permanent barracks;
- (2) \$33 per square foot for bachelor officer quarters;

unless the Secretary of Defense, or his designee, determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable: *Provided*, That, notwithstanding the limitations contained in prior military construction authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

Unit cost limitations.

Retroactive provision.

SEC. 607. Section 612 of Public Law 89-568 (80 Stat. 756, 757), is amended by deleting the figure "\$150,000" wherever it appears and inserting in lieu thereof "\$225,000".

31 USC 723a.

SEC. 608. (a) The Secretary of Defense is authorized to assist communities located near the TRIDENT Support Site Bangor, Washington, in meeting the costs of providing increased municipal services and facilities to the residents of such communities, if the Secretary determines that there is an immediate and substantial increase in the need for such services and facilities in such communities as a direct result of work being carried out in connection with the construction, installation, testing, and operation of the TRIDENT Weapon System and that an unfair and excessive financial burden will be incurred by such communities as a result of the increased need for such services and facilities.

TRIDENT Support Site, Bangor, Wash., community assistance.

(b) The Secretary of Defense shall carry out the provisions of this section through existing Federal programs. The Secretary is authorized to supplement funds made available under such Federal programs to the extent necessary to carry out the provisions of this section, and is authorized to provide financial assistance to communities described in subsection (a) of this section to help such communities pay their share of the costs under such programs. The heads of all departments and agencies concerned shall cooperate fully with the Secretary of Defense in carrying out the provisions of this section on a priority basis.

(c) In determining the amount of financial assistance to be made available under this section to any local community for any community service or facility, the Secretary of Defense shall consult with the head of the department or agency of the Federal Government concerned with the type of service or facility for which financial assistance is being made available and shall take into consideration (1) the time lag between the initial impact of increased population in any such community and any increase in the local tax base which will result from such increased population, (2) the possible temporary nature of the increased population and the long-range cost impact on the permanent residents of any such community, and (3) such other pertinent factors as the Secretary of Defense deems appropriate.

Consultation with heads of Federal agencies.

(d) Any funds appropriated to the Department of Defense for the

Funds, availability.

fiscal year beginning July 1, 1974, for carrying out the TRIDENT Weapon System shall be utilized by the Secretary of Defense in carrying out the provisions of this section to the extent that funds are unavailable under other Federal programs. Funds appropriated to the Department of Defense for any fiscal year beginning after June 30, 1975, for carrying out the TRIDENT Weapon System may, to the extent specifically authorized in an annual Military Construction Authorization Act, be utilized by the Secretary of Defense in carrying out the provision of this section to the extent that funds are unavailable under other Federal programs.

Reports to congressional committees.

(e) The Secretary shall transmit to the Committees on Armed Services of the Senate and the House of Representatives semiannual reports indicating the total amount expended in the case of each local community which was provided assistance under the authority of this section during the preceding six-month period, the specific projects for which assistance was provided during such period, and the total amount provided for each such project during such period.

Vice President.
Temporary official residence.
3 USC 111 note.

SEC. 609. (a) Public Law 93-346 (88 Stat. 340), designating the premises occupied by the Chief of Naval Operations as the official residence of the Vice President, is amended to read as follows: "That effective July 1, 1974, the Government-owned house together with furnishings, associated grounds (consisting of twelve acres, more or less), and related facilities which have heretofore been used as the residence of the Chief of Naval Operations, Department of the Navy, shall, on and after such date be available for, and are hereby designated as, the temporary official residence of the Vice President of the United States.

3 USC 111 note.

"SEC. 2. The temporary official residence of the Vice President shall be adequately staffed and provided with such appropriate equipment, furnishings, dining facilities, services, and other provisions as may be required, under the supervision and direction of the Vice President, to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his high office.

3 USC 111 note.

"SEC. 3. The Secretary of the Navy shall, subject to the supervision and control of the Vice President, provide for the military staffing and the care and maintenance of the grounds of the temporary official residence of the Vice President and, subject to reimbursement therefor out of funds appropriated for such purposes, provide for the civilian staffing, care, maintenance, repair, improvement, alteration, and furnishing of such residence.

3 USC 111 note.

"SEC. 4. There is hereby authorized to be appropriated such sums as may be necessary from time to time to carry out the foregoing provisions of this joint resolution. During any interim period until and before any such funds are so appropriated, the Secretary of the Navy shall make provision for staffing and other appropriate services in connection with the temporary official residence of the Vice President from funds available to the Department of the Navy, subject to reimbursement therefor from funds subsequently appropriated to carry out the purposes of this joint resolution.

3 USC 111 note.

"SEC. 5. After the date on which the Vice President moves into the temporary official residence provided for in this joint resolution no funds may be expended for the maintenance, care, repair, furnishing, or security of any residence for the Vice President other than the temporary official residence provided for in this joint resolution unless the expenditure of such funds is specifically authorized by law enacted after such date.

3 USC 111 note.

"SEC. 6. The Secretary of the Navy is authorized and directed, with the approval of the Vice President, to accept donations of money or property for the furnishing of or making improvements in or about

the temporary official residence of the Vice President, all such donations to become the property of the United States and to be accounted for as such.

"SEC. 7. (a) Section 202 of title 3, United States Code, is amended by striking out 'and (5)' in the first sentence and inserting in lieu thereof the following: '(5) the temporary official residence of the Vice President and grounds in the District of Columbia; (6) the Vice President and members of his immediately family; and (7)'.

"SEC. 8. The first sentence of section 3056(a) of title 18, United States Code, is amended by—

"(1) inserting 'protect the members of the immediate family of the Vice President, unless such protection is declined;' immediately after 'Vice President-elect;'; and

"(2) inserting 'pay expenses for unforeseen emergencies of a confidential nature under the direction of the Secretary of the Treasury and accounted for solely on his certificate;' immediately after 'apprehension of criminals;'.

"SEC. 9. It is the sense of Congress that living accommodations, generally equivalent to those available to the highest ranking officer on active duty in each of the other military services, should be provided for the Chief of Naval Operations."

3 USC 111 note.

(b) Except as otherwise provided therein, the amendment made by subsection (a) of this section shall become effective July 12, 1974.

Effective date.
3 USC 202 note.

SEC. 610. Section 2662 of title 10, United States Code, is amended by adding at the end of subsection (a) a new paragraph as follows:

Real property
transactions.

"(6) Any termination or modification by either the grantor or grantee of an existing license or permit of real property owned by the United States to a military department, under which substantial investments have been or are proposed to be made in connection with the use of the property by the military department."

SEC. 611. Chapter 159 of title 10, United States Code, is amended by adding at the end thereof the following new section and a corresponding item in the analysis:

"§ 2685. Adjustment of or surcharge on selling prices in commissary stores to provide funds for construction and improvement of commissary store facilities

10 USC 2685.

"(a) Notwithstanding any other provision of law, the Secretary of a military department, under regulations established by him and approved by the Secretary of Defense, may, for the purposes of this section, provide for an adjustment of, or surcharge on, sales prices of goods and services sold in commissary store facilities.

"(b) The Secretary of a military department, under regulations established by him and approved by the Secretary of Defense, may use the proceeds from the adjustments or surcharges authorized by subsection (a) to acquire, construct, convert, expand, install, or otherwise improve commissary store facilities at defense installations within the United States and for related environmental evaluation and construction costs, including surveys, administration, overhead, planning, and design."

SEC. 612. Notwithstanding any other provisions of law, proceeds from the sale of recyclable material shall be credited first, to the cost of collection, handling, and sale of the material including purchasing of equipment to be used for recycling purposes and second, to projects for environmental improvement and energy conservation at military camps, posts, and bases establishing recycling programs in accordance with regulations approved by the Secretary of Defense. The amount expended for environmental improvement and energy conservation projects shall not exceed \$50,000 per installation per annum. Any bal-

Recyclable ma-
terial, sale
proceeds.

Report to Congress.

Diego Garcia, construction funds, requirements.

ance shall be returned to the Treasury as miscellaneous receipts. The Secretary of each military department shall make an annual report to Congress on the operation of the program.

SEC. 613. (a) None of the funds authorized to be appropriated by this Act with respect to any construction project at Diego Garcia may be obligated unless—

(1) the President has (A) advised the Congress in writing that all military and foreign policy implications regarding the need for United States facilities at Diego Garcia have been evaluated by him, and (B) certified to the Congress in writing that the construction of any such project is essential to the national interest of the United States;

(2) 60 days of continuous session of the Congress have expired following the date on which certification with respect to such project is received by the Congress, and

(3) neither House of Congress has adopted, within such 60-day period, a resolution disapproving such project.

(b) (1) For purposes of this section, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such 60-day period.

“Resolution.”

(2) For purposes of this section, “resolution” means a resolution of either House of Congress, the matter after the resolving clause of which is as follows: “That the _____ does not approve the proposed construction project on the island of Diego Garcia, the need for which was certified to by the President and the certification with respect to which was received by the _____ on _____.”, the first and second blanks being filled with the name of the resolving House and the third blank being filled with the appropriate date.

(c) Subsections (d), (e), and (f) of this section are enacted by Congress—

(1) as an exercise of the rule-making power of the Senate and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by subsection (b)

(2) of this section; and they supersede other rules of the Senate only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change such rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(d) A resolution with respect to a proposed construction project of the island of Diego Garcia shall be referred to the Committee on Armed Services of the Senate.

(e) (1) If the Committee on Armed Services of the Senate to which a resolution with respect to a proposed construction project on the island of Diego Garcia has been referred has not reported such resolution at the end of 20 calendar days after its introduction, not counting any day which is excluded under subsection (b) (1) of this section, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same proposed construction project which has been referred to the committee, except that no motion to discharge shall be in order after the committee has reported a resolution of disapproval with respect to the same proposed construction project.

(2) A motion to discharge under paragraph (1) of this subsection may be made only by a Senator favoring the resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be

divided equally between those favoring and those opposing the resolution, the time to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(f)(1) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

SEC. 614. (a) The Secretary of the Army is authorized to convey, without monetary consideration, to the Ozark Public Building Authority, an agency of the city of Ozark, Alabama, all right, title, and interest of the United States in and to the land described in subsection (b) for use as a permanent site for the museum referred to in subsection (c), and subject to the conditions described therein.

Ozark Public Building Authority, Ozark, Ala., land conveyance.

(b) The land authorized to be conveyed to the Ozark Public Building Authority as provided in subsection (a) is described as follows: All that tract or parcel of land lying and being in sections 13 and 24, range 23 east, township 5 north, Saint Stephens Meridian, Dale County, Alabama, more particularly described as follows:

Description.

Beginning at a point which is 216.0 feet north 89 degrees 57 minutes west of the northeast corner of the southwest quarter of the northeast quarter of said section 24, on the western right-of-way line of Alabama State Highway Numbered 249, and on the boundary of a tract of land owned by the United States of America at Fort Rucker Military Reservation;

thence north 25 degrees 07 minutes east along the western right-of-way line of said highway, which is along the boundary of said United States tract, 1,395 feet;

thence north 64 degrees 53 minutes west 700 feet; thence south 25 degrees 07 minutes west 2,800 feet; thence south 64 degrees 53 minutes east 700 feet, more or less, to a point which is on the western right-of-way line of said highway and on the boundary of said United States tract;

thence north 25 degrees 07 minutes east along the western right-of-way line of said highway, which is along the boundary of said United States tract, 1,405 feet, more or less, to the point of beginning, containing 45.00 acres, more or less.

(c) The conveyance provided for by the subsection (a) shall be subject to the condition that the real property so conveyed shall be used as a permanent site for a museum to display suitable public exhibits of the United States Army aviation equipment and allied subjects and

Conditions.

aviation-oriented exhibits of other United States Government departments, agencies, and instrumentalities, and of foreign origin, and if such property is not used for such purpose, all right, title, and interest in and to such real property shall revert to the United States, which shall have the right of immediate entry thereon, and to such other conditions as the Secretary of the Army may prescribe to protect the interest of the United States.

Gulf Coast
Council, Boy
Scouts of America,
land conveyance.

SEC. 615. (a) The Secretary of the Navy, or his designee, is authorized to convey to the Gulf Coast Council, Boy Scouts of America, for fair market value and subject to such terms and conditions as shall be determined by the Secretary of the Navy, or his designee, to be necessary to protect the interests of the United States, all right, title, and interest of the United States of America, other than mineral rights including gas and oil which shall be reserved to the United States, in and to a certain parcel of land containing 12.46 acres, more or less, situated in Escambia County, Florida, being a part of the Naval Education and Training Program Development Center, Ellyson, Florida, more particularly described as follows:

Description.

Commence at the southeast property corner of Naval Education and Training Program Development Center (NETPDC), formerly Naval Air Station, Ellyson,

thence north 3 degrees 55 minutes west along the east boundary of NETPDC a distance of 725.8 feet more or less to the point of beginning; from said point of beginning, continue north 3 degrees 55 minutes west along the east boundary of NETPDC a distance of 829.1 feet more or less to a point,

thence north 0 degrees 27 minutes west along the east boundary of NETPDC a distance of 623.3 feet more or less to a point,

thence south 45 degrees 25 minutes east a distance of 304.8 feet more or less to a point,

thence south 87 degrees 48 minutes east a distance of 40.5 feet more or less to a point,

thence south 0 degree 25 minutes west a distance of 38.1 feet more or less to a point,

thence south 45 degrees 25 minutes east a distance of 139.8 feet more or less to a point,

thence south 87 degrees 00 minutes east a distance of 24.6 feet more or less to a point,

thence south 24 degrees 12 minutes west a distance of 17.4 feet more or less to a point,

thence south 45 degrees 25 minutes east a distance of 536.6 feet more or less to a point,

thence south 44 degrees 35 minutes west a distance of 990.1 feet more or less to the point of beginning; containing 12.46 acres more or less.

(b) All expenses for surveys and the preparation and execution of legal documents necessary or appropriate to carry out the foregoing provisions shall be borne by the Gulf Coast Council, Boy Scouts of America.

State of Louisi-
ana, land con-
veyance.

SEC. 616. (a) The Secretary of the Army (hereinafter in this section referred to as the "Secretary"), or his designee, is authorized and directed to convey by quitclaim deed to the State of Louisiana all right, title, and interest of the United States in and to that certain real property located in Saint Tammany Parish, Louisiana, containing one thousand seven hundred and ten acres, more or less, known as Camp Villere, being the same property presently under license to the State for National Guard use, and known as Audited Installation Numbered 22975 in the files of the Office of the District Engineer, Corps of Engineers, Fort Worth District.

Conditions.

(b) The conveyance required to be made pursuant to subsection (a) shall be made without monetary compensation but shall be in consideration of, and subject to, the following terms and conditions:

(1) The conveyed property shall be used primarily for the training of the Louisiana National Guard and for other military purposes of the Louisiana National Guard.

(2) Any revenue derived by the State from any other uses of the property shall be used for the maintenance and improvement of the property or be shared with the United States as prescribed by the Secretary. The State shall maintain such records and furnish such reports with respect to such revenue as are prescribed by the Secretary.

(3) The State shall protect the timber, water resources, gravel, sand, soil, mineral deposits, and other natural resources of the conveyed property in accordance with sound conservation practices and to the satisfaction of the Secretary.

(4) In time of war or national emergency declared by the Congress, or national emergency hereafter proclaimed by the President, and upon a determination by the Secretary of Defense that the conveyed property, or any part thereof, is useful or necessary for national defense and security, the Secretary, on behalf of the United States, shall have the right to enter upon and use such property, or any part thereof (including any and all improvements made thereon by the State), for a period not to exceed the duration of such war or emergency plus six months. Upon termination of such use, the property shall revert to the State, together with all improvements placed thereon by the United States, and be subject to the terms, conditions, and limitations on its use and disposition which apply without regard to this paragraph. The use of the property by the United States pursuant to this paragraph shall be without obligation or payment on the part of the United States, except that the United States, if required by the State, shall pay the fair market rental value for the use of any improvements on the property which are constructed with State funds and, upon completion of such use, will restore any such improvements to the same condition as that existing at the time of initial occupancy by the United States under this paragraph. At the option of the Secretary, cash payment may be made by the United States in lieu of such restoration; except that the value of any improvements erected by the United States during its occupancy and left on the property shall be offset against the obligation of the United States to restore improvements constructed with State funds.

(5) There shall be reserved from the conveyance such easements and right-of-way for roads, water flowage, soil disposal, waterlines, sewerlines, communications wires, powerlines, and other purposes, as the Secretary considers necessary or convenient for the operations, activities, and functions of the United States.

(6) All mineral rights with respect to the conveyed property, including gas and oil, shall be reserved to the United States, together with the right to permit such reasonable exploration and mining operations as will not interfere with the primary use of the property.

(7) Such other terms and conditions as the Secretary may deem necessary to protect the interests of the United States.

(c) Upon a finding by the Secretary that the State is violating or failing to comply with any term or condition imposed by paragraph (1), (2), or (3) of subsection (b) of this section, the Secretary is authorized immediately to reenter and take possession of the property described in subsection (a), whereupon title to such property shall revert to the United States and control thereover may be asserted by the Secretary without any further act or legal proceeding whatsoever.

Any improvements, fixtures, and buildings placed on the property by the State during its period of use shall become the property of the United States without payment of compensation therefor.

(d) (1) Any surveying and related costs incurred incident to the carrying out of this section shall be borne by the State.

(2) Appropriate provisions to implement the terms and conditions of this Act shall be included in the instrument of conveyance.

Citation of
titles.

SEC. 617. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1975".

Reserve Forces
Facilities Au-
thorization Act,
1975.
10 USC 2231.

TITLE VII

RESERVE FORCES FACILITIES

SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(a) Army National Guard of the United States, \$53,800,000.

(b) Army Reserve, \$38,600,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, \$19,867,000.

(3) For the Department of the Air Force:

(a) Air National Guard of the United States, \$31,500,000.

(b) Air Force Reserve, \$14,000,000.

SEC. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

SEC. 703. Paragraph (1) of section 2233a of title 10, United States Code, is amended by striking out "\$50,000" and inserting in lieu thereof "\$100,000".

Citation of
title.

SEC. 704. This title may be cited as the "Reserve Forces Facilities Authorization Act, 1975".

Approved December 27, 1974.

Public Law 93-553

December 27, 1974
[S. J. Res. 260]

JOINT RESOLUTION

Relative to the convening of the first session of the Ninety-fourth Congress.

Ninety-fourth
Congress.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first regular session of the 94th Congress shall begin at 12 o'clock noon on Tuesday, January 14, 1975.

Approved December 27, 1974.

Public Law 93-554

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1975,
and for other purposes.

December 27, 1974
[H. R. 16900]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the “Supplemental Appropriations Act, 1975”) for the fiscal year ending June 30, 1975, and for other purposes, namely:

Supplemental
Appropriations
Act, 1975.

TITLE I

CHAPTER I

DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT

For contracts with and payments to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grant program as authorized by Title I of the Housing and Community Development Act of 1974 (P.L. 93-383, 88 Stat. 633), \$2,125,000,000, to remain available until September 30, 1977: *Provided*, That upon the date funds become available for obligation under said title, there shall be transferred to and merged with appropriations and authority provided under this head, the uncommitted balances of funds provided for fiscal year 1975 for “Urban Renewal Programs” and “Model Cities Programs”: *Provided further*, That there is hereby appropriated an additional \$50,000,000, to remain available until September 30, 1977, for urgent community development needs pursuant to section 103(b) of said title.

42 USC 5301.

HOUSING PRODUCTION AND MORTGAGE CREDIT

HOUSING FOR THE ELDERLY OR HANDICAPPED

The limitation on the aggregate loans that may be made under section 202 of the Housing Act of 1959, as amended, from the fund created by subsection (a) (4) (A) of such section, in accordance with subsection (a) (4) (C) of such section as added by section 210(d) (3) of the Housing and Community Development Act of 1974, is hereby established in the fiscal year ending June 30, 1975, at a level of \$100,000,000 in addition to the unobligated balance of the amounts heretofore appropriated to or otherwise deposited in such fund as of the end of month after the enactment of this paragraph.

12 USC 1701q.

Ante, p. 669.

NATIONAL SCIENCE FOUNDATION

SALARIES AND EXPENSES

Ante, p. 276.

In addition to the purposes for which the appropriation under this head was provided in the Special Energy Research and Development Appropriation Act, 1975 (Public Law 93-322), the Director of the National Science Foundation is authorized to transfer to the Secretary of the Department of Housing and Urban Development and/or the Administrator of the National Aeronautics and Space Administration not to exceed a total of \$5,000,000 for support of programs for development and demonstration of solar heating systems and solar heating and cooling systems, and for the preparation of comprehensive plans for such development and demonstration programs, as authorized by the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93-409).

Ante, p. 1069.

VETERANS ADMINISTRATION

ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

38 USC 5070.

For grants to affiliated medical schools, assistance to public and nonprofit institutions of higher learning, hospitals and other health manpower institutions affiliated with the Veterans Administration to increase the production of professional and other health personnel, and for expansion of Veterans Administration hospital education and training capacity as authorized by 38 U.S.C. Chapter 82, \$10,000,000, to remain available until June 30, 1981.

CHAPTER II

DEPARTMENT OF LABOR

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for the Labor-Management Services Administration, Salaries and Expenses, \$8,150,000, including \$1,500,000 to be derived by transfer from Manpower Administration, Program Administration.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for Employment Standards Administration, Salaries and Expenses, \$6,080,000, including \$5,600,000 to be derived by transfer from Comprehensive Manpower Assistance.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For additional expenses for the Bureau of Labor Statistics, \$300,000, to be derived by a transfer from the Departmental Management, Salaries and Expenses appropriation, of which the entire amount shall be for the expenses of revising the Consumer Price Index, includ-

ing salaries of temporary personnel assigned to this project without regard to competitive Civil Service requirements.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

For carrying out, to the extent not otherwise provided, section 301(g) of the Public Health Service Act, \$2,722,000.

42 USC 241.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

SAINT ELIZABETHS HOSPITAL

For an additional amount for "Saint Elizabeths Hospital", \$1,789,000, or such amount as may be necessary to increase total funds available to the hospital by \$1,811,000, including reimbursements.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

For carrying out, to the extent not otherwise provided, section 225, titles III, VII, and VIII, of the Public Health Service Act, section 222 of the Social Security Amendments of 1972, \$147,933,000: *Provided*, That in addition, \$120,000 may be transferred to this appropriation, as authorized by section 201(g) of the Social Security Act from any one or all of the trust funds referred to therein.

42 USC 234,
241, 292, 296,
42 USC 1395f
note.

42 USC 401.

Loans, grants, and payments for the next succeeding fiscal year: For making, after December 31 of the current fiscal year, loans, grants, and payments under section 225, part C of title VII, and part B of title VIII of the Public Health Service Act for the first quarter of the next succeeding fiscal year, such sums as may be necessary, and obligations incurred and expenditures made hereunder shall be charged to the appropriation for that purpose for such fiscal year: *Provided*, That such loans, grants, and payments pursuant to this paragraph may not exceed 50 per centum of the amounts authorized in part C of title VII, and in part B of title VIII for these purposes for the next succeeding fiscal year.

42 USC 248,
297.

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, title I, Part A (\$3,702,762,000) Part B (\$30,538,000) and Part C (\$38,000,000), title III (\$120,000,000), title IV, Part B (\$137,330,000) and Part C (\$172,888,000), title V, Parts A and C (\$39,425,000), title VII and sec. 808 of the Elementary and Secondary Education Act; Part J of the Vocational Education Act of 1963; section 822 and section 823 (\$200,000) of Public Law 93-380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III-A (\$21,750,000) of the National Defense Education Act of 1958, \$4,358,293,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I,

20 USC 241a,
841, 331, 861,
880b, 887a.
Ante, p. 607.
Ante, pp. 600,
601.
20 USC 1227.
42 USC 2000c.
20 USC 441.

Part A (\$1,882,212,000) Part B (\$16,538,000) and title IV, Part B (\$137,330,000) and Part C (\$172,888,000) of the Elementary and Secondary Education Act, and section 417(a)(2) of the General Education Provisions Act (\$1,250,000): *Provided further*, That the Commonwealth of Puerto Rico shall receive grants for the current fiscal year pursuant to sections 121, 122, and 123 of the Elementary and Secondary Education Act of 1965 (as such Act exists on the date of enactment of this Act) in amounts equal to not less than the amounts received by the Commonwealth of Puerto Rico for the fiscal year ending June 30, 1974, pursuant to sections 103(a)(5), 103(a)(6), and 103(a)(7), respectively of the Elementary and Secondary Education Act of 1965 (as such Act existed immediately before the effective date of the amendments made to title I of such Act by the Education Amendments of 1974): *Provided further*, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin, except as may be required to enforce nondiscrimination provisions of Federal law.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), \$656,016,000, of which \$636,016,000, including \$43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and \$20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 70 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools: *Provided further*, That, with the exception of up to \$1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act.

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, \$299,609,000: *Provided*, That of this amount \$100,000,000 for part B shall become available July 1, 1975, and shall remain available through June 30, 1976: *Provided further*, That of the sums appropriated herein, not to exceed \$575,000 shall be available to carry out section 625 of the Education of the Handicapped Act.

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Adult Education Act of 1966, and section 907 of the Elementary and Secondary Education Act of 1965, as amended, \$136,800,000: *Provided*, That of this amount \$67,500,000 shall become available for obligation on July 1, 1975 and shall remain available through June 30, 1976.

20 USC 1201
note.
20 USC 900a-5.

Funds appropriated under "Occupational, Vocational, and Adult Education" in the Departments of Labor and Health, Education, and Welfare Appropriations Act, 1975 for carrying out career education under the Cooperative Research Act shall be available only to carry out the provisions of section 406 of Public Law 93-380.

Ante, p. 1642.
20 USC 331
note.
Ante, p. 551.

LIBRARY RESOURCES

For carrying out title II of the Elementary and Secondary Education Act, \$95,250,000.

20 USC 821.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

HUMAN DEVELOPMENT

For carrying out, except as otherwise provided, Title VII of the Older Americans Act of 1965, as amended, and Titles III and IV of the Juvenile Justice and Delinquency Prevention Act of 1974, \$135,000,000.

42 USC 3051.
Ante, pp. 1129,
1132.

CHAPTER III

LEGISLATIVE BRANCH

SENATE

SALARIES, OFFICERS AND EMPLOYEES

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", \$75,525: *Provided*, That effective October 1, 1974, the Secretary may appoint and fix the compensation of a technical advisor at not to exceed \$28,690 per annum; a chief elections investigator at not to exceed \$28,690 per annum, and the Secretary may fix the per annum compensation of the enrolling clerk at not to exceed \$26,878 per annum in lieu of \$20,235 per annum: *Provided further*, That effective October 1, 1974, the allowance for clerical assistance and readjustment of salaries in the Disbursing Office is increased by \$41,040.

COMMITTEE EMPLOYEES

For an additional amount for "Committee Employees", \$349,980.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For an additional amount for "Inquiries and Investigations", \$5,000.

For an additional amount for "Inquiries and Investigations", fiscal year 1974, \$250,000.

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous Items", fiscal year 1974, \$1,050,000.

STATIONERY (REVOLVING FUND)

For an additional amount for “Stationery (Revolving Fund)”, \$300.

ADMINISTRATIVE PROVISION

Effective date.

Effective January 1, 1975—

(1) that portion of the paragraph relating to contingent funds under the heading “UNDER LEGISLATIVE” in the Act of October 2, 1888 (25 Stat. 546; 2 U.S.C. 68, 95), beginning with “And hereafter” and ending with “Government”, is amended to read as follows: “Payments made upon vouchers approved by the Committee on House Administration of the House of Representatives, and payments made upon vouchers or abstracts of disbursements of salaries approved by the Committee on Rules and Administration of the Senate, shall be deemed, held, and taken, and are declared to be conclusive upon all the departments and officers of the Government”;

(2) section 204 of the Atomic Energy Act of 1954 (42 U.S.C. 2254) is amended by inserting immediately after “upon vouchers approved by the Chairman”, a comma and the following: “except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate”; and

(3) section 5(e) of the Employment Act of 1946 (15 U.S.C. 1024(e)) is amended by inserting immediately before the period at the end thereof a comma and the following: “except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate”.

HOUSE OF REPRESENTATIVES

SALARIES, OFFICERS AND EMPLOYEES

For an additional amount for “Salaries, officers and employees”, \$130,000, including: the House Democratic Steering Committee, \$65,000; and the House Republican Conference, \$65,000.

COMMITTEE ON THE BUDGET (STUDIES)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101(c), 606, 703 and 901(e) of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, \$138,000.

Ante, pp. 299,
325, 326, 330.

HOUSE BARBER SHOPS REVOLVING FUND

Effective the first of the month following approval of this act there is established in the Treasury of the United States a revolving fund for the House Barber Shops. The amount on deposit in the suspense fund maintained by the Clerk of the House for barber shop receipts on the effective date of this act shall constitute the capital of the fund. All moneys thereafter received by the House Barber Shops from fees for services or from any other source shall be deposited in such fund; and moneys in such fund shall be available without fiscal year limitation for disbursement by the Clerk of the House of Representatives for compensation of personnel of the House Barber Shops. On September 30 of each year the Clerk of the House shall deposit in the general fund of the Treasury from this revolving fund an amount equal to the June 30 balance in such revolving fund.

ADMINISTRATIVE PROVISIONS

Effective on January 2, 1975, the provisions of Title II of House Resolution 988, Ninety-third Congress, relating to: Sec. 202. Early Organization of the House; Sec. 203. Legislative Classification Office; Sec. 204. The House Commission on Information and Facilities; Sec. 205. Office of the Law Revision Counsel; Sec. 206. Review of Committee Jurisdiction; Sec. 207 (c) and (d) Technical and Conforming Provisions; and Sec. 208. Compilation of the Precedents, shall be the permanent law with respect thereto.

Effective date.
2 USC 29a.
2 USC 286-286g.
2 USC 29b.
2 USC 285-285g.
412a.
2 USC 28a.

The provisions of House Resolution 1299, Ninety-third Congress, relating to an additional expert transcriber to official committee reporters of the House of Representatives, and House Resolution 1309, Ninety-third Congress, relating to the United States Capitol Police force, shall be the permanent law with respect thereto.

40 USC 206b.

JOINT ITEMS

CONTINGENT EXPENSES OF THE SENATE

JOINT COMMITTEE ON PRINTING

For an additional amount for "Joint Committee on Printing", \$66,000.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

For additional amounts in the following appropriation accounts:

Capitol Buildings, \$3,200,
Senate Office Buildings, \$3,600,
House Office Buildings, \$6,600:

Provided, That notwithstanding any other provision of law, effective on the first day of the first applicable pay period which begins on or after the date of enactment of this Act, the positions of registered nurses compensated under the foregoing appropriations shall be allocated by the Architect of the Capitol to grade 10 of the General Schedule and compensated initially at the same steps in such grade, currently in effect for their present grades, so long as such positions are held by the present incumbents.

40 USC 166b-2.

Notwithstanding any other provision of law, effective January 1, 1975, none of the funds appropriated to the Architect of the Capitol shall thereafter be available for any nursing position unless the position is occupied by a Registered Nurse: *Provided*, That such provision shall not be applicable to the present incumbents of such positions.

Effective date.

CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING

For an additional amount for "Construction of an Extension to the New Senate Office Building", \$16,322,000, to remain available until expended.

ADMINISTRATIVE PROVISION

Hereafter, with the approval of the Joint Committee on the Library, the Architect of the Capitol may utilize personnel paid from appropriations under his control for performance of administrative and clerical duties in connection with the maintenance and operation of the United States Botanic Garden, to such extent as he may deem feasible.

40 USC 216b.

GOVERNMENT PRINTING OFFICE

ENVIRONMENTAL IMPACT STUDY ON THE RELOCATION OF THE
GOVERNMENT PRINTING OFFICE

For expenses necessary to prepare a detailed environmental impact statement for the Government Printing Office, \$300,000, to remain available until expended, and to be available for transfer to the General Services Administration.

CHAPTER IV

ATOMIC ENERGY COMMISSION

OPERATING EXPENSES

For an additional amount for "Operating expenses", \$25,500,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

PLANT AND CAPITAL EQUIPMENT

For an additional amount for "Plant and capital equipment", \$9,150,000, to remain available until expended: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

OPERATION AND MAINTENANCE

Ante, p. 782.

Notwithstanding the last proviso under this head in the Public Works for Water and Power Development and Atomic Energy Commission Appropriation Act, 1975 (Public Law 93-393), the Secretary of the Interior, following the entry of a final order by the United States District Court for the District of Nevada in the case designated as "Truckee-Carson Irrigation District v. Secretary of the Interior", Civil Action No. R-74-34, BRT, filed March 18, 1974, now pending in said court, determining that the Secretary may assume control of the Newlands Reclamation Project, Nevada, may utilize not to exceed \$1,000,000 of the funds appropriated under such head for the operation of the Newlands Reclamation Project, Nevada.

CHAPTER V

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic Development Assistance Programs", including activities authorized by Title IX, \$62,750,000.

ADMINISTRATION OF ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Administration of economic development assistance programs", \$5,275,000.

REGIONAL ACTION PLANNING COMMISSIONS

REGIONAL DEVELOPMENT PROGRAMS

For an additional amount for “Regional Development Programs”, \$3,502,000, to remain available until expended.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

CARE OF THE BUILDING AND GROUNDS

For an additional amount for “Care of the Building and Grounds”, \$258,500, to remain available until expended.

COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE
SYSTEM OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Commission on Revision of the Federal Court Appellate System of the United States authorized by the Act of October 13, 1972 (Public Law 92-489), as amended by the Act of September 19, 1974 (Public Law 93-420), \$351,000, to remain available until expended.

28 USC 41
note.
Ante, p. 1153.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

SURETY BOND GUARANTEES FUND

For additional capital for the “Surety Bond Guarantees Fund”, authorized by the Small Business Investment Act, as amended, to remain available without fiscal year limitation: \$20,000,000 to be derived by transfer from the “Business Loan and Investment Fund”.

15 USC 661
note.

CHAPTER VI

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

GRANTS-IN-AID FOR AIRPORTS

Notwithstanding the limitation on Grants-in-Aid for Airport Development contained in section 302 of Public Law 93-391, the \$25,000,000 appropriated by Public Law 91-168 for such grants and subsequently transferred to the Airport and Airway Development Trust Fund by Public Law 91-258 shall be available for obligation through June 30, 1975.

Ante, p. 780.

14 USC 92
note.

49 USC 1701.

FEDERAL RAILROAD ADMINISTRATION

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for “Grants to the National Railroad Passenger Corporation”, \$70,000,000, to remain available until expended.

URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN MASS TRANSPORTATION FUND

LIQUIDATION OF CONTRACT AUTHORIZATION

In addition to the purposes for which the appropriations under this head were made available in the Department of Transportation and Related Agencies Appropriations Acts, not to exceed \$3,100,000 of such appropriations shall be available for liquidation of contractual obligations incurred under authority of sections 103(e) (4) and 142(c) of title 23, United States Code.

RELATED AGENCIES

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$170,000.

UNITED STATES RAILWAY ASSOCIATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses to enable the United States Railway Association to carry out its functions under the Regional Rail Reorganization Act of 1973, \$7,000,000, to remain available until expended.

45 USC 701
note.

CHAPTER VII

DEPARTMENT OF THE TREASURY

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

EISENHOWER COLLEGE GRANTS

For payments to Eisenhower College as provided by Public Law 93-441, \$9,000,000.

Ante, p. 1262.

GENERAL PROVISION

Motor vehicles for police-type use by the Treasury Department may be purchased without regard to the general purchase price limitation for the current fiscal year.

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For an additional amount for "Payment to the Postal Service Fund", \$280,656,000.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of August 30, 1974 (Public Law 93-400), \$660,000.

Ante, p. 796.

COUNCIL ON WAGE AND PRICE STABILITY

SALARIES AND EXPENSES

For expenses, including compensation for the Deputy Director at a rate not to exceed the rate for level V of the Executive Schedule, necessary for the Council on Wage and Price Stability as authorized by the Council on Wage and Price Stability Act of 1974 (Public Law 93-387) \$1,000,000: *Provided*, That transfers under this head for the current fiscal year may be made to any account as reimbursement for funds advanced or expenses incurred.

Ante, p. 750.

INDEPENDENT AGENCIES

CIVIL SERVICE COMMISSION

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For an additional amount for "Payment to Civil Service Retirement and Disability Fund", \$73,576,000.

NATIONAL COMMISSION ON SUPPLIES AND SHORTAGES

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the National Commission on Supplies and Shortages Act (Public Law 93-426), including personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, \$287,500.

Ante, p. 1166.

NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of title II of Public Law 93-495, \$500,000, to remain available until expended.

Ante, p. 1508.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

FULL DEPOSIT INSURANCE STUDY

For necessary expenses to carry out the provisions of section 101(f) of Public Law 93-495, \$87,000.

Ante, p. 1500.

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY OPERATIONS

FEDERAL BUILDINGS FUND

Limitation on Availability of Revenue

In addition to the aggregate amount made available for real property management and related expenses under this heading in the "Treasury, Postal Service, and General Government Appropriations Act, 1975", \$1,000,000 shall be available for such purposes and the limitation on the amount made available for rental of space is increased to \$364,000,000, and the limitation on the amount made available for purchase contract payments is reduced to \$16,244,000, and the limita-

tion on the amount made available for real property operations is reduced to \$351,000,000.

EXPENSES, PRESIDENTIAL TRANSITION

For expenses necessary to carry out the provisions of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), \$100,000 to be available until February 9, 1975, as authorized by law: *Provided*, That the aggregate salaries of all employees detailed on a nonreimbursable basis under the authority of the Presidential Transition Act of 1963, during the period beginning with the enactment of this Act, and ending February 9, 1975, shall not exceed \$70,000.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For an additional amount for "Allowances and Office Staff for Former Presidents", \$55,000 to carry out the provisions of subsection (a) of the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note); \$45,000 solely to carry out the other provisions of the Former Presidents Act, as amended.

CHAPTER VIII

CLAIMS AND JUDGMENTS

For payment of claims settled and determined by departments and agencies in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in Senate Document Numbered 93-114 and House Document Numbered 93-350, Ninety-third Congress, \$51,472,873, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That unless otherwise specifically required by law or by judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of the Act.

CHAPTER IX

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for "Management of Lands and Resources", \$12,400,000, to be derived by transfer from the appropriation for "Salaries and Expenses", Office of Coal Research, fiscal year 1975.

OFFICE OF SALINE WATER

SALINE WATER CONVERSION

For an additional amount for "Saline Water Conversion", \$2,900,000, to remain available until expended.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS AND RESEARCH

For an additional amount for "Surveys, Investigations and Research", \$2,600,000, to be derived by transfer from the appropriation for "Salaries and Expenses", Office of Coal Research, fiscal year 1975.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAM

For an additional amount for "Operation of Indian Programs", \$2,814,000, including \$1,975,000 for implementation of the Menominee Restoration Act (Public Law 93-197), and \$239,000 for assistance to the Menominee Restoration Committee.

25 USC 903
note.

CONSTRUCTION

Of the funds appropriated under this head in the Department of the Interior and Related Agencies Appropriation Act, 1975, \$425,000 shall be available to assist the Tuba City High School Public School District, Arizona, in the construction of facilities for joint use with the Grey Hills Indian High School.

ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORITY)

For an additional amount for "Road Construction (Liquidation of Contract Authority)", \$500,000 to remain available until expended.

RELATED AGENCIES

FEDERAL ENERGY ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", \$8,000,000.

TITLE II

GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Fiscal year
limitation.

SEC. 202. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 per centum of the standard level user charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

SEC. 203. No part of any appropriation contained in this Act or any other Act may be used to pay any expenses of any kind to send, ship, transmit, convey, or deliver any of the Presidential documents, written materials, or tape recordings of former President Richard M. Nixon from the custody of Federal officials or agencies now in possession of them until the passage by the Congress of legislation determining the disposition of said documents, written materials, and

Certain Presi-
dential docu-
ments, expenses,
limitation.

tape recordings: *Provided*, That this limitation shall expire on June 30, 1975: *And provided further*, That this limitation shall not prevent compliance with subpoenas duly issued by State or Federal Courts or by the United States House of Representatives or the United States Senate.

SEC. 204. Notwithstanding any other provision of law, appropriations provided in this or any other Act which would otherwise expire on June 30 of the calendar year 1976, or on such date of any subsequent calendar year, shall remain available until September 30 of each such calendar year.

SEC. 205. None of the funds appropriated by this or any other Act which are available during the fiscal year 1975 for travel expenses, including subsistence allowances, of Government officers and employees may be obligated after the date of the enactment of this Act, at a rate for the balance of the fiscal year which exceeds 90 percent of the budget estimates for fiscal year 1975 for such expenses which were submitted for appropriations or otherwise provided by law: *Provided*, That none of the limitations on travel included in the regular appropriations for fiscal year 1975 shall be exceeded.

Approved December 27, 1974.

Public Law 93-555

December 27, 1974
[H. R. 7077]

AN ACT

To provide for the establishment of the Cuyahoga Valley National Recreation Area.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Cuyahoga Valley National Recreation Area.
Establishment.

PURPOSE

16 USC 460ff.

SECTION 1. For the purpose of preserving and protecting for public use and enjoyment, the historic, scenic, natural, and recreational values of the Cuyahoga River and the adjacent lands of the Cuyahoga Valley and for the purpose of providing for the maintenance of needed recreational open space necessary to the urban environment, the Cuyahoga Valley National Recreation Area, hereafter referred to as the "recreation area", shall be established within six months after the date of enactment of this Act. In the management of the recreation area, the Secretary of the Interior (hereafter referred to as the "Secretary") shall utilize the recreation area resources in a manner which will preserve its scenic, natural, and historic setting while providing for the recreational and educational needs of the visiting public.

LAND ACQUISITION

16 USC 460ff-1.

SEC. 2. (a) The recreational area shall comprise the lands and waters generally depicted on the map entitled "Boundary Map, Cuyahoga Valley National Recreation Area, Ohio", numbered NRA-

CUYA-20,000-A, and dated December 1974, which shall be on file and available for inspection in the offices of the National Park Service, Department of the Interior, Washington, District of Columbia, and in the main public library of Akron, Ohio, and Cleveland, Ohio. After advising the Committees on Interior and Insular Affairs of the United States Congress, in writing, the Secretary may make minor revisions of the boundaries of the recreation area when necessary by publication of a revised drawing or other boundary description in the Federal Register.

Publication in
Federal Register.

(b) Within the boundaries of the recreation area, the Secretary, after consultation with the Governor of the State of Ohio and the Advisory Commission established in section 5 of this Act, may acquire lands, improvements, waters, or interests therein by donation, purchase with donated or appropriated funds, exchange, or transfer. Any lands or interests owned therein, as well as any lands hereafter acquired, by the State of Ohio or any political subdivision thereof (including any park district or other public entity) may be acquired only by donation. The Secretary shall not acquire privately owned lands which are held and used for public recreation uses unless he determines that such lands are essential to carry out the purposes of this Act. Notwithstanding any other provisions of law, any Federal property located within the boundaries of the recreation area may, with the concurrence of the agency having custody thereof, be transferred without transfer of funds to the administrative jurisdiction of the Secretary for the purposes of the recreation area.

(c) With respect to improved properties, as defined in this Act, the Secretary may acquire scenic easements or such other interests as, in his judgment, are necessary for the purposes of the recreation area. Fee title to such improved properties shall not be acquired unless the Secretary finds that such lands are being used, or are threatened with uses, which are detrimental to the purposes of the recreation area, or unless such acquisition is necessary to fulfill the purposes of this Act.

Scenic ease-
ments.

Fee title.

(d) When any tract of land is only partly within the boundaries of the recreation area, the Secretary may acquire all or any portion of the land outside of such boundaries in order to minimize the payment of severance costs. Land so acquired outside of the boundaries may be exchanged by the Secretary for non-Federal lands within the boundaries. Any portion of the land acquired outside the boundaries and not utilized for exchange shall be reported to the General Services Administration for disposal under the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That no disposal shall be for less than the fair market value of the lands involved.

40 USC 471
note.

(e) For the purposes of this Act, the term "improved property" means: (i) a detached single family dwelling, the construction of which was begun before January 1, 1975 (hereafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the

"Improved prop-
erty."

enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures necessary to the dwelling which are situated on the land so designated, or (ii) property developed for agricultural uses, together with any structures accessory thereto which were so used on or before January 1, 1975. In determining when and to what extent a property is to be considered an "improved property", the Secretary shall take into consideration the manner of use of such buildings and lands prior to January 1, 1975, and shall designate such lands as are reasonably necessary for the continued enjoyment of the property in the same manner and to the same extent as existed prior to such date.

Retention
rights.

(f) The owner of an improved property, as defined in this Act, on the date of its acquisition, as a condition of such acquisition, may retain for himself, his heirs and assigns, a right of use and occupancy of the improved property for noncommercial residential or agricultural purposes, as the case may be, for a definite term of not more than twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated, the Secretary shall pay to the owner the fair market value of the property on the date of its acquisition, less the fair market value on that date of the right retained by the owner. A right retained by the owner pursuant to this section shall be subject to termination by the Secretary upon his determination that it is being exercised in a manner inconsistent with the purposes of this Act, and it shall terminate by operation of law upon notification by the Secretary to the holder of the right of such determination and tendering to him the amount equal to the fair market value of that portion which remains unexpired.

(g) In exercising his authority to acquire property under this Act, the Secretary shall give prompt and careful consideration to any offer made by an individual owning property within the recreation area to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in, undue hardship.

Plan, submittal
to congressional
committees,
16 USC 460ff-2.

SEC. 3. (a) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate:

(i) the lands and areas which he deems essential to the protection and public enjoyment of this recreation area,

(ii) the lands which he has previously acquired by purchase, donation, exchange, or transfer for the purpose of this recreation area, and

(iii) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(b) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

ADMINISTRATION

SEC. 4. (a) The Secretary shall administer the recreation area in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535) as amended and supplemented (16 U.S.C. 1, 2-4). In the administration of the recreation area, the Secretary may utilize such statutory authority available to him for the conservation and management of wildlife and natural resources as he deems appropriate to carry out the purposes of this Act.

16 USC 460ff-3.

(b) The Secretary may enter into cooperative agreements with the State of Ohio, or any political subdivision thereof, for the rendering, on a reimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire preventive agencies.

Cooperative agreements.

(c) The authority of the Secretary of the Army to undertake or contribute to water resource development, including erosion control and flood control, on land or waters within the recreation area shall be exercised in accordance with plans which are mutually acceptable to the Secretary of the Interior and the Secretary of the Army and which are consistent with both the purposes of this Act and the purposes of existing statutes dealing with water and related land resource development.

Water resource development.

(d) The Secretary, in consultation with the Governor of the State of Ohio, shall inventory and evaluate all sites and structures within the recreation area having present and potential historical, cultural, or architectural significance and shall provide for appropriate programs for the preservation, restoration, interpretation, and utilization of them.

(e) Notwithstanding any other provision of law, the Secretary is authorized to accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing services and facilities which he deems consistent with the purposes of this Act.

(f) The Secretary may, on his own initiative, or at the request of any local government having jurisdiction over land located within or adjacent to the recreation area, assist and consult with the appropriate officers and employees of such local government in establishing zoning laws or ordinances which will assist in achieving the purposes of this Act. In providing assistance pursuant to this subsection, the Secretary shall endeavor to obtain provisions in such zoning laws or ordinances which—

Zoning laws or ordinances.

(1) have the effect of prohibiting the commercial and industrial use (other than a use for commercial farms and orchards) of all real property adjacent to the recreation area;

(2) aid in preserving the character of the recreation area by appropriate restrictions on the use of real property in the vicinity including, but not limited to, restrictions upon: building and construction of all types; signs and billboards; the burning of cover; cutting of timber (except tracts managed for sustained yield); removal of topsoil, sand, or gravel; dumping, storage, or piling of refuse; or any other use which would detract from the aesthetic character of the recreation area; and

Notice, hearing.

(3) have the effect of providing that the Secretary shall receive notice of any hearing for the purpose of granting a variance and any variance granted under, and of any exception made to, the application of such law or ordinance.

ADVISORY COMMISSION

Establishment.
16 USC 460ff-4.

SEC. 5. (a) There is hereby established the Cuyahoga Valley National Recreation Area Advisory Commission (hereafter referred to as the "Commission") which shall be composed of thirteen members to be appointed by the Secretary for terms of five years as follows:

(1) two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Akron Metropolitan Park District;

(2) two members to be appointed from recommendations submitted by the Board of Park Commissioners of the Cleveland Metropolitan Park District;

(3) two members to be appointed from recommendations submitted by the Governor of the State;

(4) one from the membership of an Ohio conservation organization;

(5) one from the membership of an Ohio historical society; and

(6) five members representing the general public, of which no fewer than three shall be from among the permanent residents and electors of Summit and Cuyahoga Counties.

The Secretary shall designate one member of the Commission as Chairman and any vacancy shall be filled in the same manner in which the original appointment was made.

(b) Members of the Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred by the Commission and reimburse members for reasonable expenses incurred in carrying out their responsibilities under this Act on vouchers signed by the Chairman.

(c) The Secretary, or his designee, shall from time to time but at least semiannually, meet and consult with the Advisory Commission on matters relating to the development of the recreation area and with respect to carrying out the provisions of this Act.

(d) Unless extended by the Congress, the Commission shall terminate ten years after the date of the establishment of the recreation area.

Termination
date.

Appropriation.
16 USC 460ff-5.

SEC. 6. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not more than \$34,500,000 for the acquisition of lands and interests in lands.

Master plan,
submittal to con-
gressional com-
mittees.

(b) For the development of essential public facilities there are authorized to be appropriated not more than \$500,000. Within one year from the date of establishment of the recreation area pursuant to this Act, the Secretary shall, after consulting with the Governor of the State of Ohio, develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the development of the recreation area consistent with the objectives of this Act, indicating:

(1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;

(2) the location and estimated cost of all facilities; and

(3) the projected need for any additional facilities within the area.

Approved December 27, 1974.

Public Law 93-556

AN ACT

To establish a Commission on Federal Paperwork.

December 27, 1974
[H. R. 16424]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Commission on
Federal Paper-
work,
Establishment.

DECLARATION OF PURPOSE

SECTION 1. (a) The Congress hereby finds that Federal information reporting requirements have placed an unprecedented paperwork burden upon private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments.

44 USC 3501
note.

(b) The Congress hereby affirms that it is the policy of the Federal Government to minimize the information reporting burden, consistent with its needs for information to set policy and operate its lawful programs.

(c) The Congress hereby determines that a renewed effort is required to assure that this policy is fully implemented and that it is necessary to reexamine the policies and procedures of the Federal Government which have an impact on the paperwork burden for the purpose of ascertaining what changes are necessary and desirable in its information policies and practices.

ESTABLISHMENT OF THE COMMISSION

SEC. 2. To accomplish the purpose set forth in the first section of this Act, there is hereby established a Commission on Federal Paperwork (hereinafter referred to as the "Commission").

44 USC 3501
note.

FUNCTIONS OF THE COMMISSION

SEC. 3. (a) The Commission shall study and investigate statutes, policies, rules, regulations, procedures, and practices of the Federal Government relating to information gathering, processing, and dissemination, and the management and control of these information activities. The Commission shall consider—

44 USC 3501
note.

(1) the nature and extent of current Federal requirements for information from other public and private entities;

(2) the effect of existing statutes on the information requirements of the Federal Government and authorities of existing Federal agencies to collect information;

(3) the nature and extent of management and control over the determination of Federal information needs and the choice of information gathering, processing, and dissemination methods;

(4) the nature and extent to which Federal agencies cooperate with State and local governments and private agencies in collecting, processing, and disseminating information;

(5) the procedures used and the extent to which considerations of economy and efficiency impact upon Federal information activities, particularly as these matters relate to costs burdening the Federal Government and providers of information;

(6) the ways in which policies and practices relating to the maintenance of confidentiality of information impact upon Federal information activities; and

(7) such other matters as the Commission may decide affect Federal reporting requirements.

(b) The Commission shall ascertain what changes are possible and desirable in existing statutes, policies, rules, regulations, procedures, and practices relating to Federal information activities in order to—

(1) assure that necessary information is made available to Federal officials and those acting on behalf of Federal officials;

(2) minimize the burden imposed by Federal reporting requirements on private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments;

(3) guarantee appropriate standards of confidentiality for information held by private citizens or the Federal Government, and the release thereof;

(4) provide that information held by the Federal Government is processed and disseminated to maximize its usefulness to all Federal agencies and the public;

(5) reduce the duplication of information collected by the Federal Government and by State and local governments and other collectors of information; and

(6) reduce the costs of Federal paperwork.

Final report
to Congress and
President.

(c) The Commission shall make a final report to the Congress and the President within two years of the date of the first meeting of the Commission. The final report shall contain a review of its findings and its recommendations for changes in statutes, policies, rules, regulations, procedures and practices. In the event Congress is not in session at the end of such two-year period, the final report shall be submitted to the Clerk of the House and the Secretary of the Senate. The Commission may make such interim reports and recommendations as it deems advisable.

Interim reports
and recommenda-
tions.

(d) Upon submission of the Commission's final report, the Office of Management and Budget, in coordination with the executive agencies, shall take action to (1) formulate the views of the executive agencies on the recommendations of the Commission; (2) to the extent practicable within the limits of their authority and resources, carry out recommendations of the Commission in which they concur; and (3) propose legislation needed to carry out or to provide authority to carry out other recommendations of the Commission in which they concur. At least once every six months, the Office of Management and Budget shall report to the Congress and the President on the status of action taken or to be taken as provided herein. A final report shall be submitted within two years.

Report to Con-
gress and Presi-
dent.

MEMBERSHIP OF THE COMMISSION

44 USC 3501
note.

SEC. 4. (a) The Commission shall be composed of fourteen members, as follows:

(1) two Members of the Senate (who shall not be members of the same political party) appointed by the President of the Senate;

(2) two Members of the House of Representatives (who shall not be members of the same political party) appointed by the Speaker of the House of Representatives;

(3) the Director of the Office of Management and Budget and one other official or employee of the executive branch of the Federal Government appointed by the President of the United States;

(4) the Comptroller General of the United States;

(5) two from among officials of State and local governments (who shall not be members of the same political party) appointed by the President of the United States; and

(6) five from among persons in the private sector, including small business, labor, and other interested groups (no more than three of whom shall be of the same political party), appointed by the President of the United States.

(b) The Commission shall select a Chairman and a Vice Chairman from among its members.

(c) Seven members of the Commission shall constitute a quorum.

(d) Any vacancies in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 5. (a) Except as provided in subsection (b), members of the Commission shall each receive as compensation the daily equivalent of the annual rate of basic pay in effect for grade GS-18 for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

44 USC 3501
note.

5 USC 5332
note.

(b) Members of the Commission who are Members of Congress or who are full-time officers or employees of the United States shall receive no additional compensation for their service on the Commission.

(c) While away from their homes or regular places of business in the performance of service for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

Travel ex-
penses.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission, or at its direction, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence and administer such oaths, as the Commission or such subcommittee or member may deem advisable. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member.

Hearings.
44 USC 3501
note.

(b) (1) The Commission may require by subpoenas the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers and documents as the Commission may deem advisable. Subpoenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or Vice Chairman. The subpoenas of the Commission shall be served in a manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

Subpoena power.

(2) If a person issued a subpoena under paragraph (1) is guilty of contumacy or refuses to obey such subpoena, any district court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may, upon application made by the Attorney General of the United States, order such person to appear before the Commission or a subcommittee or member thereof, to produce evidence or to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by such court as a contempt thereof.

28 USC app.
Enforcement
and punishment.

(3) Notwithstanding paragraphs (1) and (2), a person shall be excused from testifying or from producing such books, records, correspondence, memoranda, papers or documents or other evidence in obedience to a subpoena if such person states in writing to the court ordering his attendance and testimony that the required testimony or

Exceptions.

evidence may tend to incriminate him or subject him to a criminal penalty.

Compensation.

5 USC 101 *et seq.*

5 USC 5101, 5331.

Contract authority.

(c) The Commission may appoint and fix the compensation of such personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not to exceed the maximum rate authorized by the General Schedule. In addition, the Commission may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for the maximum rate authorized by the General Schedule.

(d) The Commission is authorized to negotiate and enter into contracts with private organizations and educational institutions to carry out such studies and prepare such reports as the Commission determines are necessary in order to carry out its duties.

COOPERATION WITH FEDERAL AGENCIES

44 USC 3501 note.

SEC. 7. (a) Each department, agency, and instrumentality of the Federal Government is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information not otherwise prohibited by law as the Commission deems necessary to carry out its functions under this Act.

(b) The head of each department or agency of the Federal Government is authorized to provide to the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman of the Commission. All such requests shall be made by the Chairman or Vice Chairman of the Commission.

TERMINATION OF THE COMMISSION

44 USC 3501 note.

SEC. 8. One hundred and twenty days after the submission of the final report provided for in section 3 of this Act, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

44 USC 3501 note.

SEC. 9. There are hereby authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this Act.

Approved December 27, 1974.

Public Law 93-557

December 27, 1974
[S. 4013]

AN ACT

To amend the Act incorporating the American Legion so as to redefine eligibility for membership therein.

American Legion.
Membership eligibility.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to incorporate the American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45), is hereby amended to read as follows:

"SEC. 5. No person shall be a member of this corporation unless he has served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to

November 11, 1918; December 7, 1941, to December 31, 1946; June 25, 1950, to January 31, 1955; August 5, 1964, to August 15, 1973; all dates inclusive, or who, being a citizen of the United States at the time of entry therein, served in the military or naval service of any of the governments associated with the United States during said wars or hostilities: *Provided, however*, That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates.”

Approved December 27, 1974.

Public Law 93-558

AN ACT

December 30, 1974
[S. 3191]

To amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 361 of title 10, United States Code, is amended by inserting the following new section after section 3814, and inserting a corresponding new item in the chapter analysis:

Armed Forces.
Certain com-
missioned offi-
cers, involuntary
discharge.

“§ 3814a. Regular commissioned officers; second lieutenants, first lieutenants, and captains; discharge during a reduction in force

10 USC 3814a.

“(a) Under regulations prescribed by the Secretary of the Army, whenever he determines that a reduction in the active duty officer personnel strength of the Army is required, he is authorized to remove from the active list of the Regular Army any commissioned officer below the grade of major, if such officer is recommended for removal from the active list by a board of officers appointed by the Secretary of the Army, or his designee, for the purpose of recommending the removal of officers from the active list.

“(b) Any officer selected for removal from the active list of the Regular Army under subsection (a) shall—

“(1) if he is eligible, and so requests, be retired under section 3911 of this title on the date requested by him and approved by the Secretary, but not later than ninety days after such officer receives notification that he is to be removed from the active list of the Regular Army;

“(2) if he is not eligible for retirement under section 3911 of this title, but is eligible for retirement under any other provision of law, be retired under that law on the date requested by him and approved by the Secretary, but not later than ninety days after the date such officer receives notification that he is to be removed from the active list of the Regular Army; or

10 USC 3911.

“(3) if he is not eligible for retirement under section 3911 of this title or any other provision of law, or does not request retirement under section 3911 of this title or under any other provision of law if he is eligible, be honorably discharged on the date requested by him and approved by the Secretary, but not later than ninety days after the date such officer receives notification that he is to be removed from the active list of the Regular Army, and be granted a readjustment payment as provided in subsection (c) of this section.

Readjustment
pay.

Limitation.

Twenty-year
service retirement
pay, deduction.
14 USC 1 et
seq.

Nonapplicabil-
ity.

10 USC 3781,
3791.

10 USC 3814.

Effective date.
10 USC 3814a
note.

“(c) (1) Any officer discharged under subsection (b) (3) and who has completed, immediately before his discharge, at least five years of continuous active duty is entitled to a readjustment payment computed by multiplying his years of active service, but not more than eighteen, by two months’ basic pay of the grade in which he is serving on the date of his discharge. Such an officer may not be paid more than two years’ basic pay of the grade in which he is serving at the time of his discharge or \$15,000, whichever amount is the lesser.

“(2) For the purpose of computing the amount of a readjustment payment under subsection (b) (3), a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded.

“(d) If any officer who received a readjustment payment under this section qualifies for retired pay under any provision of this title or title 14 that authorizes his retirement upon completion of twenty years of active service, an amount equal to 75 per centum of that payment, without interest, shall be deducted immediately from his retired pay.

“(e) This section does not apply to any officer who is required to be discharged or retired for failure of promotion to the grade of first lieutenant, captain, or major under section 3298 or 3303, as appropriate, or who is found to be disqualified for promotion under section 3302 of this title.

“(f) When, under regulations prescribed by the Secretary, any officer has been recommended for removal from the active list of the Regular Army under chapter 359 or 360 of this title, and that recommendation has been received by headquarters, Department of the Army, or when, under regulations prescribed by the Secretary, any officer has been selected by headquarters, Department of the Army, for discharge under section 3814 of this title, such officer may not be considered for removal from the active list under this section. However, any action by any headquarters subordinate to headquarters, Department of the Army, with respect to proceedings for the consideration of any officer for discharge under chapter 359 or 360 or section 3814 of this title shall not prevent consideration for removal of such officer from the active list under this section. Further, the removal of any officer from the active list under this section is not prevented if such officer was previously considered for discharge under chapter 359 or 360 of this title and was recommended for retention under such provision of law or if such officer was recommended for discharge under section 3814 but was not discharged under authority of such section.

“(g) Under regulations prescribed by the Secretary, any regular officer who is within two years of becoming eligible for retired pay may not be involuntarily discharged under this section before he becomes eligible for that pay, unless his discharge is approved by the Secretary.”

SEC. 2. This Act is effective on the date of enactment and expires three years after that date.

Approved December 30, 1974.

Public Law 93-559

AN ACT

To amend the Foreign Assistance Act of 1961, and for other purposes.

December 30, 1974
[S. 3394]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Assistance Act of 1974".

Foreign Assistance Act of 1974.
22 USC 2151
note.

FOOD AND NUTRITION

SEC. 2. Section 103 of the Foreign Assistance Act of 1961 is amended—

22 USC 2151a.

(1) by inserting the subsection designation "(a)" immediately before "In";

(2) by striking out "\$291,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "\$291,000,000 for the fiscal year 1974, and \$500,000,000 for the fiscal year 1975"; and

(3) by adding at the end thereof the following:

"(b) The Congress finds that, due to rising world food, fertilizer, and petroleum costs, human suffering and deprivation are growing in the poorest and most slowly developing countries. The greatest potential for significantly expanding world food production at relatively low cost lies in increasing the productivity of small farmers who constitute a majority of the nearly one billion people living in those countries. Increasing the emphasis on rural development and expanded food production in the poorest nations of the developing world is a matter of social justice as well as an important factor in slowing the rate of inflation in the industrialized countries. In the allocation of funds under this section, special attention should be given to increasing agricultural production in the countries with per capita incomes under \$300 a year and which are the most severely affected by sharp increases in worldwide commodity prices."

CEILING ON FERTILIZERS TO SOUTH VIETNAM

SEC. 3. (a) None of the moneys made available under the Foreign Assistance Act of 1961 or the Foreign Assistance Act of 1974 may be used, beginning on the date of enactment of this section, during fiscal year 1975 to procure agricultural fertilizers for, or to provide such fertilizers to, South Vietnam.

22 USC 2175a.
22 USC 2151
note.
Supra.

(b) During each fiscal year after fiscal year 1975, of the total amount obligated or expended for such fiscal year under the Foreign Assistance Act of 1961 to procure agricultural fertilizers for, or to provide such fertilizers to, foreign countries, not more than one-third of such amount may be obligated or expended to procure such fertilizers for, or provide such fertilizers to, South Vietnam.

POPULATION PLANNING

SEC. 4. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 104, strike out "\$145,000,000 for each of the fiscal years 1974 and 1975" and insert in lieu thereof "\$145,000,000 for the fiscal year 1974, and \$165,000,000 for the fiscal year 1975".

22 USC 2151b.

(2) In section 292, strike out "\$130,000,000" and insert in lieu thereof "\$150,000,000".

22 USC 2219a.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

22 USC 2151c.

SEC. 5. Section 105 of the Foreign Assistance Act of 1961 is amended by striking out “\$90,000,000 for each of the fiscal years 1974 and 1975” and inserting in lieu thereof “\$90,000,000 for the fiscal year 1974, and \$92,000,000 for the fiscal year 1975”.

DISPOSITION OF LOAN RECEIPTS

22 USC 2163.

SEC. 6. Section 203 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

22 USC 2151.

“On and after July 1, 1975, none of the dollar receipts paid during any fiscal year from loans made pursuant to this part or from loans made under predecessor foreign assistance legislation are authorized to be made available during any fiscal year for use for purposes of making loans under chapter 1 of this part. All such receipts shall be deposited in the Treasury as miscellaneous receipts.”

HOUSING GUARANTIES

22 USC 2181.

SEC. 7. The Foreign Assistance Act of 1961 is amended as follows:

22 USC 2183.

(1) In section 221, strike out “\$305,000,000” and insert in lieu thereof “\$355,000,000”.

(2) In section 223(i), strike out “June 30, 1975” and insert in lieu thereof “June 30, 1976”.

AGRICULTURAL CREDIT PROGRAMS

SEC. 8. (a) Title III of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended—

(1) by striking out the title heading and inserting in lieu thereof the following:

“TITLE III—HOUSING AND OTHER CREDIT GUARANTY PROGRAMS”;

22 USC 2182a.

(2) by inserting immediately after section 222 the following new section:

“SEC. 222A. Agricultural and Productive Credit and Self-Help Community Development Programs.—(a) It is the sense of the Congress that in order to stimulate the participation of the private sector in the economic development of less-developed countries in Latin America, the authority conferred by this section should be used to establish pilot programs in not more than five Latin American countries to encourage private banks, credit institutions, similar private lending organizations, cooperatives, and private nonprofit development organizations to make loans on reasonable terms to organized groups and individuals residing in a community for the purpose of enabling such groups and individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. Agricultural credit and assistance for self-help community development projects should include, but not be limited to, material and such projects as wells, pumps, farm machinery, improved seed, fertilizer, pesticides, vocational training, food industry development, nutrition projects, improved breeding stock for farm animals, sanitation facilities, and looms and other handicraft aids.

Guaranties.

22 USC 2151.

“(b) To carry out the purposes of subsection (a), the agency primarily responsible for administering part I is authorized to issue guar-

anties, on such terms and conditions as it shall determine, to private lending institutions, cooperatives, and private nonprofit development organizations in not more than five Latin American countries assuring against loss of not to exceed 50 per centum of the portfolio of such loans made by any lender to organized groups or individuals residing in a community to enable such groups or individuals to carry out agricultural credit and self-help community development projects for which they are unable to obtain financial assistance on reasonable terms. In no event shall the liability of the United States exceed 75 per centum of any one loan.

“(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed \$15,000,000. Not more than 10 per centum of such sum shall be provided for any one institution, cooperative, or organization.

Limitation.

“(d) The Inter-American Foundation shall be consulted in developing criteria for making loans eligible for guaranty coverage in Latin America under this section.

“(e) Not to exceed \$3,000,000 of the guaranty reserve established under section 223(b) shall be available to make such payments as may be necessary to discharge liabilities under guaranties issued under this section or any guaranties previously issued under section 240 of this Act.

22 USC 2183.

22 USC 2200.

“(f) Funds held by the Overseas Private Investment Corporation pursuant to section 236 may be available for meeting necessary administrative and operating expenses for carrying out the provisions of this section through June 30, 1976.

22 USC 2196.

“(g) The Overseas Private Investment Corporation shall, upon enactment of this subsection, transfer to the agency primarily responsible for administering part I all obligations, assets, and related rights and responsibilities arising out of, or related to the predecessor program provided for in section 240 of this Act.

Transfer of obligations and assets.

“(h) The authority of this section shall continue until December 31, 1977.

Termination of authority.

“(i) Notwithstanding the limitation in subsection (c) of this section, foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States may be utilized to carry out the purposes of this section, including the discharge of liabilities under this subsection. The authority conferred by this subsection shall be in addition to authority conferred by any other provision of law to implement guaranty programs utilizing excess local currency.

Excess foreign currency, use.

“(j) The President shall, on or before January 15, 1976, make a detailed report to the Congress on the results of the program established under this section, together with such recommendations as he may deem appropriate.”:

Report to Congress.

(3) by striking out “section 221 or section 222” in section 223 (a) and inserting “section 221, 222, or 222A” in lieu thereof;

22 USC 2183.

(4) by striking out “this title” in section 223(b) and inserting “section 221 and section 222” in lieu thereof; and

(5) by striking out “section 221 or section 222” in section 223 (d) and inserting “section 221, 222, 222A, or previously under section 240 of this Act” in lieu thereof.

(b) Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by striking out section 240.

22 USC 2200.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

22 USC 2222.

SEC. 9. (a) Section 302 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out “for the fiscal year 1975, \$150,000,000” in subsection (a) and inserting in lieu thereof “for the fiscal year 1975, \$165,000,000”; and

(2) by adding at the end thereof the following new subsections:
 “(g) Of the funds made available to carry out this chapter for fiscal year 1975, in addition to any other such funds to be made available for contributions to the International Atomic Energy Agency, not less than \$500,000 shall be made available to such Agency as technical assistance in kind. However, a reasonable amount of funds authorized under this section shall be made available in fiscal year 1975 to strengthen international procedures which are designed to prevent the unauthorized dissemination or use of nuclear materials. The President shall report to the Congress not later than July 1, 1975, concerning actions taken by the United States to strengthen the procedures described under the preceding sentence.

International
Atomic Energy
Agency.

Report to
Congress.

United Nations
Educational,
Scientific, and
Cultural Organi-
zation.

“(h) Congress directs that no funds should be obligated or expended, directly or indirectly, to support the United Nations Educational, Scientific, and Cultural Organization until the President certifies to the Congress that such Organization (1) has adopted policies which are fully consistent with its educational, scientific, and cultural objectives, and (2) has taken concrete steps to correct its recent actions of a primarily political character.”

MILITARY ASSISTANCE AUTHORIZATIONS

22 USC 2312.

SEC. 10. Section 504(a) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out “\$512,500,000 for the fiscal year 1974” and inserting in lieu thereof “\$600,000,000 for the fiscal year 1975”; and

(2) by striking out “(other than training in the United States)” and inserting in lieu thereof “(other than (1) training in the United States, or (2) for Western Hemisphere countries, training in the United States or in the Canal Zone)”.

SPECIAL AUTHORITY

22 USC 2318.

SEC. 11. Section 506(a) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out “the fiscal year 1974” in each place it appears and inserting in lieu thereof “the fiscal year 1975” in each such place; and

(2) by striking out “\$250,000,000” and inserting in lieu thereof “\$150,000,000”.

MILITARY ASSISTANCE AUTHORIZATIONS FOR SOUTH VIETNAM

22 USC 2321f.

SEC. 12. Section 513 of the Foreign Assistance Act of 1961 is amended as follows:

(1) Strike out “Thailand and Laos” in the caption and insert in lieu thereof “Thailand and Laos, and South Vietnam”.

(2) At the end thereof add the following new subsection:

“(c) After June 30, 1976, no military assistance shall be furnished by the United States to South Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act.”

22 USC 2751
note.

EXCESS DEFENSE ARTICLES

SEC. 13. (a) Section 8 of the Act entitled “An Act to amend the Foreign Military Sales Act, and for other purposes”, approved January 12, 1971 (22 U.S.C. 2321b), is amended—

(1) by striking out “\$150,000,000” in subsection (b) and inserting “\$100,000,000” in lieu thereof; and

(2) by inserting immediately before the period in subsection (c) the following: “; except that for any excess defense article such term shall not include a value for any such article which is less than 33⅓ percent of the amount the United States paid for such article when the United States acquired it”.

EXCESS DEFENSE ARTICLE VALUE IN ANNUAL REPORT

SEC. 14. Section 634(d) of the Foreign Assistance Act of 1961 is amended by striking out “including economic assistance and military grants and sales” and inserting in lieu thereof the following: “including economic assistance, military grants (and including for any such grant of any excess defense article, the value of such article expressed in terms of its acquisition cost to the United States), and military sales”.

22 USC 2394.

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 15. Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

“SEC. 514. Stockpiling of Defense Articles for Foreign Countries.—(a) Notwithstanding any other provision of law, no funds, other than funds made available under this chapter or section 401(a) of Public Law 89-367 (80 Stat. 37), or any subsequent corresponding legislation, may be obligated for the purpose of stockpiling any defense article or war reserve material, including the acquisition, storage, or maintenance of any war reserve equipment, secondary items, or munitions, if such article or material is set aside, reserved, or in any way earmarked or intended for future use by any foreign country under this Act or such section.

22 USC 2321h.

“(b) The cost of any such article or material set aside, reserved, or in any way earmarked or intended by the Department of Defense for future use by, for, or on behalf of the country referred to in section 401(a) (1) of Public Law 89-367 (80 Stat. 37) shall be charged against the limitation specified in such section or any subsequent corresponding legislation, for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked or intended; and the cost of any such article or material set aside, reserved or in any way earmarked or intended for future use by, for, or on behalf of any other foreign country shall be charged against funds authorized under this chapter for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked. No such article or material may be made available to or for use by any foreign country unless such article or material has been charged against the limitation specified in such section, or any subsequent corresponding legislation, or against funds authorized under this chapter, as appropriate.”

MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS

SEC. 16. Chapter 2 of part II of the Foreign Assistance Act of 1961 is further amended by adding at the end thereof the following new section:

22 USC 2321i.

22 USC 2312.

"SEC. 515. Military Assistance Advisory Groups and Missions.—Effective July 1, 1976, an amount equal to each sum expended under any provision of law, other than section 504 of this Act, with respect to any military assistance advisory group, military mission, or other organization of the United States performing activities similar to such group or mission, shall be deducted from the funds made available under such section 504, and (1) if reimbursement of such amount is requested by the agency of the United States Government making the expenditure, reimbursed to that agency, or (2) if no such reimbursement is requested, deposited in the Treasury as miscellaneous receipts."

REVIEW OF MILITARY ASSISTANCE PROGRAM

22 USC 2311
note.

22 USC 2311.

SEC. 17. (a) It is the sense of Congress that the policies and purposes of the military assistance program conducted under chapter 2 of part II of the Foreign Assistance Act of 1961 should be reexamined in light of changes in world conditions and the economic position of the United States in relation to countries receiving such assistance; and that the program, except for military education and training activities, should be reduced and terminated as rapidly as feasible consistent with the security and foreign policy requirements of the United States.

Reduction and
elimination plan,
submittal to
Congress.

(b) In order to give effect to the sense of Congress expressed in subsection (a), the President is directed to submit to the first session of the 94th Congress a detailed plan for the reduction and eventual elimination of the present military assistance program.

SECURITY SUPPORTING ASSISTANCE

22 USC 2346a.

SEC. 18. Section 532 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1974 not to exceed \$125,000,000, of which not less than \$50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1975 not to exceed \$660,000,000".

TRANSFER BETWEEN ACCOUNTS

22 USC 2360.

SEC. 19. (a) Section 610 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), immediately after "any other provision of this Act", insert "(except funds made available under chapter 2 of part II of this Act)".

(2) Add at the end thereof the following new subsection:

Post, p. 1801.

"(c) Any funds which the President has notified Congress pursuant to section 653 that he intends to provide in military assistance to any country may be transferred to, and consolidated with, any other funds he has notified Congress pursuant to such section that he intends to provide to that country for development assistance purposes."

22 USC 2364.

(b) Section 614 of such Act is amended by adding at the end of subsection (a) the following: "The authority of this section shall not be used to waive the limitations on transfers contained in section 610(a) of this Act."

Supra.

LIMITATION ON USE OF FUNDS

22 USC 2151m.

SEC. 20. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 115. Prohibiting Use of Funds for Certain Countries.—(a) None of the funds made available to carry out this chapter may be used in any fiscal year for any country to which assistance is furnished in such fiscal year under chapter 4 of part II (security supporting

assistance), part V (assistance for relief and reconstruction of South Vietnam, Cambodia, and Laos), part VI (assistance for Middle East peace) of this Act, or section 36 of the Foreign Assistance Act of 1974.

22 USC 2346,
2431.
Post, p. 1812.
Post, p. 1807.
22 USC 2364.

“(b) The prohibition contained in subsection (a) may not be waived under section 614(a) of this Act or under any other provision of law.

“(c) This section shall not apply to funds made available under section 104 for purposes of title X of chapter 2 of this part (programs relating to population growth), funds made available for humanitarian assistance through international organizations, and funds obligated for regional programs.”

Ante, p. 1795.
22 USC 2219.

CHANGE IN ALLOCATION OF FOREIGN ASSISTANCE

SEC. 21. Section 653 of the Foreign Assistance Act of 1961 is amended—

22 USC 2413.

(1) by striking out all after the period at the end of the first sentence of subsection (a); and

(2) by redesignating subsection (b) as subsection (c) and by inserting immediately after subsection (a) the following new subsection:

“(b) Notwithstanding any other provision of law, no military grant assistance security supporting assistance, assistance under chapter 1 of part I of this Act, or assistance under part V of this Act, may be furnished to any country or international organization in any fiscal year, if such assistance exceeds by 10 percent or more the amount of such military grant assistance, security supporting assistance, assistance under chapter 1 of part I of this Act, or assistance under part V of this Act, as the case may be, set forth in the report required by subsection (a) of this section, unless—

22 USC 2151,
2431.

“(1) the President reports to the Congress, at least ten days prior to the date on which such excess funds are provided, the country or organization to be provided the excess funds, the amount and category of the excess funds, and the justification for providing the excess funds; and

Report to
Congress.

“(2) in the case of military grant assistance or security supporting assistance, the President includes in the report under paragraph (1) his determination that it is in the security interest of the United States to provide the excess funds.

This subsection shall not apply if the excess funds provided in any fiscal year to any country or international organization for any category of assistance are less than \$1,000,000.”

SUSPENSION OF MILITARY ASSISTANCE TO TURKEY

SEC. 22. Section 620 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

22 USC 2370.

“(x) All military assistance, all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), and all licenses with respect to the transportation of arms, ammunition, and implements of war (including technical data relating thereto) to the Government of Turkey, shall be suspended on the date of enactment of this subsection unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: *Provided*, That the President is authorized to suspend the provisions of this section and such Acts if he

22 USC 2151
note.
22 USC 2751
note.

determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975, and only if, during that time, Turkey shall observe the ceasefire and shall neither increase its forces on Cyprus nor transfer to Cyprus any United States supplied implements of war."

PROHIBITIONS ON AID TO NATIONS TRADING WITH NORTH VIETNAM

22 USC 2370.

SEC. 23. Section 620 of the Foreign Assistance Act of 1961 is amended by inserting before the period in subsection (n) the following: " , unless the President determines that such loans, credits, guaranties, grants, other assistance, or sales are in the national interest of the United States".

ASSISTANCE TO GREECE

Repeal.

SEC. 24. Section 620(v) of the Foreign Assistance Act of 1961 is repealed.

LIMITATION UPON ASSISTANCE TO OR FOR CHILE

22 USC 2370 note.

22 USC 2151 note, 2751 note.

SEC. 25. Notwithstanding any other provision of law, the total amount of assistance that may be made available for Chile under the Foreign Assistance Act of 1961, and the Foreign Military Sales Act during fiscal year 1975, may not exceed \$25,000,000, none of which may be made available for the purpose of providing military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense).

LIMITATION ON MILITARY ASSISTANCE AND EXCESS DEFENSE ARTICLES TO KOREA

22 USC 2370 note.

SEC. 26. (a) The aggregate amount of—

(1) funds obligated or reserved for military assistance, including supply operations, under chapter 2 of part II of the Foreign Assistance Act of 1961;

22 USC 2311.

(2) the acquisition cost of excess defense articles, if any, ordered under part II of the Foreign Assistance Act of 1961 and not charged against appropriations for military assistance;

22 USC 2301.

(3) credits, including participations in credits, extended pursuant to section 23 of the Foreign Military Sales Act; and

22 USC 2763.

(4) the principal amount of loans guaranteed pursuant to section 24(a) of the Foreign Military Sales Act;

22 USC 2764.

with respect to South Korea shall not exceed \$145,000,000 for fiscal year 1975 until the President submits a report to the Congress after the date of enactment of this Act stating that the government of South Korea is making substantial progress in the observance of internationally recognized standards of human rights.

Report to Congress.

(b) After the submission of the report under subsection (a), the aggregate amount described in paragraphs (1), (2), (3), and (4) of such subsection with respect to South Korea shall not exceed \$165,000,000 for fiscal year 1975.

22 USC 2318, 2364.

(c) The provisions of section 506 and section 614 of the Foreign Assistance Act of 1961, or of any other law, may not be used to exceed the limitation under subsection (a) or (b).

LIMITATION ON ASSISTANCE FOR INDIA

22 USC 2370 note.

SEC. 27. The total amount of assistance provided under the Foreign Assistance Act of 1961 and of credit sales made or guaranteed under

the Foreign Military Sales Act for India shall not exceed \$50,000,000 in fiscal year 1975.

22 USC 2751
note.

FAMINE OR DISASTER RELIEF

SEC. 28. (a) Section 639 of the Foreign Assistance Act of 1961, dealing with famine or disaster relief, is amended to read as follows:

22 USC 2399.

"SEC. 639. Famine or Disaster Relief.—Notwithstanding any other provision of this or any other Act, the President may provide famine or disaster relief assistance to any foreign country on such terms and conditions as he may determine. For fiscal year 1975 there is authorized to be appropriated not to exceed \$40,000,000, to provide such assistance. The President shall submit quarterly reports during such fiscal year to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and to the Speaker of the House of Representatives on the programing and obligation of funds under this section."

Appropriation.

Presidential
reports to congress-
sional committees
and Speaker of the
House.

(b) Of the funds appropriated to carry out section 639 of the Foreign Assistance Act of 1961, during fiscal year 1975 not less than \$25,000,000 shall be made available to Cyprus for the purposes of such section 639.

Cyprus, assist-
ance.
22 USC 2399
note.

(c) Section 451 of the Foreign Assistance Act of 1961, dealing with the contingency fund, is amended to read as follows:

22 USC 2261.

"SEC. 451. Contingency Fund.—(a) There is authorized to be appropriated to the President for the fiscal year 1975 not to exceed \$5,000,000, to provide assistance authorized by this part or by section 639 for any emergency purpose only in accordance with the provisions applicable to the furnishing of such assistance.

"(b) The President shall submit quarterly reports to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives on the programing and obligation of funds under this section.

Presidential
reports to congress-
sional committees
and Speaker of the
House.

"(c) No part of this fund shall be used to pay for any gifts to any officials of any foreign government made heretofore or hereafter."

Restriction.

ACCESS TO CERTAIN MILITARY BASES ABROAD

SEC. 29. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 659. Access to Certain Military Bases Abroad.—None of funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guaranties) under this Act may be used to provide any kind of assistance to any foreign country in which a military base is located if—

22 USC 2419.

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base;

unless and until the President has determined that the government of such country has, consistent with security authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

(b) Section 29 of the Foreign Assistance Act of 1973 is repealed.

Repeal.
22 USC 2151
note.

PROHIBITING POLICE TRAINING

SEC. 30. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by section 23(a) of this Act, is further amended by adding at the end thereof the following new section:

22 USC 2420.

"SEC. 660. Prohibiting Police Training.—(a) On and after July 1, 1975, none of the funds made available to carry out this Act, and none of the local currencies generated under this Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other law enforcement forces for any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government within the United States or abroad.

"(b) Subsection (a) of this section shall not apply—

42 USC 3763.

"(1) with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation which relates to crimes of the nature which are unlawful under the laws of the United States, or with respect to assistance authorized under section 482 of this Act; or

22 USC 2291a.

"(2) to any contract entered into prior to the date of enactment of this section with any person, organization, or agency of the United States Government to provide personnel to conduct, or assist in conducting, any such program.

Notwithstanding clause (2), subsection (a) shall apply to any renewal or extension of any contract referred to in such paragraph entered into on or after such date of enactment."

Repeal.

22 USC 2151j.

(b) Section 112 of the Foreign Assistance Act of 1961 is repealed.

REIMBURSABLE DEVELOPMENT PROGRAMS

SEC. 31. The Foreign Assistance Act of 1961 is amended by adding at the end of part III the following new section:

22 USC 2421.

"SEC. 661. Reimbursable Development Programs.—The President is authorized to use up to \$1,000,000 of the funds made available for the purposes of this Act in each of the fiscal years 1975 and 1976 to work with friendly countries, especially those in which United States development programs have been concluded or those not receiving assistance under part I of this Act, in (1) facilitating open and fair access to natural resources of interest to the United States and (2) stimulation of reimbursable aid programs consistent with part I of this Act. Any funds used for purposes of this section may be used notwithstanding any other provision of this Act."

22 USC 2151.

INTELLIGENCE ACTIVITIES AND EXCHANGES OF MATERIALS

SEC. 32. The Foreign Assistance Act of 1961 is amended by adding at the end of part III the following new sections:

22 USC 2422.

"SEC. 662. Limitation on Intelligence Activities.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency for operations in foreign countries, other than activities intended solely for obtaining necessary intelligence, unless and until the President finds that each such operation is important to the national security of the United States and reports, in a timely fashion, a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the United States Senate and the Committee on Foreign Affairs of the United States House of Representatives.

"(b) The provisions of subsection (a) of this section shall not apply during military operations initiated by the United States under a declaration of war approved by the Congress or an exercise of powers by the President under the War Powers Resolution.

Presidential
report to Con-
gress.

50 USC 1541
note.

"SEC. 663. Exchanges of Certain Materials.—(a) Notwithstanding any other provision of law, whenever the President determines it is in the United States national interest, he shall furnish assistance under this Act or shall furnish defense articles or services under the Foreign Military Sales Act pursuant to an agreement with the recipient of such assistance, articles, or services which provides that such recipient may only obtain such assistance, articles, or services in exchange for any necessary or strategic raw material controlled by such recipient. For the purposes of this section, the term 'necessary or strategic raw material' includes petroleum, other fossil fuels, metals, minerals, or any other natural substance which the President determines is in short supply in the United States.

22 USC 2423.

22 USC 2751
note."Necessary or
strategic raw
material."

"(b) The President shall allocate any necessary or strategic raw material transferred to the United States under this section to any appropriate agency of the United States Government for stockpiling, sale, transfer, disposal, or any other purpose authorized by law.

"(c) Funds received from any disposal of materials under subsection (b) shall be deposited as miscellaneous receipts in the United States Treasury."

WAIVER OF PROHIBITION AGAINST ASSISTANCE TO COUNTRIES ENGAGING IN CERTAIN TRADE OR SHIPPING

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 664. Waiver of Prohibition Against Assistance to Countries Engaging in Certain Trade.—Any provision of this Act which prohibits assistance to a country because that country is engaging in trade with a designated country, or because that country permits ships or aircraft under its registry to transport any equipment, materials, or commodities to or from such designated country, may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress."

22 USC 2424.

POLICY WITH RESPECT TO INDOCHINA

SEC. 34. (a) The Congress finds that the cease-fire provided for in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any of the Vietnamese parties to the conflict. Military operations of an offensive and defensive nature continue throughout South Vietnam. In Cambodia, the civil war between insurgent forces and the Lon Nol government has intensified, resulting in widespread human suffering and the virtual destruction of the Cambodian economy.

22 USC 2431
note.

24 UST 1.

(b) The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia are not in the interest of the parties directly engaged in the conflicts, the people of Indochina or world peace. In order to lessen the human suffering in Indochina and to bring about a genuine peace there, the Congress urges and requests the President and the Secretary of State to undertake the following measures:

(1) to initiate negotiations with representatives of the Soviet Union and the People's Republic of China to arrange a mutually agreed-upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict;

(2) to urge by all available means that the Government of the Khmer Republic enter in negotiations with representatives of the

Khmer Government of National Union for the purpose of arranging an immediate cease-fire and political settlement of the conflict; and to use all available means to establish contact with the Khmer Government of National Union, and to urge them to participate in such negotiations. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement;

(3) to utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government, and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, including a full accounting for Americans missing in Indochina;

(4) to reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict; and

(5) to maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

24 UST 1.

Report to
Congress.

PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA

22 USC 2431
note.

SEC. 35. (a) Congress calls upon the President and Secretary of State to take the following actions designed to maximize the benefit of United States economic assistance:

(1) to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources;

(2) to develop, in coordination with the recipient governments, other donors, and the multilateral financial institutions, a comprehensive plan for Indochina reconstruction and economic development;

(3) to develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct United States resources into areas of maximum benefits;

(4) to shift the emphasis of United States aid programs from consumption-oriented expenditures to economic development;

(5) to identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations and corruption, which should be undertaken if Indochinese economic development is to progress;

(6) to include in Indochina economic planning and programing specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipient's efforts and to determine whether, and what amounts of, continued United States funding is justified; and

(7) to provide humanitarian assistance to Indochina wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel.

(b) This section shall not be construed to imply continuation of a United States financial commitment beyond the authorization provided for in this Act or amendments made by this Act.

INDOCHINA POSTWAR RECONSTRUCTION

SEC. 36. (a) There are authorized to be appropriated to the President to furnish assistance for the relief and reconstruction of South Vietnam, Cambodia, and Laos, in addition to funds otherwise available for such purposes, for the fiscal year 1975 not to exceed \$617,000,000. Of the amount appropriated for fiscal year 1975—

Appropriation.
22 USC 2432
note.

(1) \$449,900,000 shall be available only for the relief and reconstruction of South Vietnam in accordance with section 38 of this Act;

(2) \$100,000,000 shall be available only for the relief and reconstruction of Cambodia in accordance with section 39 of this Act;

(3) \$40,000,000 shall be available only for the relief and reconstruction of Laos in accordance with section 40 of this Act;

(4) \$4,100,000 shall be available only for the regional development program;

(5) \$16,000,000 shall be available only for support costs for the agency primarily responsible for carrying out this part; and

(6) \$7,000,000 shall be available only for humanitarian assistance through international organizations.

Such amounts are authorized to remain available until expended.

(b) The authority of section 610(a) of the Foreign Assistance Act of 1961 may not be used in fiscal year 1975 to transfer funds made available for any provision of such Act of 1961 into funds made available for part V of such Act for South Vietnam, Cambodia, or Laos under this section.

22 USC 2360.

22 USC 2431.

(c) No assistance may be provided to South Vietnam, Cambodia, or Laos in fiscal year 1975 under part I (including chapter 4 of part II) of the Foreign Assistance Act of 1961. This prohibition may not be waived under section 614(a) of such Act of 1961 or any other provision of law.

22 USC 2151.

22 USC 2364.

(d) Notwithstanding subsection (b) of this section, funds made available under any provision of this or any other law for the purpose of providing military assistance for South Vietnam, Laos, or Cambodia during fiscal year 1975 may be transferred to, and consolidated with, any funds made available to that country for war relief, reconstruction, or general economic development, if such transfer does not result in a greater amount than is allocated for such country under paragraph (1), (2), or (3) of subsection (a).

Transfer of
funds.

(e) To the extent not inconsistent with the provisions of this Act, all prohibitions, restrictions, limitations, and authorities contained in the Foreign Assistance Act of 1961 which are applicable to part V of such Act of 1961 shall apply with respect to the assistance authorized by this section.

22 USC 2151
note.

ASSISTANCE TO SOUTH VIETNAMESE CHILDREN

22 USC 2433
note.

SEC. 37. (a) It is the sense of the Congress that inadequate provision has been made (1) for the establishment, expansion and improvement of day care centers, orphanages, hostels, school feeding programs, health and welfare programs, and training related to these programs which are designed for the benefit of South Vietnamese children, disadvantaged by hostilities in Vietnam or conditions related to those hostilities, and (2) for the adoption by United States citizens of South Vietnamese children who are orphaned or abandoned, or whose parents or sole surviving parent, as the case may be, has irrevocably relinquished all parental rights, particularly children fathered by United States citizens.

(b) The President is, therefore, authorized to provide assistance, on terms and conditions he considers appropriate, for the purposes described in clauses (1) and (2) of subsection (a) of this section. Of the funds appropriated pursuant to section 36(a) of this Act, \$10,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section. Not more than 10 per centum of the funds made available to carry out this section may be expended for the purposes referred to in clause (2) of subsection (a). Assistance provided under this section shall be furnished, to the maximum extent practicable, under the auspices of and by international agencies or private voluntary agencies.

LIMITATIONS WITH RESPECT TO SOUTH VIETNAM

22 USC 2431
note.

SEC. 38. (a) The \$449,900,000 made available in accordance with section 36(a) (1) of this Act shall be allocated as follows:

(1) \$90,000,000 for humanitarian assistance, of which there shall be available—

- (A) \$70,000,000 for refugee relief;
- (B) \$10,000,000 for child care; and
- (C) \$10,000,000 for health care;

(2) \$154,500,000 for agricultural assistance, of which there shall be available—

- (A) \$85,000,000 for fertilizer;
- (B) \$12,000,000 for POL (for agriculture);
- (C) \$6,000,000 for insecticides and pesticides;
- (D) \$10,000,000 for agricultural machinery and equipment (including spare parts);
- (E) \$3,500,000 for agricultural advisory services;
- (F) \$20,000,000 for rural credit;
- (G) \$10,000,000 for canal dredging;
- (H) \$4,000,000 for low-lift pumps; and
- (I) \$4,000,000 for fish farm development;

(3) \$139,800,000 for industrial development assistance of which there shall be available—

- (A) \$124,000,000 for commodities;
- (B) \$10,000,000 for industrial credit; and
- (C) \$5,800,000 for industrial advisory services (including feasibility studies);

(4) \$65,600,000 for miscellaneous assistance, of which there shall be available—

- (A) \$47,900,000 for the service sector (including POL, machinery equipment, and spare parts); and
- (B) \$17,700,000 for technical services and operating expenses.

(b) (1) No funds made available in accordance with section 36(a) (1) may be transferred to, or consolidated with, the funds made available for military assistance, nor may more than 20 per centum of the funds made available under paragraph (1), (2), (3), or (4) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such paragraph.

(2) Whenever the President determines it to be necessary in carrying out this section, any funds made available under any subparagraph of paragraph (1), (2), (3), or (4) of subsection (a) of this section may be transferred to, and consolidated with, the funds made available under any other subparagraph of that same paragraph.

(3) The President shall fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of each transfer he intends to make under paragraph (1) or (2) of this subsection prior to making such transfer.

Transfer, notification to the Speaker and congressional committee.

(c) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of South Vietnam in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

(d) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of South Vietnam for any fiscal year the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

Presidential report to Congress.

(e) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of South Vietnam during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

Presidential report to Congress.

(f) (1) Effective six months after the date of enactment of this section, the total number of civilian officers and employees, including contract employees, of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States present in South Vietnam shall not at any one time exceed four thousand, not more than two thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense. Effective one year after the date of enactment of this section, such total number shall not exceed at any one time three thousand, not more than one thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense.

U.S. civilian officers and employees in South Vietnam, limitation.

(2) Effective six months after the date of enactment of this section, the United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eight hundred individuals in South Vietnam who are citizens of countries other than South Vietnam or the United States. Effective one year after the date of enactment of this section, the total number of individuals whose compensation or allowance is so paid shall not exceed at any one time five hundred.

"Executive agency of the United States Government."

Nonapplicability.

(3) For purposes of this subsection, "executive agency of the United States Government" means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

(4) This subsection shall not be construed to apply with respect to any individual in South Vietnam who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in South Vietnam.

(g) This section shall not be construed as a commitment by the United States to South Vietnam for its defense.

LIMITATIONS WITH RESPECT TO CAMBODIA

22 USC 2415.

SEC. 39. (a) Section 655 of the Foreign Assistance Act of 1961 is amended as follows:

(1) by striking out "\$341,000,000" in subsection (a) and inserting "\$377,000,000" in lieu thereof.

(2) by striking out "1972" in subsection (a) and inserting "1975. Of that sum, there shall be available no more than \$200,000,000 for military assistance. In addition to such \$377,000,000, defense articles and services may be ordered under section 506 of this Act for Cambodia in an amount not to exceed \$75,000,000 in fiscal year 1975." in lieu thereof.

(3) by striking out "\$341,000,000" in subsection (b) and inserting "\$377,000,000" in lieu thereof.

(4) by striking out "1972" in subsection (b) and inserting "1975" in lieu thereof.

22 USC 2416.

(b) Section 656 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following sentence: "This section shall not be construed to apply with respect to any individual in Cambodia who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in Cambodia."

(c) The \$100,000,000 made available in accordance with section 36(a) (2) of this Act shall be allocated as follows:

(1) \$20,000,000 for humanitarian assistance;

(2) \$63,000,000 for commodity import assistance;

(3) \$15,000,000 for multilateral stabilization assistance; and

(4) \$2,000,000 for technical support and participant training.

(d) No funds made available in accordance with section 36(a) (2) may be transferred to, or consolidated with, the funds allocated for military assistance to Cambodia under section 655(a) of the Foreign Assistance Act of 1961, nor may more than 20 per centum of the funds made available under any paragraph of subsection (c) of this section be transferred to, or consolidated with, the funds made available under any other such paragraph.

(e) No funds may be obligated for any of the purposes described in section 655(a) of the Foreign Assistance Act of 1961 in, to, for, or on behalf of Cambodia in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

Allocation.
22 USC 2415
note.

Restrictions.
22 USC 2415
note.
Ante, p. 1807.

22 USC 2415
note

(f) This section shall not be construed as a commitment by the United States to Cambodia for its defense. 22 USC 2415 note.

LIMITATIONS WITH RESPECT TO LAOS

SEC. 40. (a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of \$70,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Laos. Of that amount, there shall be available— 22 USC 2431 note.

(1) \$30,000,000 for military assistance; and

(2) \$40,000,000 only for economic assistance, of which there shall be available—

(A) \$11,000,000 for humanitarian assistance;

(B) \$6,500,000 for reconstruction and development assistance;

(C) \$16,100,000 for stabilization assistance; and

(D) \$6,400,000 for technical support.

(b) No funds made available under paragraph (2) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under paragraph (1) of such subsection, nor may more than 20 per centum of the funds made available under any subparagraph of paragraph (2) be transferred to, or consolidated with, the funds made available under any other such subparagraph.

(c) In computing the limitations on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided, to, for, or on behalf of Laos in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, "value" means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Laos but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States. "Value."

(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Laos in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Laos, for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year. Report to Congress.

(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Laos during the preceding quarter by the United States Government and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose. Presidential report to Congress.

(g) This section shall not be construed as a commitment by the United States to Laos for its defense.

POPULATION, NARCOTICS, INTERNATIONAL HUMANITARIAN AND REGIONAL PROGRAMS

SEC. 41. Part V of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

22 USC 2435.

Ante, pp. 1807,
1808, 1810, 1811.
22 USC 2219.

22 USC 2291a.

“SEC. 806. Population, Narcotics, International Humanitarian and Regional Programs.—The provisions of sections 36(c), 38, 39, and 40 of the Foreign Assistance Act of 1974 shall not apply to: (1) funds obligated for purposes of title X of chapter 2 of part I (programs relating to population growth); (2) funds made available under section 482 (programs relating to narcotics control); (3) funds made available for humanitarian assistance through international organizations; or (4) funds obligated for regional programs.”

ASSISTANCE TO THE MIDDLE EAST

SEC. 42. The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

“PART VI

22 USC 2441.

“SEC. 901. Statement of Policy.—The Congress recognizes that a peaceful and lasting resolution of the divisive issues that have contributed to tension and conflict between nations in the Middle East is essential to the security of the United States and the cause of world peace. The Congress declares and finds that the United States can and should play a constructive role in securing a just and durable peace in the Middle East by facilitating increased understanding between the Arab nations and Israel, and by assisting the nations in the area in their efforts to achieve economic progress and political stability, which are the essential foundations for a just and durable peace. It is the sense of Congress that United States assistance programs in the Middle East should be designated to promote mutual respect and security among the nations in the area and to foster a climate conducive to increased economic development, thereby contributing to a community of free, secure, and prospering nations in the Middle East.

“It is further the sense of Congress that none of the funds authorized by this Act should be provided to any nation which denies its citizens the right or opportunity to emigrate.

22 USC 2442.

22 USC 2311.

“SEC. 902. Allocations.—(a) Of the funds appropriated to carry out chapter 2 of part II of this Act during the fiscal year 1975, not to exceed \$100,000,000 may be made available for military assistance in the Middle East.

22 USC 2346.

“(b) Of the funds appropriated to carry out chapter 4 of part II of this Act during the fiscal year 1975, not to exceed \$652,000,000 may be made available for security supporting assistance in the Middle East.

22 USC 2771.

“(c) Of the aggregate ceiling on credits and guaranties established by section 31(b) of the Foreign Military Sales Act during the fiscal year 1975, not to exceed \$330,000,000 shall be available for countries in the Middle East.

22 USC 2443.

“SEC. 903. (a) Special Requirements Fund.—There are authorized to be appropriated to the President for the fiscal year 1975 not to exceed \$100,000,000 to furnish assistance under part I of this Act to meet special requirements arising from time to time in carrying out the purposes of this part, in addition to funds otherwise available for such purposes. The funds authorized to be appropriated by this section shall

be available for use by the President for assistance authorized by such part in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.

“(b) The President may only obligate or expend, for each foreign country or international organizations, funds authorized under this section—

“(1) after he reports to the Speaker of House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate concerning (A) the name of such foreign country or international organizations, (B) the amount of such funds to be made available to such country or organization, and (C) the purpose for which such funds are to be made available to such country or organization; and

“(2) unless the Congress, within thirty calendar days after receiving any report under paragraph (1), adopts a concurrent resolution stating in substance that it does not favor the provisions of the report provided by clauses (A), (B), and (C) of paragraph (1).

“(c) Of the amount authorized under subsection (a), not less than \$6,000,000 shall constitute a contribution by the United States toward the settlement of the deficit of the United Nations Relief and Works Agency for Palestine Refugees in the Middle East, if the President determines that a reasonable number of other countries will contribute a fair share toward the settlement of such deficit within a reasonable period of time after the date of enactment of the Foreign Assistance Act of 1974. In determining such fair share, the President shall take into consideration the economic position of each such country. Such \$6,000,000 shall be in addition to any other contribution to such Agency by the United States pursuant to any other provision of law.”

Presidential report to Speaker of the House and congressional committee.

NUCLEAR POWERPLANTS

SEC. 43. None of the funds authorized by this Act may be used to finance the construction of, the operation or maintenance of, or the supply of fuel for any nuclear powerplant in Israel or Egypt, which has been approved under an agreement for cooperation between the United States and either such country.

22 USC 2406 note.

ASSISTANCE TO UNITED ARAB REPUBLIC

SEC. 44. Section 620(p) of the Foreign Assistance Act of 1961 is repealed.

Repeal.
22 USC 2370.

FOREIGN MILITARY SALES ACT AMENDMENTS

SEC. 45(a). The Foreign Military Sales Act is amended as follows:

(1) Section 3(d) is amended to read as follows:

22 USC 2753.

“(d) A country shall remain ineligible in accordance with subsection (c) of this section until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not recur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned.”

(2) Section 23 is amended to read as follows:

22 USC 2763.

“SEC. 23. Credit Sales.—The President is authorized to finance procurements of defense articles and defense services by friendly foreign

countries and international organizations on terms requiring the payment to the United States Government in United States dollars of—

“(1) the value of such articles or services within a period not to exceed ten years after the delivery of such articles or the rendering of such services; and

“(2) interest on the unpaid balance of that obligation for payment of the value of such articles or services, at a rate equivalent to the current average interest rate, as of the last day of the month preceding the financing of such procurement, that the United States Government pays on outstanding marketable obligations of comparable maturity, unless the President certifies to Congress that the national interest requires a lesser rate of interest and states in the certification the lesser rate so required and the justification therefor.”

22 USC 2764.

(3) In subsections (a) and (b) of section 24, the parenthetical phrase in each is amended to read as follows: “(excluding United States Government agencies other than the Federal Financing Bank)”.

(4) Section 24(c) is amended by striking out “25” both times it appears and inserting “10” both such times in lieu thereof.

(5) Section 35(b) is repealed, and section 36 is amended by inserting before subsection (c) the following new subsections:

“(a) The President shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate quarterly reports containing—

“(1) a listing of all letters of offer to sell any defense articles or services under this Act, if such offer has not been accepted or canceled;

“(2) a cumulative listing of all such letters of offer to sell that have been accepted during the fiscal year in which such report is submitted;

“(3) the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 made before the submission of such quarterly report and during the fiscal year in which such report is submitted; and

“(4) projections of the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 to be made in the quarter of the fiscal year immediately following the quarter for which such report is submitted.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (A) the foreign country or international organization to which the defense article or service is offered, (B) the dollar amount of the offer to sell under paragraph (1) or of the completed sale under paragraph (2), (C) a brief description of the defense article or service offered, (D) the United States armed force which is making the offer to sell, (E) the date of such offer, and (F) the date of any acceptance under paragraph (2).

“(b) In the case of any letter of offer to sell any defense articles or services under this Act for \$25,000,000 or more, before issuing such letter of offer the President shall submit to the Speaker of the House of Representatives and to the Chairman of the Committee on Foreign Relations of the Senate a statement with respect to such offer to sell containing the information specified in subparagraphs (A) through (E) in subsection (a). The letter of offer shall not be issued if the Congress, within twenty calendar days after receiving any such statement, adopts a concurrent resolution stating in effect that it objects

Repeal.
22 USC 2775,
2776.

Sale of defense articles or services, reports to Speaker of the House and congressional committee.

22 USC 2763.

Presidential statement, submittal to Speaker of the House and congressional committee.

to such proposed sale, unless the President in his statement certifies that an emergency exists which requires such sale in the national security interests of the United States."

(6) Section 31(a) is amended by striking out "\$325,000,000 for the fiscal year 1974" and inserting in lieu thereof "\$405,000,000 for the fiscal year 1975".

22 USC 2771.

(7) In section 31(b)—

(A) strike out "\$730,000,000 for the fiscal year 1974" and insert in lieu thereof "\$872,500,000 for the fiscal year 1975"; and

(B) add at the end thereof the following new sentence: "Of the funds made available under subsection (a) of this section, \$100,000,000 shall first be obligated with respect to financing the procurement of defense articles and defense services by Israel under section 23 of this Act, except that Israel shall be released from contractual liability to repay the United States Government for the defense articles and defense services so financed."

Ante, p. 1813.

(8) In section 33—

(A) subsection (a) is repealed;

(B) subsection (b) is redesignated as subsection (a); and

(C) a new subsection (b) is added as follows:

22 USC 2773.

Repeal.

"(b) The President may waive the limitations of this section when he determines it to be important to the security of the United States and promptly so reports to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate."

Presidential waiver of limitations.

Report to Speaker of the House and congressional committee.

(b) The amendment made by paragraph (4) of subsection (a) shall take effect on July 1, 1974. Obligations initially charged against appropriations made available for purposes authorized by section 31(a) of the Foreign Military Sales Act after June 30, 1974, and prior to the enactment of this section in an amount equal to 25 per centum of the principal amount of contractual liability related to guaranties issued pursuant to section 24(a) of that Act shall be adjusted to reflect such amendment with proper credit to the appropriations made available in the fiscal year 1975 to carry out that Act.

Effective date.
22 USC 2764 note.

22 USC 2764.

SECURITY ASSISTANCE AND HUMAN RIGHTS

SEC. 46. Chapter 1 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 502B. Human Rights.—(a) It is the sense of Congress that, except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.

22 USC 2304.

"(b) Whenever proposing or furnishing security assistance to any government falling within the provisions of paragraph (a), the President shall advise the Congress of the extraordinary circumstances necessitating the assistance.

"(c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation by such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and any body acting under the authority of the United Nations or of the Organization of American States.

"Security assistance."
22 USC 2161,
2241, 2311, 2346,
2431.
Ante, p. 1812.
22 USC 2751
note.

"(d) For purposes of this section, 'security assistance' means assistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) of this part, assistance under part V (Indochina Postwar Reconstruction) or part VI (Middle East Peace) of this Act, sales under the Foreign Military Sales Act, or assistance for public safety under this or any other Act."

GORGAS MEMORIAL INSTITUTE

22 USC 278. SEC. 47. The first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, is amended by striking out "\$500,000" and inserting "\$2,000,000" in lieu thereof.

INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION IN VIETNAM

Appropriations.
22 USC 2431
note.

SEC. 48. (a) There are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed \$16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Vietnam. Funds appropriated under this subsection are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

(b) There are authorized to be appropriated to the Department of State not to exceed \$11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

(c) Reimbursements received by the Agency for International Development under this section may be credited to applicable appropriations of the Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

POLICY ON ASSISTANCE TO AFRICA

22 USC 2166
note.

SEC. 49. The President is requested to review the regional allocation of economic development assistance and to increase Africa's share of the Agency for International Development loans and grants. A special effort should be made to provide more assistance to the sixteen of the world's twenty-five least developed countries that are in Africa and to the fourteen African nations that are judged to be most seriously affected by rising costs of food and fuel. The President is requested to make a report to Congress on action taken to provide the developing countries of Africa with an equitable share of United States economic assistance at the time that the Agency for International Development's operational year budget for fiscal year 1975 is submitted to Congress and again with the submission to Congress of the proposed Agency for International Development budget for fiscal year 1976.

Presidential
report to Con-
gress.

POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE, AND GUINEA-BISSAU

22 USC 2166
note.

SEC. 50. (a) (1) Congress finds that the Government of Portugal's recognition of the right to independence of the African territories of Angola, Mozambique, and Guinea-Bissau marks a significant advance toward the goal of self-determination for all the peoples of Africa, without which peace on the continent is not secure.

(2) Congress finds that progress toward independence for the Portuguese African territories will have a significant impact on the international organizations and the community of nations.

(3) Congress commends the Portuguese Government's initiatives on these fronts as evidence of a reaffirmation of that Government's support for her obligations under both the United Nations Charter and the North Atlantic Treaty Organization.

(b) Therefore, Congress calls upon the President and the Secretary of State to take the following actions designed to make clear United States support for a peaceful and orderly transition to independence in the Portuguese African territories:

(1) An official statement should be issued of United States support for the independence of Angola, Mozambique, and Guinea-Bissau, and of our desire to have good relations with the future governments of the countries.

(2) It should be made clear to the Government of Portugal that we view the efforts toward a peaceful and just settlement of the conflict in the African territories as consistent with Portugal's obligations under the North Atlantic Treaty Organization partnership.

(3) The United States should encourage United Nations support for a peaceful transition to independence, negotiated settlement of all differences, and the protection of human rights of all citizens of the three territories.

(4) The United States should open a dialog with potential leaders of Angola, Mozambique, and Guinea-Bissau and assure them of our commitment to their genuine political and economic independence.

(5) The economic development needs of the three territories will be immense when independence is achieved. Therefore, it is urged that the United States Agency for International Development devote attention to assessing the economic situation in Angola, Mozambique, and Guinea-Bissau and be ready to cooperate with the future governments in providing the kind of assistance that will help make their independence viable. In addition, the United States Government should take the initiative among other donors, both bilateral and multilateral, in seeking significant contribution of development assistance for the three territories.

(6) In light of the need of Angola, Mozambique, and Guinea-Bissau for skilled and educated manpower, a priority consideration should be given to expanding current United States programs of educational assistance to the territories as a timely and substantive contribution to their independence.

(c) Reports should be submitted to the Congress on the implementation of the proposals set forth in subsection (b) and Congress should be kept fully informed on developments in United States policy toward the independence of the Portuguese African territories.

Reports to
Congress.

CONVENTIONAL ARMS TRADE

SEC. 51. (a) It is the sense of the Congress that the recent growth in international transfers of conventional arms to developing nations—^{22 USC 2551 note.}

(1) is a cause for grave concern for the United States and other nations in that in particular areas of the world it increases the danger of potential violence among nations, and diverts scarce world resources from more peaceful uses; and

(2) could be controlled progressively through negotiations and agreements among supplier and recipient nations.

(b) Therefore, the President is urged to propose to the Geneva Conference of the Committee on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of—

(1) agreeing to workable limitations on conventional arms transfers; and

(2) establishing a mechanism through which such limitations could be effectively monitored.

Report to
Congress.

(c) The President shall transmit to the Congress not later than six months after the enactment of this Act a report setting forth the steps he has taken to carry out this section.

INVOLVEMENT OF PUERTO RICO IN THE CARIBBEAN DEVELOPMENT BANK

SEC. 52. (a) The President may transmit to the Caribbean Development Bank an instrument stating that the Commonwealth of Puerto Rico has the authority to conclude an agreement of accession with such Bank and to assume rights and obligations pursuant to such agreement. However, such agreement may only be concluded after it has been approved by the United States Secretary of State.

(b) The instrument transmitted by the President to the Caribbean Development Bank under subsection (a) shall state that the United States shall not assume any financial or other responsibility for the performance of any obligation incurred by the Commonwealth of Puerto Rico pursuant to such agreement of accession or pursuant to any other aspect of its membership or participation in such Bank.

(c) Such agreement of accession shall provide that the Commonwealth of Puerto Rico may not receive from the Caribbean Development Bank any funds provided to the Bank by the United States.

ASSISTANCE TO PORTUGAL AND PORTUGUESE COLONIES IN AFRICA GAINING INDEPENDENCE

SEC. 53. Part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

“Chapter X—Assistance to Portugal and Portuguese Colonies in Africa Gaining Independence

22 USC 2293.

“SEC. 496. Assistance to Portugal and Portuguese Colonies in Africa Gaining Independence.—There are authorized to be appropriated to the President for the fiscal year 1975, in addition to funds otherwise available for such purposes, not to exceed—

“(1) \$5,000,000 to make grants; and

“(2) \$20,000,000 to make loans;

to remain available until expended, for use by the President in providing economic assistance, on such terms and conditions as he may determine, for Portugal and the countries and colonies in Africa which were, prior to April 25, 1974, colonies of Portugal.”

INTEGRATION OF WOMEN

SEC. 54. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

22 USC 2225.

“SEC. 305. Integration of Women.—The President is requested to instruct each representative of the United States to each international organization of which the United States is a member (including but not limited to the International Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development

Bank, the International Monetary Fund, the United Nations, and the Organization for Economic Cooperation and Development) to carry out their duties with respect to such organizations in such a manner as to encourage and promote the integration of women into the national economies of member and recipient countries and into professional and policy-making positions within such organizations, thereby improving the status of women."

POLICY WITH RESPECT TO COUNTRIES MOST SERIOUSLY AFFECTED BY
FOOD SHORTAGES

SEC. 55. (a) The United Nations has designated thirty-two countries as "Most Seriously Affected" by the current economic crisis. These are countries without the internal food production capability or the foreign exchange availability to secure food to meet their immediate food requirements. The Congress calls upon the President and Secretary of State to take the following actions designed to mobilize appropriate resources to meet the food emergency:

22 USC 2175
note.

(1) Review and make appropriate adjustments in the level of programming of our food and fertilizer assistance programs with the aim of increasing to the maximum extent feasible the volume of food and fertilizer available to those countries most seriously affected by current food shortages.

(2) Call upon all traditional and potential new donors of food, fertilizer, or the means of financing these commodities to immediately increase their participation in efforts to address the emergency food needs of the developing world.

(3) Make available to these most seriously affected countries the maximum feasible volume of food commodities, with appropriate regard to the current domestic price and supply situations.

(4) Maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation on steps which are being taken to help meet this food emergency. In accordance with this provision, the President shall report to the Congress on a global assessment of food needs for fiscal year 1975, specifying expected food grain deficits and currently planned programming of food assistance, and steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance. Such report should reach the Congress promptly and should be supplemented quarterly for the remainder of fiscal year 1975.

Report to
Congress.

Presidential
report to Con-
gress.

(5) The Congress directs that during the fiscal year ending June 30, 1975, not more than 30 percent of concessional food aid should be allocated to countries other than those which are most seriously affected by current food shortages, unless the President demonstrates to the appropriate Committees of the Congress that the use of such food assistance is solely for humanitarian food purposes.

(6) The Congress calls upon the President to proceed with the implementation of resolutions and recommendations adopted by the World Food Conference. The Congress believes that it is incumbent upon the United States to take a leading role in assisting in the development of a viable and coherent world food policy which would begin the task of alleviating widespread hunger and suffering prevalent in famine-stricken nations. The President shall report to the Congress within 120 days of enactment of this Act on the implementation of the resolutions and the extent to which the United States is participating in the

Presidential
report to Con-
gress.

implementation of resolutions adopted at the World Food Conference.

REPAYMENT OF LOANS IN DEFAULT

22 USC 2370
note.
22 USC 2151
note.

SEC. 56. It is the sense of the Congress that any country receiving assistance under the Foreign Assistance Act of 1961 which is in default, at least 90 days prior to the date of enactment of this Act, of any payment of principal or interest due on any loan or credit received from the United States shall promptly pay all such principal and interest. It is further the sense of the Congress that the President shall promptly enter into negotiations with each such country to help effectuate the payment of such principal and interest, or to effectuate the transfer by such country to the United States of goods, services, concessions, or actions beneficial to the United States, in lieu of the payment of such principal and interest.

Approved December 30, 1974.

Public Law 93-560

AN ACT

December 30, 1974
[H. R. 7978]

To declare that certain federally owned lands shall be held by the United States in trust for the Hualapai Indian Tribe of the Hualapai Reservation, Arizona, and for other purposes.

Indians,
Hualapai Tribe,
Ariz.
Lands in trust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to all valid existing rights-of-way, all of the right, title, and interest of the United States in and to the following described lands, containing 794.95 acres, more or less, and all federally owned buildings and improvements thereon are hereby declared to be held by the United State in trust for the Hualapai Indian Tribe of the Hualapai Reservation, Arizona, subject to the continued right of the United States to use such land, buildings, and improvements so long as needed for Indian agency and administrative purposes:

Description.

Northwest quarter, section 15, and all of section 10, township 23 north, range 13 west, Gila and Salt River base and meridian, Arizona, excepting a tract of land containing 5.05 acres, more or less, which is seven hundred thirty feet long and three hundred feet wide, lying along and adjacent to the southeasterly boundary line of the Atchison, Topeka, and Santa Fe Railway in the southeast quarter of section 10, township 23 north, range 13 west, Gila and Salt River base and meridian, and which tract is more particularly described in the Act of October 25, 1949 (63 Stat. 1205), as amended by the Act of June 23, 1970 (84 Stat. 2109).

Administration.

SEC. 2. The lands subject to this Act shall be administered in accordance with the laws and regulations applicable to Indian tribal lands.

Claims offset
against U.S.

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 150), the extent to which value of the title conveyed should or should not be set off against any claim against the United States determined by the Commission.

60 Stat. 1050.
25 USC 70a.

Approved December 30, 1974.

Public Law 93-561

JOINT RESOLUTION

To authorize and request the President to issue a proclamation designating January, 1975, as "March of Dimes Birth Defects Prevention Month".

December 30, 1974
[S. J. Res. 224]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation—

March of Dimes
Birth Defects Pre-
vention Month.
Designation
authorization.

(1) designating January, 1975, as "March of Dimes Birth Defects Prevention Month";

(2) inviting the Governors of the States and territories of the United States to issue proclamations for like purposes; and

(3) urging the people of the United States to consider fully the nationwide problem of birth defects and their effect on future generations, and to support all essential programs to prevent their occurrence.

Approved December 30, 1974.

Public Law 93-562

AN ACT

To amend the Admission Act for the State of Idaho to permit that State to exchange public lands, and for other purposes.

December 30, 1974
[S. 939]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Admission Act for the State of Idaho (26 Stat. 215), as amended, is further amended, as follows:

Idaho.
Exchange of
public lands.
56 Stat. 48;
63 Stat. 714.

(a) In the first sentence of such section delete "That" and insert in lieu thereof "(a) Except as provided in subsection (b),".

(b) In the second sentence of such section—

(1) delete "But said" and insert in lieu thereof "Such";

(2) after "hydrocarbon lease," insert "or a geothermal resource and associated byproducts lease,"; and

(3) after "produced" insert "in paying quantities or the lessee in good faith is conducting well drilling or construction operations,".

(c) At the end of such section insert the following new subsection:

"(b) Such lands may be exchanged for other lands, public or private. The values of such lands so exchanged shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of money by the appropriate party. If any such lands are exchanged with the United States, such exchange shall be limited to Federal lands within the State that are subject to exchange under the laws governing the administration of such lands. All such exchanges heretofore made with the United States are hereby approved."

Approved December 30, 1974.

Public Law 93-563

December 31, 1974
[H. R. 16901]

AN ACT

Making appropriations for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes.

Agriculture-En-
vironmental and
Consumer Pro-
tection Appropri-
ation Act, 1975.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture-Environmental and Consumer Protection programs for the fiscal year ending June 30, 1975, and for other purposes; namely:

TITLE I—AGRICULTURAL PROGRAMS

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, including the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, management support services to selected agencies and offices of the Department of Agriculture, and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed \$15,000 for employment under 5 U.S.C. 3109, \$16,575,000, of which \$3,979,000 shall be available for the Office of Communication and, of which total appropriation not to exceed \$822,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be available to be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U.S.C. 417), and not less than two hundred and thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That not to exceed \$2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

None of the funds provided by this Act shall be used to pay the salaries of any personnel which carries out the provisions of section 610 of the Agricultural Act of 1970, except for research in an amount not to exceed \$3,000,000; projects to be approved by the Secretary as provided by law.

7 USC 2119.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed

\$10,000, for employment under 5 U.S.C. 3109, \$15,751,000 and in addition, \$5,081,000 shall be derived by transfer from the appropriation, "Food Stamp Program" and merged with this appropriation.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, \$7,789,000.

AGRICULTURAL RESEARCH SERVICE

For expenses necessary to enable the Agricultural Research Service to perform agricultural research and demonstrations relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; \$201,242,000, and in addition not to exceed \$15,000,000 from funds available under section 32 of the Act of August 24, 1935, pursuant to Public Law 88-250 shall be transferred to and merged with this appropriation: *Provided*, That appropriations hereunder shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That of the appropriations hereunder, not less than \$10,526,600 shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$50,000, except for six buildings to be constructed or improved at a cost not to exceed \$100,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$18,000, or 18.6 per centum of the cost of the building, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$100,000 for facilities at Beltsville, Maryland: *Provided further*, That \$6,420,000 of this appropriation shall remain available until expended for plans, construction and improvement of facilities without regard to the foregoing limitations: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a).

7 USC 612c.
77 Stat. 820.

7 USC 2254.

7 USC 2254.

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at research installations in the field, not more than \$2,000,000 of the amount appropriated under this head for the previous fiscal year may be used by the Administrator of the Agricultural Research Service in departmental research programs in the current fiscal year, the amount so used to be transferred to and merged with the appropriation otherwise available under "Agricultural Research Service".

Special fund.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104 (b) (1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b) (3) of the Agricultural

Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b) (1), (3)), \$5,000,000, to remain available until expended: *Provided*, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c) necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to carry on services related to consumer protection; and to protect the environment, as authorized by law, \$410,266,000, of which \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions and \$62,900,000 shall be for repayment to the Commodity Credit Corporation of advances (and interest thereon) made in accordance with authorities contained in the provisions of the appropriation items for the Agricultural Research Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1972, and for the Animal and Plant Health Inspection Service in the Agriculture-Environmental and Consumer Protection Appropriation Act, 1973: *Provided*, That \$1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by any State of at least 40 per centum: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That this appropriation shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$40,000, except for one building to be constructed or improved at a cost of not to exceed \$80,000, and the cost of altering any one building during the fiscal year shall not exceed \$15,000, or 15 per centum of the cost of the building, whichever is greater: *Provided further*, That \$16,300,000 shall remain available until expended for plans, construction and improvement of facilities, without regard to limitations contained herein: *Provided further*, That this appropriation shall be available for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100: *Provided further*, That, in addition, in emergencies which threaten the livestock or poultry industries of the country, the Secretary may transfer from other appropriations or funds available to the

31 USC 665.

85 Stat. 184.

86 Stat. 594.

21 USC 129.

agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, and for expenses in accordance with the Act of February 28, 1947, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts.

21 USC 114b.

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for grants for cooperative forestry and other research, for facilities, and for other expenses, including \$77,036,000 to carry into effect the provisions of the Hatch Act, approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by Public Law 92-318 approved June 23, 1972, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended; \$7,070,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), as amended by Public Law 92-318 approved June 23, 1972; \$15,224,000, in addition to funds otherwise available for contracts and grants for scientific research under the Act of August 4, 1965 (7 U.S.C. 450i); \$1,500,000 for Rural Development Research as authorized under the Rural Development Act of 1972 (7 U.S.C. 2661-2668), including administrative expenses; and \$858,000 for necessary expenses of the Cooperative State Research Service, including administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 for employment under 5 U.S.C. 3109; in all \$101,688,000.

7 USC 361f.

7 USC 1921
note.

EXTENSION SERVICE

Payments to States, Puerto Rico, Guam, and the Virgin Islands: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), and section 506 of the Act of June 23, 1972, to be distributed under sections 3(b) and 3(c) of the Act, for retirement and employees' compensation costs for extension agents, and for costs of penalty mail for cooperative extension agents and State extension directors, \$145,828,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$50,560,000; payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee Institute under section 3(d) of the Act, \$6,450,000; payments for rural development work under section 3(d) of the Act, \$1,000,000; payments for the pest management program under section 3(d) of the Act, \$1,735,000; payments for the farm safety program under section 3(d) of the Act, \$765,000; payments and contracts for such work under section 204(b)-205 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623-1624), \$1,450,000; and payments for extension work under section 109 of the District of Columbia Public Education Act, as added by the Act of June 20, 1968, and amended by the Act of January 5, 1971 (D.C. Code 31-1609), \$860,000; and \$1,500,000 for

86 Stat. 350.

7 USC 343.

7 USC 1921
note.

7 USC 343.

86 Stat. 350.

D.C. Code 31-
1601 note.

Rural Development Education as authorized under the Rural Development Act of 1972 (7 U.S.C. 2661-2668); in all, \$210,148,000: *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, Puerto Rico, Guam, and the Virgin Islands prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), and section 506 of the Act of June 23, 1972, and extension aspects of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), the District of Columbia Public Education Act, as added by the Act of June 20, 1968, and amended by the Act of January 5, 1971 (D.C. Code 31-1609), and the Rural Development Act of 1972 (7 U.S.C. 2661-2668) and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$5,209,000.

NATIONAL AGRICULTURAL LIBRARY

For necessary expenses of the National Agricultural Library, \$4,793,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not to exceed \$100,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements.

STATISTICAL REPORTING SERVICE

7 USC 411b.

For necessary expenses of the Statistical Reporting Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$26,565,000: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, cost and returns in farming, and farm finance; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products; \$21,649,000, of which not less than \$200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed

action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said administrator, other agencies or before the courts: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For expenses necessary to carry on services related to consumer protection, agricultural marketing and distribution, and regulatory programs, other than Packers and Stockyards Act, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$45,000 for employment under 5 U.S.C. 3109; \$39,526,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed \$7,500 or 7.5 per centum of the cost of the building, whichever is greater.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,600,000.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; (3) not more than \$3,888,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961; and (4) in addition to other amounts provided in this Act, not more than \$131,400,000 for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, of which \$89,600,000 shall be available for the nonschool feeding program; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-

16 USC 742a
note.

7 USC 674 note.

7 USC 1911
note.

42 USC 1751
note, 1771 note.

income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food.

COMMODITY EXCHANGE AUTHORITY

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1-17b), including not to exceed \$20,000 for employment under 5 U.S.C. 3109, \$4,138,000.

PACKERS AND STOCKYARDS ADMINISTRATION

For expenses necessary for administration of the Packers and Stockyards Act, as authorized by law, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, \$4,745,000.

FARMER COOPERATIVE SERVICE

For necessary expenses to carry out the Act of July 2, 1926 (7 U.S.C. 451-457), and for conducting research relating to the economic and marketing aspects of farmer cooperatives, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), \$2,344,000.

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$35,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$28,895,000: *Provided*, That not less than \$255,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That, in addition, not to exceed \$2,117,000 of the funds appropriated by section 32 of the Act of August 24, 1935, as amended (7 U.S.C. 612c) shall be merged with this appropriation and shall be available for all expenses of the Foreign Agricultural Service.

PUBLIC LAW 480

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1701-1710, 1721-1725, 1731-1736d), to remain available until expended, as follows: (1) sale of agricultural commodities for foreign currencies and for dollars on credit terms pursuant to title I of said Act, \$425,175,000: *Provided*, That no more than 10 percent of such amount shall be made available to any one country; and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, \$353,298,000.

7 USC 1721.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and

carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); Sugar Act of 1948, as amended (7 U.S.C. 1101-1161); sections 7 to 15, 16(a), 16(b), 16(d), 16(e), 16(f), 16(i), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590q); the Agriculture and Consumer Protection Act of 1973 (87 Stat. 221 to 246); subtitles B and C of the Soil Bank Act (7 U.S.C. 1831-1837, 1802-1814, and 1816); the Water Bank Act (16 U.S.C. 1301-1311); and laws pertaining to the Commodity Credit Corporation, \$157,382,000: *Provided*, That, in addition, not to exceed \$69,695,000 may be transferred to and merged with this appropriation from the Commodity Credit Corporation fund (including not to exceed \$31,177,000 under the limitation on Commodity Credit Corporation administrative expenses): *Provided further*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this appropriation: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds appropriated or made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations: *Provided further*, That, notwithstanding any other provisions of law, employees of the Agricultural Stabilization and Conservation County Committees may be utilized for part-time and intermittent assistance to the Farmers Home Administration in carrying out its programs and this appropriation shall be available to finance such intermittent and part-time services, pending such time as the Agricultural Conservation Program (REAP) is restored as directed by the Congress.

16 USC 590h.

SUGAR ACT PROGRAM

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U.S.C. 1101-1161), \$85,700,000, to remain available until June 30 of the next succeeding fiscal year.

CROPLAND ADJUSTMENT PROGRAM

For necessary expenses to carry into effect a cropland adjustment program as authorized by the Food and Agriculture Act of 1965 (7 U.S.C. 1838), \$43,801,000.

DAIRY AND BEEKEEPER INDEMNITY PROGRAMS

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or milk products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and to beekeepers who through no fault of their own have suffered losses as a result of the use of economic poisons which had been registered and approved for use by the Federal Government, \$1,850,000, to remain available until expended: *Provided*, That none

of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.

CORPORATIONS

15 USC 713a-10. The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

31 USC 849.

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, \$12,000,000.

FEDERAL CROP INSURANCE CORPORATION FUND

Not to exceed \$5,643,000 of administrative and operating expenses may be paid from premium income.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

North Vietnam,
assistance, pro-
hibition.

7 USC 1701.

To reimburse the Commodity Credit Corporation for net realized losses sustained in prior years, but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), \$4,069,412,000: *Provided*, That no funds appropriated by this Act shall be used to formulate or administer programs for the sale of agricultural commodities pursuant to title I of Public Law 480, 83d Congress, as amended, to any nation which sells or furnishes or which permits ships or aircraft under its registry to transport to North Vietnam any equipment, materials, or commodities so long as North Vietnam is governed by a Communist regime.

LIMITATION ON ADMINISTRATIVE EXPENSES

15 USC 713a-10.

31 USC 665.

Not to exceed \$38,000,000 shall be available for administrative expenses of the Commodity Credit Corporation: *Provided*, That \$945,000 and such other sums as are necessary of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter and that such funds shall be used for an agency to carry out the above activities headed by a Sales Manager who shall report directly to the Secretary or Under Secretary of Agriculture: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal

property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

TITLE II—RURAL DEVELOPMENT PROGRAMS

DEPARTMENT OF AGRICULTURE

RURAL DEVELOPMENT SERVICE

For necessary expenses, not otherwise provided for, of the Rural Development Service in providing leadership, coordination, and related services in carrying out the rural development activities of the Department of Agriculture and for carrying out the responsibilities of the Secretary of Agriculture under section 701 of the Housing Act of 1954, as amended (40 U.S.C. 461), \$955,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$3,000 shall be available for employment under 5 U.S.C. 3109.

RURAL DEVELOPMENT GRANTS

For grants pursuant to section 310B(c) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1932), \$13,750,000.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development, and for sound land use, pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), \$19,868,000, to remain available until expended: *Provided*, That \$3,600,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663): *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936 as amended (7 U.S.C. 901-950(b)), as follows:

RURAL ELECTRIFICATION ADMINISTRATION

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

Insured loans pursuant to the authority of section 305 of Public Law 93-32 shall be made as follows: rural electrification loans, not less than \$700,000,000, and rural telephone loans, not less than \$200,000,000, to remain available until expended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts.

7 USC 935.

7 USC 936.

RURAL TELEPHONE BANK

For the purchase of Class A stock of the Rural Telephone Bank, \$30,000,000, to remain available until expended (7 U.S.C. 901-950 (b)).

31 USC 849.

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year.

SALARIES AND EXPENSES

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950 (b)), including not to exceed \$500 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 for employment under 5 U.S.C. 3109, \$19,036,000.

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

42 USC 1487.

42 USC 1471.

31 USC 1.

For direct loans and related advances pursuant to section 517(m) of the Housing Act of 1949, as amended, \$20,000,000 shall be available from funds in the rural housing insurance fund, and for insured loans as authorized by title V of the Housing Act of 1949, as amended, \$2,232,000,000 of which not less than \$1,346,000,000 shall be available for subsidized interest loans to low-income borrowers as determined by the Secretary: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein. Hereafter, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

For an additional amount to reimburse the rural housing insurance fund for losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487e, and 1490a(c)), including \$74,893,000 as authorized by section 521(c) of the Act, \$124,592,000.

AGRICULTURAL CREDIT INSURANCE FUND

For an additional amount to reimburse the agricultural credit insurance fund for losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), \$485,262,000.

Loans may be insured, or made to be sold and insured, under this Fund in accordance with and subject to the provisions of 7 U.S.C. 1928–1929, as follows: real estate loans, \$370,000,000, including not less than \$350,000,000 for farm ownership loans; operating loans, \$525,000,000; and emergency loans in amounts necessary to meet the needs resulting from natural disasters: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or reinvests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein.

31 USC 1.

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), \$150,000,000 to remain available until expended, pursuant to section 306(d) of the above Act, of which \$120,000,000 shall be derived from the unexpended balance of amounts appropriated under this head in the fiscal year 1974, largely to meet the expanding need for areas not now covered.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to public nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$5,000,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$5,000,000, to remain available until expended.

RURAL DEVELOPMENT INSURANCE FUND

For an additional amount to reimburse the rural development insurance fund for losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), \$17,446,000.

For loans to be insured, or made to be sold and insured, under this fund in accordance with and subject to the provisions of 7 U.S.C. 1928 and 86 Stat. 661–664, as follows: water and sewer facility loans, \$470,000,000; industrial development loans, \$350,000,000; and community facility loans, \$200,000,000: *Provided*, That the Secretary may, on an insured basis or otherwise, sell any notes in the fund or sell certificates of beneficial ownership therein to the Secretary of the Treasury, to the private market, or to such other sources as the Secretary may determine. Any sale by the Secretary of notes or of beneficial ownership therein shall be treated as a sale of assets for the purpose of the Budget and Accounting Act, 1921, notwithstanding the fact that the Secretary, under an agreement with the purchaser or purchasers, holds the debt instruments evidencing the loans and holds or invests payments thereon for the purchaser or purchasers of the notes or of the certificates of beneficial ownership therein.

7 USC 1929a-
1933.

RURAL COMMUNITY FIRE PROTECTION GRANTS

For grants pursuant to section 404 of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 2654), \$3,500,000 to fund 50 per centum of the cost of organizing, training, and equipment for rural volunteer fire departments.

SALARIES AND EXPENSES

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1992), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490d); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title IIIA of the Economic Opportunity Act of 1964 (Public Law 88-452, approved August 20, 1964), as amended, \$127,902,000, together with not more than \$3,000,000 of the charges collected in connection with the insurance of loans as authorized by section 309(e) of the Consolidated Farm and Rural Development Act, as amended, and sections 514(b)(3) and 517(i) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$500,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That not to exceed \$1,000,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further*, That no part of any funds in this paragraph may be used to administer a program which makes rural housing grants pursuant to section 504 of the Housing Act of 1949, as amended.

42 USC 2851.

7 USC 1929.
42 USC 1484,
1487.

42 USC 1474.

INDEPENDENT AGENCIES

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed \$6,352,000 (from assessments collected from farm credit agencies) shall be obligated during the current fiscal year for administrative expenses, including the hire of one passenger motor vehicle.

TITLE III—ENVIRONMENTAL PROGRAMS

INDEPENDENT AGENCIES

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For expenses necessary for the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190) and the National Environmental Improvement Act of 1970 (Public Law 91-224), including official reception and representation expenses (not to exceed \$1,000), hire of passenger vehicles, and support of the Citizens' Advisory Committee on Environmental Quality, \$2,500,000.

42 USC 4321
note.
42 USC 4371
note.

ENVIRONMENTAL PROTECTION AGENCY

AGENCY AND REGIONAL MANAGEMENT

For agency and regional management expenses, including official reception and representation expenses (not to exceed \$2,000); hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; \$51,016,000.

5 USC 5332
note.

For an amount to provide for the preparation of Environmental Impact Statements as required by section 102(2)(C) of the National Environmental Policy Act on all proposed actions by the Environmental Protection Agency, except where prohibited by law, \$5,000,000.

42 USC 4332.

ENERGY RESEARCH AND DEVELOPMENT

For energy research and development activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by section 5901-5902, United States Code, title 5; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate of GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; \$80,000,000, to remain available until expended: *Provided*, That the amount appropriated for "Energy Research and Development" in the Special Energy Research and Development Appropriation Act, 1975, shall be merged, without limitation, with this appropriation: *Provided further*, That not more than \$7,200,000 of the funds contained in this Act shall be used to fund the development of automotive power systems: *Provided further*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1975.

Ante, p. 276.

RESEARCH AND DEVELOPMENT

For research and development activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft and the acquisition of not to exceed an additional three; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate of GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; \$175,668,000, to remain available until expended: *Provided*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1975.

5 USC 5332
note.

ABATEMENT AND CONTROL

For abatement and control activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations

33 USC 701t.

which issue publications to members only or at a price to members lower than to subscribers who are not members; to remain available until expended, \$276,801,000, and for liquidation of obligations incurred in carrying out section 208 of the Federal Water Pollution Control Act, as amended, \$26,000,000, to remain available until expended: *Provided*, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1975.

Not to exceed 7 per centum of any appropriation made available to the Environmental Protection Agency by this Act (except appropriations for "Construction Grants") may be transferred to any other such appropriation.

ENFORCEMENT

5 USC 5332
note.

For enforcement activities, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; \$52,240,000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment of facilities of or used by the Environmental Protection Agency, \$1,400,000, to remain available until expended.

CONSTRUCTION GRANTS

33 USC 1283.

For liquidation of obligations incurred pursuant to authority contained in section 203 of the Federal Water Pollution Control Act, as amended, \$1,400,000,000, to remain available until expended.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Environmental Protection Agency in the conduct of scientific activities overseas in connection with environmental pollution, as authorized by law, not to exceed \$4,000,000, to remain available until expended, may be transferred from other appropriations available to the Agency, for payments in the foregoing currencies.

NATIONAL COMMISSION ON WATER QUALITY

33 USC 1325.

For an additional amount for the National Commission on Water Quality authorized by section 315 of the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816-904), \$4,800,000, to remain available until expended: *Provided*, That no part of these funds shall be used to delay existing projects heretofore authorized.

DEPARTMENT OF AGRICULTURE

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f), including preparation of con-

servations plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant material centers; classification and mapping of soil; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft, to remain available until expended, \$192,116,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for one building to be constructed at a cost not to exceed \$25,000 and eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a–590f) in demonstration projects: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service.

16 USC 590e-1.

16 USC 590e-2.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigations and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1006), to remain available until expended, \$14,122,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001–1008), to remain available until expended, \$10,760,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001–1005,

1007–1008), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, to remain available until expended, \$122,643,000 (of which \$20,901,000 shall be available for the watersheds authorized under the Flood Control Act, approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$20,400,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (86 Stat. 663).

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p), \$20,000,000, to remain available until expended.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g–590o, 590p(a), and 590q), and sections 1001–1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501–1508, and 1510), and including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$285,500,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the programs of soil-building and soil- and water-conserving practices authorized under this head in the Acts making appropriations for Agriculture-Environmental and Consumer Protection Programs, 1973 and 1974, carried out during the period July 1, 1972, to December 31, 1974, inclusive: *Provided*, That none of the funds herein appropriated shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetland Types 3(III), 4(IV), and 5(V) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That necessary amounts shall be available for administrative expenses in connection with the formulation and administration of the 1975 program of soil-building and soil- and water-conserving practices, including related wildlife conserving practices, and pollution abatement practices, under the Act of February 29, 1936, as amended (amounting to \$190,000,000, excluding administration, except that no participant shall receive more than \$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or

86 Stat. 591.
87 Stat. 468.

16 USC 590g.

improve the agricultural resources of the community): *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of Title 18 U.S.C. 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

53 Stat. 1147.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in sections 1009 and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1509-1510) including technical assistance and related expenses, \$25,000,000, to remain available until expended.

WATER BANK PROGRAM

For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$10,000,000, to remain available until expended.

EMERGENCY CONSERVATION MEASURES

For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriations Act, 1957, to remain available until expended, \$10,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures.

71 Stat. 176.

TITLE IV—CONSUMER PROGRAMS

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, \$1,415,000.

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Food and Drug Administration; for payment of salaries and expenses for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; for rental of special purpose space in the District of Columbia or elsewhere; for miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed \$10,000; \$195,356,000.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment of facilities of or used by the Food and Drug Administration, where not otherwise provided, \$1,000,000, to remain available until expended.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, \$996,000.

INDEPENDENT AGENCIES

CONSUMER PRODUCT SAFETY COMMISSION

For necessary expenses of the Consumer Product Safety Commission, including rent in the District of Columbia and hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and not to exceed \$800 for official reception and representation, \$37,454,000: *Provided*, That funds provided by this appropriation for laboratories shall be available only for the acquisition or conversion of existing laboratories.

FEDERAL TRADE COMMISSION

For necessary expenses of the Federal Trade Commission, other than line-of-business reports provided for in the following paragraphs; including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed \$1,500 for official reception and representation expenses; \$37,593,000, of which \$650,000 shall be available for development of a computerized evidentiary indexing and retrieval capability, and \$1,364,000 shall be available for the congressionally-mandated study of the energy industry.

\$305,000, the amount of the budget request, is hereby appropriated for the purpose of collecting line-of-business data from not to exceed 500 firms, as determined by the Federal Trade Commission.

No part of these funds may be used to pay the salary of any employee, including Commissioners, of the Federal Trade Commission who—

(1) uses the information provided in the line-of-business program for any purpose other than statistical purposes. Such information for carrying out specific law enforcement responsibilities of the Federal Trade Commission shall be obtained under existing practices and procedures or as changed by law; or

(2) makes any publication whereby the line-of-business data furnished by a particular establishment or individual can be identified; or

(3) permits anyone other than sworn officers and employees of the Federal Trade Commission to examine the line-of-business reports from individual firms.

DEPARTMENT OF AGRICULTURE

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); \$1,294,630,000, of which \$641,601,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That of the foregoing total amount there shall be available \$28,000,000 for the nonfood assistance program, \$6,700,000 for the State administrative expenses, and \$25,000,000 for special food service programs for children: *Provided further*, That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: *Provided further*, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: *Provided further*, That an additional \$61,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

42 USC 1752.

42 USC 1754.

42 USC 1755.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the provisions of the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1772), \$120,000,000.

FOOD STAMP PROGRAM

For necessary expenses of the food stamp program pursuant to the Food Stamp Act of 1964, as amended, \$3,989,785,000: *Provided*, That funds provided herein shall remain available until expended in accordance with Section 16 of the Food Stamp Act of 1964, as amended:

7 USC 2011
note.

7 USC 2025.

Provided further, That this appropriation shall be available for employment pursuant to the second sentence of Section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds appropriated by this Act shall be used during the fiscal year ending June 30, 1975 to make food stamps available to any household, to the extent that the entitlement otherwise available to such household is attributable to an individual who: (i) has reached his eighteenth birthday; (ii) is enrolled in an institution of higher education; and (iii) is properly claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household: *Provided further*, That funds provided herein shall be expended in accordance with section 15(b) of the Food Stamp Act of 1964, as amended.

7 USC 2024.

TITLE V—GENERAL PROVISIONS

Passenger
motor vehicles.

SEC. 501. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed seven hundred and sixty-five (765) passenger motor vehicles, of which five hundred and thirty-five (535) shall be for replacement only, and for the hire of such vehicles.

SEC. 502. Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

Cotton price
forecast, prohibi-
tion.

SEC. 503. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department of Agriculture who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests with respect to future prices of cotton or the trend of same.

Twine.

SEC. 504. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside the United States.

Contracting,
minimum sum.
7 USC 1623a.

SEC. 505. Not less than \$1,500,000 of the appropriations of the Department of Agriculture for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 506. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Marihuana.

SEC. 507. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations who harvest or knowingly permit to be harvested for illegal use, marihuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

Advancement
of funds.

SEC. 508. Advances of money from any appropriation for the Department of Agriculture may be made by authority of the Secretary of Agriculture to chiefs of field parties.

SEC. 509. No part of any appropriation contained in this Act shall be available for paying to the Administrator of the General Services Administration in excess of 90 percent of the standard level user

charge established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended, for space and services.

40 USC 490.

SEC. 510. No part of any funds appropriated under this Act may be used by the Environmental Protection Agency to administer any program to tax, limit, or otherwise regulate parking facilities.

This Act may be cited as the "Agriculture-Environmental and Consumer Protection Appropriation Act, 1975".

Short title.

Approved December 31, 1974.

Public Law 93-564

AN ACT

To authorize exchange of lands adjacent to the Teton National Forest in Wyoming, and for other purposes.

December 31, 1974
[S. 3489]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of the Act of March 20, 1922 (42 Stat. 465), as amended and supplemented by the Act of February 28, 1925 (43 Stat. 1090), and the Act of June 11, 1960 (74 Stat. 205), are hereby extended to the following described lands:

Teton National
Forest, Wyo.
Land exchange.
16 USC 485
note.
16 USC 485,
486.
7 USC 2201
note.

TOWNSHIP 41 NORTH, RANGE 116 WEST, SIXTH PRINCIPAL MERIDIAN

Section 34, northwest quarter southwest quarter.

SEC. 2. Lands conveyed to the United States under this Act shall, upon acceptance of title, become parts of the Teton National Forest and shall be subject to the laws, rules, and regulations applicable thereto.

Approved December 31, 1974.

Public Law 93-565

AN ACT

To remove the cloud on title with respect to certain lands in the State of Nevada.

December 31, 1974
[S. 3518]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, all right, title, and interest of the United States in and to all lands which the State of Nevada, prior to the date of the enactment of the Act of June 16, 1880 (21 Stat. 287), sold and patented on the basis of the grant to it under section 7 of the Act of March 21, 1964 (Nevada Enabling Act) (13 Stat. 30), shall be deemed to have been vested in the State of Nevada as of the time such lands were so sold and patented.

Nevada.
Title to certain
lands.

SEC. 2. The Secretary of the Interior is authorized to issue to the State of Nevada such documents or other instruments as may be necessary to carry out the purposes of this Act.

Approved December 31, 1974.

Public Law 93-566

December 31, 1974
[S. 194]

AN ACT

To authorize the Secretary of the Interior to convey to the city of Anchorage, Alaska, interests of the United States in certain lands.

Anchorage,
Alaska.
Land convey-
ance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to transfer by quitclaim deed or other appropriate means to the city of Anchorage, Alaska, all right, title, and interest remaining in the United States in and to block 42 of Anchorage townsite (proper) which was conveyed to the city of Anchorage by patent numbered 873718 (dated July 27, 1922), and patent numbered 1117601 (dated December 8, 1943), block 52 of Anchorage townsite (proper) which was so conveyed by patent numbered 873718 (dated July 27, 1922), and lots 2, 3, and 4 of block 81 of Anchorage townsite (proper) which were conveyed by patent numbered 873718 (dated July 27, 1922).

Conditions.

SEC. 2. No conveyance may be made under this Act unless the city of Anchorage has shown to the satisfaction of the Secretary that—

(1) the city of Anchorage will sell blocks 42, 52, and lots 2, 3, and 4 of block 81 in Anchorage townsite (proper) at not less than fair market value;

(2) the proceeds from the sale thereof will be spent to acquire property located in the central business district of Anchorage townsite (proper);

(3) any property acquired with such proceeds is of a similar nature as blocks 42, 52, and lots 2, 3, and 4 of block 81;

(4) any property acquired with such proceeds is more suitable for municipal purposes than blocks 42, 52, and lots 2, 3, and 4 of block 81; and

(5) any amount by which the proceeds from the sale of blocks 42, 52, and lots 2, 3, and 4 of block 81 exceed the purchase price of property purchased under clause (2) shall be paid to the United States.

Agreements.

SEC. 3. If the requirements of section 2 are satisfied, the Secretary of the Interior is authorized to enter into an agreement or agreements with the city of Anchorage, Alaska whereby, in consideration of a quitclaim deed to the city of Anchorage of all right, title, and interest remaining in the United States in and to those portions of block 42 and block 52 and lots 2, 3, and 4 of block 81 of Anchorage townsite (proper) which have been conveyed to the city of Anchorage, the city of Anchorage agrees that—

(1) title to any property acquired with the proceeds of the sale of any portion of either block 42, block 52, or lots 2, 3, and 4 of block 81 as described in section 1 will vest in the United States if such property ever ceases to be used for municipal purposes; and

(2) that the city of Anchorage will, within ninety days after acquiring such lands, execute a deed to this effect and deliver said deed to the Secretary of the Interior.

Approved December 31, 1974.

Public Law 93-567

AN ACT

To provide assistance for unemployed persons.

December 31, 1974
[H. R. 16596]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Emergency Jobs and Unemployment Assistance Act of 1974”.

Emergency Jobs
and Unemploy-
ment Assistance
Act of 1974.
29 USC 961
note.

TITLE I—PUBLIC SERVICE EMPLOYMENT

EMERGENCY JOB PROGRAMS AUTHORIZED

SEC. 101. The Comprehensive Employment and Training Act of 1973 is amended by redesignating title VI, and all references thereto, as title VII, by redesignating sections 601 through 615, and all references thereto, as sections 701 through 715, respectively, and by inserting after title V the following new title:

29 USC 981-992,
801 note.

“TITLE VI—EMERGENCY JOB PROGRAMS

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 601. There are authorized to be appropriated \$2,500,000,000 for fiscal year 1975 for carrying out the provisions of this title. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

29 USC 961.

“FINANCIAL ASSISTANCE

“SEC. 602. (a) The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available for the purpose of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment not supported under this Act.

29 USC 962.

“(b) Not less than 90 per centum of the funds appropriated pursuant to this title which are used by an eligible applicant for public service employment programs shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title.

“(c) The provisions of section 204(d) and sections 205 through 211 shall apply to financial assistance under this title.

29 USC 844-851.

“(d) In filling public service jobs with financial assistance under this title, eligible applicants shall give preferred consideration, to the maximum extent feasible and consistent with other provisions of this Act, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits (except for persons lacking work experience), and to unemployed persons who have been unemployed for fifteen or more weeks.

“(e) For purposes of this section, the term ‘eligible applicants’ means prime sponsors qualified under title I and Indian tribes on Federal or State reservations.

“‘Eligible ap-
plicants.’”
29 USC 811.

“ALLOTMENT OF FUNDS

29 USC 963.

“SEC. 603. (a) (1) Not less than 90 per centum of the amounts appropriated under section 601 for any fiscal year shall be allotted among eligible applicants by the Secretary in accordance with the provisions of this subsection.

“(2)(A) Fifty per centum of the amount allotted under this subsection shall be allotted among eligible applicants in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such applicant as compared to the number of unemployed persons who reside in all such areas in all the States.

29 USC 844.

“(B) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants in accordance with the number of unemployed persons residing in areas of substantial unemployment (as defined in section 204(c)) within the jurisdiction of the applicant compared to the number of unemployed persons residing in all such areas.

“Excess
number.”

“(C) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total excess number of unemployed persons who reside within the jurisdiction of all eligible applicants. For purposes of this subparagraph, the term ‘excess number’ means (i) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the jurisdiction of the applicant in whose jurisdiction such persons reside or (ii), in the case of an applicant which is a State, the term ‘excess number’ means such number as defined in clause (i) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

29 USC 811,
841.

“(b) The remainder of the amount appropriated under section 601 shall be available to the Secretary for financial assistance under section 602 as the Secretary deems appropriate to carry out the purposes of this title, taking into account changes in rates of unemployment.

“Jurisdiction.”

29 USC 812.

“(c) For purposes of determining allocations under this section, the term ‘jurisdiction’ includes the jurisdiction of each unit of general local government as described in section 102(a) (2) whether or not such unit has entered into a combination of units of general local government for purposes of section 102(a) (3) or section 102(a) (4).

“SPECIAL PROVISION FOR AREAS OF EXCESSIVELY HIGH UNEMPLOYMENT
AND TO EXPAND JOB OPPORTUNITIES

29 USC 964.

“SEC. 604. (a) Funds allocated from appropriations for carrying out this title to any eligible applicant, which certifies to the Secretary that the application of the provisions of this section is necessary in order to provide sufficient job opportunities in the area served by such eligible applicant, may be used for making payments to public employers to expand the provision of job opportunities of the type described in paragraphs (3), (4), (5), and (6) of section 304(a) of this Act.

29 USC 874.

“(b) In accordance with the provisions of subsection (c), and notwithstanding the provisions of sections 602(a) and 602(b), funds allotted under section 603 to eligible applicants may be used for—

29 USC 845.

29 USC 848.

“(1) public service employment programs without regard to the provisions of sections 205(b), 205(c) (4), 205(c) (6), 205(c) (16), 205(c) (19), and 208(a) (6).

“(2) providing employment for persons who have been unemployed for at least 15 days without regard to the provision of sec-

tion 205 (a) relating to 30 days of unemployment, if the applicant certifies that the hiring of an individual will not violate the provisions of section 205 (c) (8).

29 USC 845.

“(3) payment of wages (at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5)), for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects which would not otherwise be carried out, including the rehabilitation, alteration, or improvement of public buildings, roads and other public transportation facilities, health and education facilities, and other facilities for the improvement of the community in which the project is or will be located, and including construction, rehabilitation, alteration, or improvement of water and waste disposal facilities in communities having populations of 10,000 individuals or less which are outside the boundaries of a Standard Metropolitan Statistical Area (as defined by the Bureau of the Census).

Community capital improvement projects.

40 USC 276a note.

“(c) The provisions of subsection (b) shall apply to any area having an unemployment rate in excess of 7 per centum, and to any area, without regard to the rate of unemployment of such area, if such area is served by a prime sponsor which qualifies under section 102(a) (4) or section 102(a) (5) or is in an area which is eligible for assistance under title II and which is served by a State prime sponsor, and if the prime sponsor for such area certifies to the Secretary that the application of such provisions is necessary in order to provide sufficient job opportunities, and gives public notice of such certification.

29 USC 812.

29 USC 841.

“EXPENDITURE OF FUNDS

“SEC. 605. Funds obligated for the purposes of providing public service employment under this title may be utilized by prime sponsors for projects and activities planned to extend over a twelve-month period from the commencement of any such project or activity.

29 USC 965.

“REALLOCATION OF FUNDS

“SEC. 606. The Secretary is authorized to make such reallocations as he deems appropriate of any amount of any allocation under this title to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the proposed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds, and shall publish any such decision in the Federal Register. Any such funds shall be reallocated to other areas within the same State.”

29 USC 966.

Publication in Federal Register.

PLACEMENT GOALS

SEC. 103. Section 211 of the Comprehensive Employment and Training Act of 1973 is amended by striking out “PROVISION” in the title and inserting in lieu thereof “PROVISIONS”, by inserting “(a)” immediately before the first sentence, and by adding at the end thereof the following new subsection:

29 USC 851.

“(b) No officer or employee of the Department of Labor shall, by regulation or otherwise, impose on any eligible applicant, as a condition for the receipt of financial assistance under this title, any requirement that any eligible applicant must place in other jobs a specific

Waiver.

number or proportion of public service jobholders supported under this title. The Secretary may establish placement goals for eligible applicants, except that such goals must be identified as goals, not requirements, and any form or other document developed pursuant to such regulations shall give written notice to that effect. Any eligible applicant shall have the right, clearly stated in such regulations, to request a waiver of such goals if, in his judgment, such goals are not feasible. Such waiver, a request for which may be submitted at any time, may be granted by the Secretary where, in his judgment, local conditions warrant it. Wherever such a waiver has been granted, failure to meet placement goals shall not be cited in any official review or evaluation of that eligible applicant's programs."

VETERANS' EMPLOYMENT PROVISIONS

38 USC 2002
note.

SEC. 104. (a) The Director of the Veterans' Employment Service, Department of Labor, established by section 2002 of title 38, United States Code, together with the Secretary and Under Secretary of Labor and such Assistant Secretaries of Labor as the Secretary may designate, shall be responsible for formulating and monitoring the implementation of all departmental policies and programs as they affect veterans, especially those relating to unemployment, job training, employment, and placement under any provision of law.

29 USC 801
note.
38 USC 101 et
seq.

(b) The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare, shall provide for an outreach and public information program utilizing, to the maximum extent, the facilities of the Departments of Labor and Health, Education, and Welfare and the Veterans' Administration in order to (A) exercise maximum efforts to produce jobs and job training opportunities for individuals who served in the Armed Forces and were discharged within 4 years before the date of their application for such jobs or job training and inform all eligible veterans about employment, job training, on-the-job training, and educational opportunities, under the Comprehensive Employment and Training Act of 1973, as amended by this Act, as provided for under title 38, United States Code, and under any other provision of law, and (B) inform all eligible applicants under the Comprehensive Employment and Training Act of 1973, Federal contractors and subcontractors, all Federal departments and agencies, educational institutions, labor unions, and other employers, of their responsibilities under this subsection and under all such laws, and (C) provide the entities described in clause (B) of this subsection technical assistance in carrying out those responsibilities. The Secretary of Labor, in consultation and cooperation with the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare shall report to the appropriate committees of the Congress not later than 90 days after the date of enactment of this Act on the steps taken and regulations issued to carry out the provisions of this section and of section 205(c)(5) of the Comprehensive Employment and Training Act of 1973.

Report to con-
gressional com-
mittees.

29 USC 845.

SPECIAL REPORT

29 USC 849.

SEC. 105. Section 209 of such Act is amended by striking out "Sec. 209." and inserting in lieu thereof "Sec. 209. (a)". and by adding at the end of such section the following new subsection:

29 USC 848.

"(b) In compiling the data which the Secretary is required to report to the Congress under section 208(e), the Secretary shall obtain and compile information on practices and procedures implemented by prime sponsors affecting average annual wage rates paid to public service job holders and public service job opportunities described

under this title. The Secretary is authorized to make general recommendations to prime sponsors, on a regional and area basis, as he may deem appropriate, consistent with section 208(a)(3) (relating to the maximum annual wage rate per public service job holder), taking into account average wages in the various areas served and the cost of living in such areas, with the aim of maintaining the number of jobs on a nationwide average in federally supported wage rates equivalent to \$7,800 per public service job holder.”

29 USC 848.

TECHNICAL AMENDMENTS

SEC. 106. (a) Section 201 of the Comprehensive Employment and Training Act of 1973 is amended by striking out the words “of substantial unemployment” and inserting in lieu thereof “qualifying for assistance”.

29 USC 841.

(b) Section 202(a) of such Act is amended by inserting before the words “under this title” the following: “for use in areas of substantial unemployment”.

29 USC 842.

(c) Section 204(a) (2) of such Act is amended by striking out “and which include areas of substantial unemployment”.

29 USC 844.

(d) (1) Section 204(d) (1) of such Act is amended by striking out the words “of substantial unemployment” each place they appear and inserting “qualifying for assistance”.

(2) Section 204(d) (3) of such Act is amended by striking out “of substantial unemployment” and inserting in lieu thereof “qualifying for assistance”.

(e) Section 205(a) of such Act is amended by striking out “of substantial unemployment” and inserting in lieu thereof “qualifying for assistance”.

29 USC 845.

(f) Section 205(c) (3) of such Act is amended by striking out “areas of substantial unemployment” and inserting in lieu thereof “area qualifying for assistance”.

(g) Section 210 of such Act is amended by striking out “for residents of the areas of substantial unemployment designated under this title” and inserting in lieu thereof the following: “for residents of the area qualifying for such assistance”.

29 USC 850.

MISCELLANEOUS PROVISIONS

SEC. 107. (a) Section 701(a) (7) of such Act (as redesignated by section 101 of this Act) is amended by inserting after “education,” the following: “child care,”.

29 USC 981.

(b) Section 701(a) (7) of such Act (as redesignated by section 101 of this Act) is further amended by inserting after “work” the following: “, including part-time work for individuals who are unable, because of age, handicap, or other factors, to work full time,”.

(c) Section 701(a) of such Act (as redesignated by section 101 of this Act) is amended by inserting after paragraph (13) the following new paragraph:

“(14) ‘veterans outreach’ means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38.”

“Veterans outreach.”

38 USC 240.

(d) Section 703(1) of such Act (as redesignated by section 101 of this Act) is amended by inserting after “sex,” the following: “age,”.

38 USC 1501,
1651.
29 USC 983.

NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

SEC. 108. Section 104(a) of the Vocational Education Act of 1963 (as amended) is amended by adding at the end thereof a new paragraph as follows:

20 USC 1244.

“(6) The National Council may accept gifts or grants and may accept transfer of funds from other departments or agencies.”.

TITLE II—SPECIAL UNEMPLOYMENT ASSISTANCE PROGRAM

STATEMENT OF PURPOSE

26 USC 3304
note.

SEC. 201. It is the purpose of this title to establish a temporary Federal program of special unemployment assistance for workers who are unemployed during a period of aggravated unemployment and who are not otherwise eligible for unemployment allowances under any other law.

GRANTS TO STATES: AGREEMENT WITH STATES

26 USC 3304
note.

SEC. 202. Each State which enters into an agreement with the Secretary of Labor, pursuant to which it makes payments of special unemployment assistance in accordance with the provisions of this title and the rules and regulations prescribed by the Secretary of Labor hereunder, shall be paid by the United States from time to time, prior to audit or settlement by the General Accounting Office, such amounts as are deemed necessary by the Secretary of Labor to carry out the provisions of this title in the State. Assistance may be paid under this title to individuals only pursuant to such an agreement.

ELIGIBLE INDIVIDUALS

26 USC 3304
note.

SEC. 203. An individual shall be eligible to receive a payment of assistance or waiting period credit with respect to a week of unemployment occurring during and subsequent to a special unemployment assistance period in accordance with the provisions of this title if—

Ante, p. 143.
19 USC 1801
note.

(1) the individual is not eligible for compensation under any State or Federal unemployment compensation law (including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.)) with respect to such week of unemployment, and is not receiving compensation with respect to such week of unemployment under the unemployment compensation law of Canada and is not eligible for assistance or an allowance payable with respect to such week of unemployment under such laws as the Public Works and Economic Development Act Amendments of 1974, the Disaster Relief Act of 1974, the Trade Expansion Act of 1962, as amended, or any successor legislation or similar legislation, as determined by the Secretary: *Provided*, That the individual meets the qualifying employment and wage requirements of the applicable State unemployment compensation law in a base year which, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets such qualifying employment and wage requirements; and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages; and

(2) the individual is totally or partially unemployed, and is able to work, available for work, and seeking work, within the meaning of, or as required by, the applicable State unemployment compensation law, and is not subject to disqualification under that law; and

(3) the individual has filed a claim for assistance or waiting period credit under this title; and

(4) in the area in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, a special unemployment assistance period is in effect with respect to such week of unemployment: *Provided*, That if the individual, except for the imposition of a disqualification in accordance with subsection (b), was otherwise eligible for a payment of assistance or waiting period credit under this title with respect to a week of unemployment which began during a special unemployment assistance period, but did not exhaust entitlement to assistance during such period, entitlement shall continue after the end of the period but no assistance shall be paid under this title for any week of unemployment that begins more than twenty-six weeks after the end of such period; and

(5) the State in which the individual was last employed for at least five work days prior to filing a claim under this title for assistance or waiting period credit with respect to such week of unemployment, has an agreement with the Secretary of Labor under section 202 which is in effect with respect to such week of unemployment.

SPECIAL UNEMPLOYMENT ASSISTANCE PERIOD

SEC. 204. (a) A special unemployment assistance period shall commence in an area designated by the Secretary with the third week after the first week for which the Secretary determines that there is an "on" indicator for such area, and shall terminate with the third week after the first week for which the Secretary determines that there is an "off" indicator for such area except that no special unemployment assistance period shall have a duration of less than thirteen weeks.

26 USC 3304
note.

(b) The Secretary shall designate as an area under this section areas served by an entity which is eligible to be a prime sponsor under section 102(a) of the Comprehensive Employment and Training Act of 1973 (Public Law 93-203).

29 USC 812.

(c) There is an "on" indicator in an area for a week if for the most recent three consecutive calendar months for which data are available the Secretary determines that—

(1) the rate (seasonally adjusted) of national unemployment averaged 6 per centum or more; or

(2) the rate of unemployment in the area averaged 6.5 per centum or more.

(d) There is an "off" indicator for a week, if for the most recent three consecutive calendar months for which data are available the Secretary determines that both subsections (c)(1) and (c)(2) are not satisfied.

(e) The determinations made under this section shall take into account the rates of unemployment for three consecutive months, even though any or all of such months may have occurred not more than three complete calendar months prior to the enactment of this Act.

WEEKLY BENEFIT AMOUNT

SEC. 205. (a) The amount of assistance under this title to which an eligible individual shall be entitled for a week of unemployment shall

26 USC 3304
note.

be the weekly benefit amount for a week of unemployment that would be payable to the individual as regular compensation as computed under the provisions of the applicable State unemployment compensation law: *Provided*, That in computing the weekly benefit amount under this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of subsection (a) of section 203; and for the purpose of this proviso employment and wages which are not covered by the applicable State unemployment compensation law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

45 USC 367.

(b) Notwithstanding any provisions of State law, claims for assistance under this title may be determined, where an employment record is not available, on the basis of an affidavit submitted by an applicant. If an applicant knowingly provides false information in such affidavit, he shall be ineligible for any assistance under this title and shall, in addition, be subject to prosecution under section 1001 of title 18, United States Code.

MAXIMUM BENEFIT AMOUNT

SEC. 206. The maximum amount of assistance under this title which an eligible individual shall be entitled to receive shall be the maximum amount of regular compensation that would be payable to such individual as computed under the provisions of the applicable State unemployment compensation law, but not exceeding twenty-six times the weekly benefit amount payable to the individual for a week of total unemployment as determined under subsection (a) of section 205: *Provided*, That for the purposes of this subsection the individual's base year, notwithstanding the State law, shall be the fifty-two-week period preceding the first week with respect to which the individual: (1) files a claim for assistance or waiting period credit under this title; (2) is totally or partially unemployed; and (3) meets the qualifying employment and wage requirements of section 203(a); and for the purpose of this proviso employment and wages which are not covered by the State law shall be treated as though they were covered, except that employment and wages covered by any State or Federal unemployment compensation law, including the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.), shall be excluded to the extent that the individual is or was entitled to compensation for unemployment thereunder on the basis of such employment and wages.

26 USC 3304
note.

APPLICABLE STATE LAW PROVISIONS

SEC. 207. Except where inconsistent with the provisions of this title, the terms and conditions of the applicable State unemployment compensation law which apply to claims thereunder for regular compensation and the payment thereof shall apply to claims for assistance under this title and the payment thereof.

26 USC 3304
note.

TERMINATION DATE

SEC. 208. Notwithstanding any other provisions of this title, no payment of assistance under this title shall be made to any individual with

26 USC 3304
note.

respect to any week of unemployment ending after March 31, 1976; and no individual shall be entitled to any compensation with respect to any initial claim for assistance or waiting period credit made after December 31, 1975.

AUTHORIZATION OF APPROPRIATIONS

SEC. 209. There are hereby authorized to be appropriated for purposes of this title such sums as may be necessary. 26 USC 3304 note.

DEFINITIONS

SEC. 210. (a) As used in the title, the term—

26 USC 3304 note.

- (1) "Secretary" means the Secretary of Labor;
- (2) "State" means the States of the United States, the District of Columbia, Puerto Rico, and the Virgin Islands;
- (3) "applicable State unemployment compensation law" means the law of the State in which the individual was last employed for at least five work days prior to filing a claim for assistance or waiting period credit under this title; and
- (4) "week" means a calendar week.

(b) Assistance under this title shall not be considered to be regular compensation for purposes of qualifying for benefits under the Federal-State Extended Unemployment Compensation Act of 1970, and claims filed under this title shall not be treated as claims for weeks of unemployment for purposes of determining the rate of insured unemployment under section 203(f) (1) of such Act.

26 USC 3304 note.

26 USC 3304 note.

TITLE III—JOB OPPORTUNITIES PROGRAM

SEC. 301. The Public Works and Economic Development Act of 1965 is amended by adding at the end thereof the following new title:

"TITLE X—JOB OPPORTUNITIES PROGRAM

"STATEMENT OF PURPOSE

"SEC. 1001. It is the purpose of this title to provide emergency financial assistance to stimulate, maintain or expand job creating activities in areas, both urban and rural, which are suffering from unusually high levels of unemployment.

42 USC 3246.

"DEFINITIONS

"SEC. 1002. For the purpose of this title—

42 USC 3246a.

"(1) the term 'eligible area' means—

"(A) any area, which the Secretary of Labor designates as an area which has a rate of unemployment, equal to or in excess of 6.5 per centum for three consecutive months.

"(B) any area designated pursuant to section 204(c) of the Comprehensive Employment and Training Act of 1973, and

29 USC 844.

"(C) any area which is designated by the Secretary of Commerce pursuant to section 401 of the Public Works and Economic Development Act of 1965 as a redevelopment area.

42 USC 3161.

"PROGRAM AUTHORIZED

"SEC. 1003. (a) To carry out the purposes of this title, the Secretary of Commerce, in accordance with the provisions of this title, is authorized from funds appropriated and made available under section 1007 of this title to provide financial assistance to programs and projects

42 USC 3246b.

identified through the review process described in section 1004 to expand or accelerate the job creating impact of such programs or projects for unemployed persons in eligible areas. Programs and projects for which funds are made available under this title shall not be approved until the officials of the appropriate units of general government in the affected area have an adequate opportunity to comment on the specific proposal.

“(b) Whenever funds are made available by the Secretary of Commerce under this title for any program or project, the head of the department, agency, or instrumentality of the Federal Government administering the law authorizing such assistance shall, except as otherwise provided in this subsection, administer the law authorizing such assistance in accordance with all applicable provisions of that law, except provisions relating to—

“(1) requiring allocation of funds among the States,

“(2) limits upon the total amount of such grants for any period, and

“(3) the Federal contribution to any State or local government, whenever the President or head of such department, agency, or instrumentality of the Federal Government determines that any non-Federal contribution cannot reasonably be obtained by the State or local government concerned.

“(c) Where necessary to effectively carry out the purposes of this title, the Secretary of Commerce is authorized to initiate programs in eligible areas.

Allocation of funds.

“(d) In allocating funds under this title, the Secretary of Commerce shall give priority consideration to—

“(1) the severity of unemployment in the area; and

“(2) the appropriateness of the proposed activity in relating to the number and needs of unemployed persons in eligible areas.

“(e) Notwithstanding any other provision of this title, funds allocated by the Secretary of Commerce shall be available only for programs or projects which the Secretary of Commerce and the Secretary of Labor jointly determine are programs or projects—

“(1) which will contribute significantly to the reduction of unemployment in the eligible area;

“(2) which can be initiated or strengthened promptly;

“(3) a substantial portion of which can be completed within 12 months after such allocation is made;

“(4) which are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, whenever such plans exist; and

“(5) which will be approved giving first priority to programs and projects which are most labor intensive.

“PROGRAM REVIEW

42 USC 3246c.
Ante, p. 1845.

40 USC app. 101.
42 USC 3182.

“SEC. 1004. Within 45 days after the date of enactment of the Emergency Jobs and Unemployment Assistance Act of 1974, each department, agency or instrumentality of the Federal government, and each regional commission established by section 101 of the Appalachian Regional Development Act of 1965 or pursuant to section 502 of this Act, shall (1) complete a review of its budget, plans and program including State, substate and local development plans filed with such department, agency or commission; (2) evaluate the job creation effectiveness of programs and projects for which funds are proposed to be obligated in calendar year 1975 and additional programs and projects for which funds could be obligated in such year with Federal financial assistance under this title; and (3) submit to the Secretary of Commerce and the Secretary of Labor recommendations for programs and projects which have the potential to stimulate the creation of

jobs for unemployed persons in eligible areas. Within 30 days of the receipt of such recommendations the Secretary of Commerce and the Secretary of Labor shall jointly review such recommendations, and the Secretary of Commerce shall after consultation with such department, agency, instrumentality, and regional commissions, make allocations of funds in accordance with section 1003(e) of this title.

“LIMITATIONS ON USE OF FUNDS

“SEC. 1005. Fifty per centum of the funds appropriated pursuant to section 1007 of this title shall be available only for programs and projects in which not more than 25 percent of such funds will be expended for necessary non-labor costs.

42 USC 3246d.

“RULES AND REGULATIONS

“SEC. 1006. The Secretary of Commerce shall prescribe such rules, regulations, and procedures to carry out the provisions of this title as will assure that adequate consideration is given to the relative needs of applicants for assistance in rural eligible areas and the relative needs of applicants for assistance in urban eligible areas and to any equitable distribution of funds authorized under this title between rural and urban eligible applicants.

42 USC 3246e.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 1007. There are authorized to be appropriated \$500,000,000 for the fiscal year 1975 to carry out the provisions of this title, except that no further obligation of funds appropriated under this section may be made subsequent to a determination that the national average rate of unemployment has receded below 6.5 per centum for three consecutive calendar months as determined by the Secretary of Labor. Any amounts so appropriated for such fiscal year which are not obligated prior to the end of such fiscal year shall remain available for obligation until December 31, 1975.

42 USC 3246f.

“TERMINATION DATE

“SEC. 1008. Notwithstanding any other provision of this title, no further obligation of funds appropriated under this title shall be made by the Secretary of Commerce after December 31, 1975.”

42 USC 3246g.

“SEC. 302. Section 712 of the Public Works and Economic Development Act of 1965 is amended by striking “or 403” and inserting in lieu thereof “403, 903, and 1003”.

42 USC 3222.

Approved December 31, 1974.

Public Law 93-568

JOINT RESOLUTION

To authorize and request the President to call a White House Conference on Library and Information Services not later than 1978, and for other purposes.

December 31, 1974
[S. J. Res. 40]

Whereas access to information and ideas is indispensable to the development of human potential, the advancement of civilization, and the continuance of enlightened self-government; and

Whereas the preservation and the dissemination of information and ideas are the primary purpose and function of libraries and information centers; and

Whereas the growth and augmentation of the Nation's libraries and information centers are essential if all Americans are to have reasonable access to adequate services of libraries and information centers; and

Whereas new achievements in technology offer a potential for enabling libraries and information centers to serve the public more fully, expeditiously, and economically; and

Whereas maximum realization of the potential inherent in the use of advanced technology by libraries and information centers requires cooperation through planning for, and coordination of, the services of libraries and information centers; and

Whereas the National Commission on Libraries and Information Science is developing plans for meeting national needs for library and information services and for coordinating activities to meet those needs; and

Whereas productive recommendations for expanding access to libraries and information services will require public understanding and support as well as that of public and private libraries and information centers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the President of the United States is authorized to call a White House Conference on Library and Information Services not later than 1978.

(b) (1) The purpose of the White House Conference on Library and Information Services (hereinafter referred to as the "Conference") shall be to develop recommendations for the further improvement of the Nation's libraries and information centers and their use by the public, in accordance with the policies set forth in the preamble to this joint resolution.

(2) The Conference shall be composed of, and bring together—

(A) representatives of local, statewide, regional, and national institutions, agencies, organizations, and associations which provide library and information services to the public;

(B) representatives of educational institutions, agencies, organizations, and associations (including professional and scholarly associations for the advancement of education and research);

(C) persons with special knowledge of, and special competence in, technology as it may be used for the improvement of library and information services; and

(D) representatives of Federal, State, and local governments, professional and lay people, and other members of the general public.

(c) (1) The Conference shall be planned and conducted under the direction of the National Commission on Libraries and Information Science (hereinafter referred to as the "Commission").

White House
Conference on
Library and In-
formation Serv-
ices.
Authorization.

(2) In administering this joint resolution, the Commission shall—

(A) when appropriate, request the cooperation and assistance of other Federal departments and agencies in order to carry out its responsibilities;

(B) make technical and financial assistance (by grant, contract, or otherwise) available to the States to enable them to organize and conduct conferences and other meetings in order to prepare for the Conference; and

(C) prepare and make available background materials for the use of delegates to the Conference and associated State conferences, and prepare and distribute such reports of the Conference and associated State conferences as may be appropriate.

(3)(A) Each Federal department and agency is authorized and directed to cooperate with, and provide assistance to, the Commission upon its request under clause (A) of paragraph (2). For that purpose, each Federal department and agency is authorized to provide personnel to the Commission. The Commission shall be deemed to be a part of any executive or military department of which a request is made under clause (A) of paragraph (2).

(B) The Librarian of Congress is authorized to detail personnel to the Commission, upon request, to enable the Commission to carry out its functions under this joint resolution.

(4) In carrying out the provisions of this joint resolution, the Commission is authorized to engage such personnel as may be necessary, without regard for the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard for chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

5 USC 101 et
seq.

5 USC 5101,
5331.

(5) The Commission is authorized to publish and distribute for the Conference the reports authorized under this joint resolution.

(6) Members of the Conference may, while away from their homes or regular places of business and attending the Conference, be allowed travel expenses, including per diem in lieu of subsistence, as may be allowed under section 5703 of title 5, United States Code, for persons serving without pay. Such expenses may be paid by way of advances, reimbursement, or in installments as the Commission may determine.

Travel ex-
penses, per diem.

(d) A final report of the Conference, containing such findings and recommendations as may be made by the Conference, shall be submitted to the President not later than one hundred and twenty days following the close of the Conference, which final report shall be made public and, within ninety days after its receipt by the President, transmitted to the Congress together with a statement of the President containing the President's recommendations with respect to such report.

Report to Presi-
dent, transmittal
to Congress.

(e) (1) There is hereby established a twenty-eight member advisory committee of the Conference composed of (A) at least three members of the Commission designated by the Chairman thereof; (B) five persons designated by the Speaker of the House of Representatives with no more than three being members of the House of Representatives; (C) five persons designated by the President pro tempore of the Senate with no more than three being members of the Senate; and (D) not more than fifteen persons appointed by the President. Such advisory committee shall assist and advise the Commission in planning and conducting the Conference. The Chairman of the Commission shall serve as Chairman of the Conference.

Advisory com-
mittee.
Establishment.

(2) The Chairman of the Commission is authorized, in his discretion, to establish, prescribe functions for, and appoint members to, such advisory and technical committees as may be necessary to assist and advise the Conference in carrying out its functions.

Compensation.

5 USC 5332
note.

(3) Members of any committee established under this subsection who are not regular full-time officers or employees of the United States shall, while attending to the business of the Conference, be entitled to receive compensation therefor at a rate fixed by the President but not exceeding the rate of pay specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime. Such members may, while away from their homes or regular places of business, be allowed travel expenses, including per diem in lieu of subsistence, as may be authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(f) The Commission shall have authority to accept, on behalf of the Conference, in the name of the United States, grants, gifts, or bequests of money for immediate disbursement by the Commission in furtherance of the Conference. Such grants, gifts, or bequests offered to the Commission, shall be paid by the donor or his representative to the Treasurer of the United States, whose receipts shall be their acquittance. The Treasurer of the United States shall enter such grants, gifts, and bequests in a special account to the credit of the Commission for the purposes of this joint resolution.

"State."

(g) For the purpose of this joint resolution, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

Appropriation.

(h) There are authorized to be appropriated without fiscal year limitations such sums, but not to exceed \$3,500,000, as may be necessary to carry out this joint resolution. Such sums shall remain available for obligation until expended.

Privacy of
parents and stu-
dents.
Ante, p. 571.

SEC. 2. (a)(1)(A) The first sentence of section 438(a)(1) of the General Education Provisions Act is amended by striking out "State and local educational agency, any institution of higher education, any community college, any school agency offering a preschool program, or any other educational institution" and inserting in lieu thereof "educational agency or institution".

(B) Such first sentence is amended by striking out "attending any school of such agency, or attending such institution of higher education, community college, school, preschool, or other educational institution" and inserting in lieu thereof "who are or have been in attendance at a school of such agency or at such institution, as the case may be".

(C) The third sentence of such section is amended by striking out "recipient" and inserting in lieu thereof "educational agency or institution".

(D) Paragraph (1) of section 438(b) of such Act is amended by striking out "State or local educational agency, any institution of higher education, any community college, any school, agency offering a preschool program, or any other educational institution" and inserting in lieu thereof "educational agency or institution".

(E) Paragraph (2) of such section is amended by striking out "State and local educational agency, any institution of higher education, any community college, any school, agency offering a preschool program, or any other educational institution" and inserting in lieu thereof "educational agency or institution".

(F) Subsection (e) of section 438 of such Act is amended by striking out "unless the recipient of such funds" and inserting in lieu thereof "to any educational agency or institution unless such agency or institution".

(G) Section 438(a) of such Act is amended by inserting at the end thereof the following new paragraph:

Ante, p. 571.

“(3) For the purposes of this section the term ‘educational agency or institution’ means any public or private agency or institution which is the recipient of funds under any applicable program.”.

“‘Educational agency or institution.’”

(2)(A) The first sentence of section 438(a)(1) of such Act is amended by striking out “any and all official records, files, and data directly related to their children, including all material that is incorporated into each student’s cumulative record folder, and intended for school use or to be available to parties outside the school or school system, and specifically including, but not necessarily limited to, identifying data, academic work completed, level of achievement (grades, standardized achievement test scores), attendance data, scores on standardized intelligence, aptitude, and psychological tests, interest inventory results, health data, family background information, teacher or counselor ratings and observations, and verified reports of serious or recurrent behavior patterns.” and inserting in lieu thereof “the education records of their children.”.

(B)(i) The second sentence of such section is amended by striking out “Where such records or data include” and inserting in lieu thereof “If any material or document in the education record of a student includes”.

(ii) Such second sentence is amended by striking out “any student shall be entitled to receive, or be informed of, that part of such record or data as pertains to their child” and inserting in lieu thereof “one of such students shall have the right to inspect and review only such part of such material or document as relates to such student or to be informed of the specific information contained in such part of such material”.

(C) The third sentence of such section is amended by striking out “their child’s school records” and inserting in lieu thereof “the education records of their children”.

(D) Section 438(b)(1) of such Act is amended by striking out “personally identifiable records or files (or personal information contained therein)” and inserting in lieu thereof “education records (or personally identifiable information contained therein other than directory information, as defined in paragraph (5) of subsection (a))”.

(E) Paragraph (2) of such section is amended by striking out “furnishing, in any form, any personally identifiable information contained in personal school records, to any persons other than those listed in subsection (b)(1)” and inserting in lieu thereof “releasing, or providing access to, any personally identifiable information in education records other than directory information, or as is permitted under paragraph (1) of this subsection.”.

(F) Section 438(a) of such Act is amended by adding at the end thereof the following new paragraphs:

“(4)(A) For the purposes of this section, the term ‘education records’ means, except as may be provided otherwise in subparagraph (B), those records, files, documents, and other materials which—

“‘Education records.’”

“(i) contain information directly related to a student; and

“(ii) are maintained by an educational agency or institution or by a person acting for such agency or institution.

“(B) The term ‘education records’ does not include—

“(i) records of instructional, supervisory, and administrative personnel and educational personnel ancillary thereto which are in the sole possession of the maker thereof and which are not accessible or revealed to any other person except a substitute;

“(ii) if the personnel of a law enforcement unit do not have access to education records under subsection (b)(1), the records

and documents of such law enforcement unit which (I) are kept apart from records described in subparagraph (A), (II) are maintained solely for law enforcement purposes, and (III) are not made available to persons other than law enforcement officials of the same jurisdiction;

“(iii) in the case of persons who are employed by an educational agency or institution but who are not in attendance at such agency or institution, records made and maintained in the normal course of business which relate exclusively to such person in that person’s capacity as an employee and are not available for use for any other purpose; or

“(iv) records on a student who is eighteen years of age or older, or is attending an institution of postsecondary education, which are made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his professional or paraprofessional capacity, or assisting in that capacity, and which are made, maintained, or used only in connection with the provision of treatment to the student, and are not available to anyone other than persons providing such treatment, except that such records can be personally reviewed by a physician or other appropriate professional of the student’s choice.

“Directory information.”

“(5) (A) For the purposes of this section the term ‘directory information’ relating to a student includes the following: the student’s name, address, telephone listing, date and place of birth, major field of study, participation in officially recognized activities and sports, weight and height of members of athletic teams, dates of attendance, degrees and awards received, and the most recent previous educational agency or institution attended by the student.

“(B) Any educational agency or institution making public directory information shall give public notice of the categories of information which it has designated as such information with respect to each student attending the institution or agency and shall allow a reasonable period of time after such notice has been given for a parent to inform the institution or agency that any or all of the information designated should not be released without the parent’s prior consent.”

Ante, p. 571.

(3) Section 438(a)(1) of such Act is amended by inserting “(A)” after section “SEC. 438. (a)(1)” and adding at the end thereof the following new subparagraph:

Certain materials, availability to students in postsecondary institutions, restriction.

“(B) The first sentence of subparagraph (A) shall not operate to make available to students in institutions of postsecondary education the following materials:

“(i) financial records of the parents of the student or any information contained therein;

“(ii) confidential letters and statements of recommendation, which were placed in the education records prior to January 1, 1975, if such letters or statements are not used for purposes other than those for which they were specifically intended;

“(iii) if the student has signed a waiver of the student’s right of access under this subsection in accordance with subparagraph (C), confidential recommendations—

“(I) respecting admission to any educational agency or institution,

“(II) respecting an application for employment, and

“(III) respecting the receipt of an honor or honorary recognition.

Waiver.

“(C) A student or a person applying for admission may waive his right of access to confidential statements described in clause (iii) of subparagraph (B), except that such waiver shall apply to recommendations only if (i) the student is, upon request, notified of the

names of all persons making confidential recommendations and (ii) such recommendations are used solely for the purpose for which they were specifically intended. Such waivers may not be required as a condition for admission to, receipt of financial aid from, or receipt of any other services or benefits from such agency or institution.”

(4) (A) Paragraph (2) of section 438(a) is amended by striking out that part thereof which precedes “to insure” and inserting in lieu thereof the following: “No funds shall be made available under any applicable program to any educational agency or institution unless the parents of students who are or have been in attendance at a school of such agency or at such institution are provided an opportunity for a hearing by such agency or institution, in accordance with regulations of the Secretary, to challenge the content of such student’s education records, in order”.

Ante, p. 571.

(B) Such paragraph (2) is amended by inserting before the period at the end thereof the following: “and to insert into such records a written explanation of the parents respecting the content of such records”.

(5) Section 438(a) of such Act is amended by adding at the end thereof the following new paragraph:

“(6) For the purposes of this section, the term ‘student’ includes any person with respect to whom an educational agency or institution maintains education records or personally identifiable information, but does not include a person who has not been in attendance at such agency or institution.”

“Student.”

(6) Section 438(b) (1) of such Act is amended by striking out “and” at the end of clause (C), by striking out the period at the end of clause (D) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following new clauses:

Records, access.

“(E) State and local officials or authorities to whom such information is specifically required to be reported or disclosed pursuant to State statute adopted prior to November 19, 1974;

“(F) organizations conducting studies for, or on behalf of, educational agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid programs, and improving instruction, if such studies are conducted in such a manner as will not permit the personal identification of students and their parents by persons other than representatives of such organizations and such information will be destroyed when no longer needed for the purpose for which it is conducted;

“(G) accrediting organizations in order to carry out their accrediting functions;

“(H) parents of a dependent student of such parents, as defined in section 152 of the Internal Revenue Code of 1954; and

26 USC 152.

“(I) subject to regulations of the Secretary, in connection with an emergency, appropriate persons if the knowledge of such information is necessary to protect the health or safety of the student or other persons.

Nothing in clause (E) of this paragraph shall prevent a State from further limiting the number or type of State or local officials who will continue to have access thereunder.”

(7) Section 438 (g) of such Act is amended by adding at the end thereof the following new sentence: “Except for the conduct of hearings, none of the functions of the Secretary under this section shall be carried out in any of the regional offices of such Department.”

Ante, p. 571.

(8) (A) Paragraph (1) of section 438(b) of such Act is amended by inserting “or practice” after “which has a policy”.

Ante, p. 571.

(B) Clause (A) of section 438(b)(1) of such Act is amended by striking out "who" and inserting in lieu thereof "who have been determined by such agency or institution to".

(C) Clause (B) of such section 438(b)(1) is amended by inserting "seeks or" after "student".

Records, accessibility for audit.

(D) The proviso in paragraph 3 of section 438(b) of such Act is amended to read as follows: "*Provided*, That except when collection of personally identifiable information is specifically authorized by Federal law, any data collected by such officials shall be protected in a manner which will not permit the personal identification of students and their parents by other than those officials, and such personally identifiable data shall be destroyed when no longer needed for such audit, evaluation, and enforcement of Federal legal requirements".

(9) Paragraph (4)(A) of section 438(b) of such Act is amended to read as follows:

Recordkeeping.

"(4)(A) Each educational agency or institution shall maintain a record, kept with the education records of each student, which will indicate all individuals (other than those specified in paragraph (1)(A) of this subsection), agencies, or organizations which have requested or obtained access to a student's education records maintained by such educational agency or institution, and which will indicate specifically the legitimate interest that each such person, agency, or organization has in obtaining this information. Such record of access shall be available only to parents, to the school official and his assistants who are responsible for the custody of such records, and to persons or organizations authorized in, and under the conditions of, clauses (A) and (C) of paragraph (1) as a means of auditing the operation of the system."

(10)(A) Clause (C) of section 438(b)(1) of such Act is amended by striking out "section 409 of this Act" and inserting in lieu thereof "section 408(c)".

Ante, p. 559.

(B) Section 438(g) of such Act is amended by striking out "according to the procedures contained in sections 434 and 437 of this Act".

Effective date.
20 USC 1232g
note.
20 USC 1681.

(b) The amendments made by subsection (a) shall be effective, and retroactive to, November 19, 1974.

SEC. 3. (a) Section 901(a) of the Education Amendments of 1972 is amended by striking out "and" at the end of clause (4) thereof and by striking out the period at the end of clause (5) thereof and inserting in lieu thereof "; and", and by inserting at the end thereof the following new clause:

Discrimination based on sex.

"(6) This section shall not apply to membership practices—

"(A) of a social fraternity or social sorority which is exempt from taxation under section 501(a) of the Internal Revenue Code of 1954, the active membership of which consists primarily of students in attendance at an institution of higher education, or

"(B) of the Young Men's Christian Association, Young Women's Christian Association, Girl Scouts, Boy Scouts, Camp Fire Girls, and voluntary youth service organizations which are so exempt, the membership of which has traditionally been limited to persons of one sex and principally to persons of less than nineteen years of age."

Effective date.
20 USC 1681
note.

(b) The provisions of the amendment made by subsection (a) shall be effective on, and retroactive to, July 1, 1972.

Approved December 31, 1974.

Public Law 93-569

AN ACT

To amend chapter 37 of title 38, United States Code, to improve the basic provisions of the veterans home loan programs and to eliminate those provisions pertaining to the dormant farm and business loans, and for other purposes.

December 31, 1974
[H. R. 15912]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Housing Act of 1974".

SEC. 2. (a) Section 1802(b) of title 38, United States Code, is amended to read as follows:

Veterans Housing Act of 1974.
38 USC 1802
note.

"(b) In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this chapter, the Administrator may exclude the amount of guaranty or insurance entitlement used for any guaranteed, insured, or direct loan, if—

Basic entitlement.

"(1) the property which secured the loan has been disposed of by the veteran or has been destroyed by fire or other natural hazard; and

"(2) the loan has been repaid in full, or the Administrator has been released from liability as to the loan, or if the Administrator has suffered a loss on such loan, the loss has been paid in full; or

"(3) an immediate veteran-transferee has agreed to assume the outstanding balance on the loan and consented to the use of his entitlement, to the extent that the entitlement of the veteran-transferor had been used originally, in place of the veteran-transferor's for the guaranteed, insured, or direct loan, and the veteran-transferee otherwise meets the requirements of this chapter.

The Administrator may, in any case involving circumstances he deems appropriate, waive one or more of the conditions prescribed in clauses (1) and (2) above."

Waiver of conditions.

(b) Clause (3) of section 1802(d) of title 38, United States Code, is amended to read as follows: "(3) by any lender approved by the Administrator pursuant to standards established by him."

(c) Section 1803(c) of title 38, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"(3) This section shall not be construed to prohibit a veteran from paying to a lender any reasonable discount required by such lender, when the proceeds from the loan are to be used:

"(A) to refinance indebtedness pursuant to section 1810(a)(5);

"(B) to repair, alter, or improve a farm residence or other dwelling pursuant to section 1810(a)(4);

"(C) to construct a dwelling or farm residence on land already owned or to be acquired by the veteran except where the land is directly or indirectly acquired from a builder or developer who has contracted to construct such dwelling for the veteran; or

"(D) to purchase a dwelling from a class of sellers which the Administrator determines are legally precluded under all circumstances from paying such a discount if the best interest of the veteran would be so served."

(d) Section 1804(c) of title 38, United States Code, is amended by inserting immediately after the second sentence a new sentence as follows: "Notwithstanding the foregoing provisions of this subsection, in the case of a loan automatically guaranteed under this chapter, the veteran shall be required to make the certification only at the time the loan is closed."

(e) Section 1804 of title 38, United States Code, is amended by striking out in subsections (b) and (d) "under section 512 of that Act".

Condominiums,
loans.

SEC. 3. Section 1810 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) (5) the second sentence;

(2) by adding at the end of subsection (a) a new paragraph as follows:

"(6) To purchase a one-family residential unit in a new condominium housing development or project, or in a structure built and sold as a condominium, provided such development, project or structure is approved by the Administrator under such criteria as he shall prescribe.";

(3) by striking out in subsection (c) "\$12,500" and inserting in lieu thereof "\$17,500"; and

(4) by striking out subsection (d) in its entirety.

SEC. 4. Section 1811(d) (2) (A) of title 38, United States Code, is amended by striking out "\$12,500" wherever it appears and inserting in lieu thereof "\$17,500".

Mobile home
lots, loans.

SEC. 5. Section 1819 of title 38, United States Code, is amended as follows:

(1) by inserting in subsection (a) "or the mobile home lot loan guaranty benefit, or both," immediately after "loan guaranty benefit" each time it appears therein and by striking out "mobile home" immediately before "loan guaranteed" in the second sentence of such subsection;

(2) by amending subsection (b) as follows:

(A) by inserting "(1)" immediately after "(b)";

(B) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively; and

(C) by adding at the end thereof a new paragraph as follows:

"(2) Subject to the limitations in subsection (d) of this section, a loan may be made to purchase a lot on which to place a mobile home if the veteran already has such a home. Such a loan may include an amount sufficient to pay expenses reasonably necessary for the appropriate preparation of such a lot, including, but not limited to, the installation of utility connections, sanitary facilities, and paving, and the construction of a suitable pad.";

(3) by redesignating clauses (1) and (2) of the first sentence of subsection (c) (1) as clauses (A) and (B), respectively, and by striking out the word "and" at the end of clause (A), as redesignated, and inserting in lieu thereof "or the loan is for the purpose of purchasing a lot on which to place a mobile home previously purchased by the veteran, whether or not such mobile home was purchased with a loan guaranteed, insured or made by another Federal agency, and";

Used mobile
homes.

(4) by further amending paragraph (1) of subsection (c) by deleting in the first sentence the clause "or for the purchase of a used mobile home which is the security for a prior loan guaranteed or made under this section or for a loan guaranteed, insured or made by another Federal agency," and inserting in lieu thereof the following: "or for the purchase of a used mobile home which meets or exceeds minimum requirements for construction, design, and general acceptability prescribed by the Administrator,";

(5) by amending the last sentence of paragraph (1) of subsection (d) to read as follows: "In the case of any lot on which to place a mobile home, whether or not the mobile home was financed with assistance under this section, and in the case of necessary site preparation, the loan amount for such purposes may not exceed the reasonable value of such lot or an amount appropriate to cover the cost of necessary site preparation or both, as determined by the Administrator.";

(6) by striking out in subsection (d) (2) all of the paragraph after "exceed—" and inserting in lieu thereof the following:

Maximum permissible loan amounts.

"(A) \$12,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a single-wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(B) \$20,000 for twenty years and thirty-two days in the case of a loan covering the purchase of a double-wide mobile home only and such additional amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation where the veteran owns the lot, or

"(C) \$20,000 (but not to exceed \$12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single-wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(D) \$27,500 (but not to exceed \$20,000 for the mobile home) for twenty years and thirty-two days in the case of a loan covering the purchase of a double-wide mobile home and an undeveloped lot on which to place such home, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(E) \$20,000 (but not to exceed \$12,500 for the mobile home) for fifteen years and thirty-two days in the case of a loan covering the purchase of a single-wide mobile home and a suitably developed lot on which to place such home, or

"(F) \$27,500 (but not to exceed \$20,000 for the mobile home) for twenty years and thirty-two days in the case of a loan covering the purchase of a double-wide mobile home and a suitably developed lot on which to place such home, or

"(G) \$7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of only an undeveloped lot on which to place a mobile home owned by the veteran, which includes such amount as is determined by the Administrator to be appropriate to cover the cost of necessary site preparation, or

"(H) \$7,500 for twelve years and thirty-two days in the case of a loan covering the purchase of a suitably developed lot on which to place a mobile home owned by the veteran.";

(7) by amending clause (3) of subsection (e) to read as follows:

"(3) the loan is secured by a first lien on the mobile home purchased with the proceeds of the loan and on any lot acquired or improved with the proceeds of the loan;"

(8) by inserting in subsection (f) “and mobile home lot loans” after “loans”;

(9) by inserting in the first sentence of subsection (i) “and no loan for the purchase of a lot on which to place a mobile home owned by a veteran shall be guaranteed under this section unless the lot meets such standards prescribed for mobile home lots” after “Administrator”;

(10) by inserting in subsection (n) “and mobile home lot loans” immediately after “mobile home loans”; and

(11) by striking out subsection (o) in its entirety.

SEC. 6. Paragraph (5) of section 107 of the Federal Credit Union Act (12 U.S.C. 1757) is amended by inserting after the words “ten years,” the words “except that loans made in accordance with section 2(b) of the National Housing Act and section 1819 of title 38, United States Code, may be for the maturities specified therein.”

42 USC 4021
note.

SEC. 7. (a) Chapter 37 of title 38, United States Code, is amended by deleting sections 1812, 1813, 1814, and 1822.

(b) The table of sections at the beginning of chapter 37 of title 38, United States Code, is amended by striking out the following:

“1812. Purchase of farms and farm equipment.

“1813. Purchase of business property.

“1814. Loans to refinance delinquent indebtedness.”

and

“1822. Recovery of damages.”;

(c) The title of chapter 37 of title 38, United States Code, is amended by striking out

“**CHAPTER 37—HOME, FARM, AND BUSINESS LOANS**”.

and inserting in lieu thereof

“**CHAPTER 37—HOME, CONDOMINIUM, AND MOBILE HOME LOANS**”; and

(d) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by striking out

“37. Home, Farm, and Business Loans..... 1801”

and inserting in lieu thereof

“37. Home, Condominium, and Mobile Home Loans..... 1801”.

SEC. 8. Chapter 37 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1803(a) (1) “and not more than 50 per centum of the loan if the loan is for any of the purposes specified in section 1812, 1813, or 1814 of this title”;

(2) by striking out the first sentence in section 1803(b);

(3) by amending paragraph (1) of section 1803(d) to read as follows:

“(1) The maturity of any loan shall not be more than thirty years and thirty-two days.”;

(4) by striking out the last sentence in paragraph (3) of section 1803(d);

(5) by striking out the last sentence in section 1815(b);

(6) by striking out in section 1818(a) “(except sections 1813 and 1815, and business loans under section 1814, of this title)”;

and

(7) by striking out section 1818(c) in its entirety and redesignating subsection (d) as subsection (c).

SEC. 9. Section 802 of title 38, United States Code, is amended by striking out "\$17,500" and inserting in lieu thereof "\$25,000".

SEC. 10. The provisions of this Act shall become effective on the date of enactment except that the amendments made by sections 2(a) (3) and 2(b) and sections 3(2) and 3(4) shall become effective ninety days after such date of enactment.

Approved December 31, 1974.

38 USC 1818.

Housing assistance for disabled veterans, limitation.
Effective date.
38 USC 1802 note.

Public Law 93-570

JOINT RESOLUTION

Making further continuing appropriations for the fiscal year 1975, and for other purposes.

December 31, 1974
[H. J. Res. 1178]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That clause (c) of section 102 of the joint resolution of June 30, 1974 (Public Law 93-324, as amended by Public Law 93-448), is hereby further amended by striking out "sine die adjournment of the second session of the Ninety-third Congress" and inserting in lieu thereof "February 28, 1975".

SEC. 2. Section 101(d) of such joint resolution is hereby amended by inserting after "all remaining activities except titles I and III (B) under the Economic Opportunity Act of 1964, as amended;" the following: "activities of the Commission on Revision of the Federal Court Appellate System;"

SEC. 3. The fourth unnumbered clause of section 101(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is further amended by striking out the semicolon at the end thereof and inserting " : *Provided further,* That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to funds made available herein for activities for which provision was made in the Foreign Assistance and Related Appropriations Act of 1974;"

SEC. 4. Such joint resolution is amended by adding at the end thereof the following new section:

"SEC. 114. Notwithstanding any other provision of this joint resolution or any other Act, including section 10 of the Foreign Military Sales Act Amendments, 1971, as amended, the following amounts are hereby made available, in addition to funds otherwise available under this joint resolution, for the following purposes:

Security Supporting Assistance for Israel, \$150,000,000;
Security Supporting Assistance for Egypt, \$150,000,000;
Middle East Special Requirements Fund, \$25,000,000;
Assistance to Portugal and Portuguese Colonies, \$10,000,000;
Famine and Disaster Relief for Cyprus, \$15,000,000;
Assistance to Refugees from the Soviet Union, \$10,000,000; and
Assistance to Palestinian Refugees, \$10,000,000:

Provided, That all of the provisions, restrictions, and prohibitions contained in the Foreign Assistance Act of 1974 and in the Foreign Assistance Act of 1961, as amended, shall apply to the funds made available in this section."

Continuing appropriations, 1975.

Ante, pp. 284, 1363.

Ante, p. 281.

42 USC 2711, 2861.

Ante, p. 281.

Ante, p. 1795.
22 USC 2151 note.

87 Stat. 1049.

84 Stat. 2055.

Ante, p. 1363.

Turkey, military assistance, limitation.

22 USC 2151
note, 2751 note.

Suspension,
Presidential authority.

Effective
period.

SEC. 5. Section 6 of the joint resolution of October 17, 1974 (Public Law 93-448), is amended to read as follows:

"SEC. 6. None of the funds herein made available shall be obligated or expended for any military assistance, or for any sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or for any licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data related thereto) to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus: *Provided*, That the President is authorized to suspend the provisions of this section and said Acts if he determines that such suspension will further negotiations for a peaceful solution of the Cyprus conflict. Any such suspension shall be effective only until February 5, 1975, and only if, during that time, Turkey shall observe the cease-fire and shall neither increase its forces on Cyprus nor transfer to Cyprus any United States supplied implements of war.

Approved December 31, 1974.

Public Law 93-571

AN ACT

December 31, 1974
[H. R. 14401]

To authorize military band recordings in support of the American Revolution Bicentennial

American Revolution Bicentennial.

Military bands,
sale of recordings.
10 USC 3634
note.

10 USC 3634
note.

10 USC 3634
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the United States Army Band, United States Navy Band, United States Air Force Band, and United States Marine Band are authorized to participate in the production of a collection of recordings for commercial sale, in conjunction with the American Revolution Bicentennial.

SEC. 2. The Secretary of Defense or his designee may enter into such contract or contracts, under such terms as the Secretary or his designee may determine to be in the best interest of the Government, for the production and sale of the collection of recordings authorized by section 1 of this Act. Sale of this collection of recordings may be made (a) at such prices as the Secretary of Defense or his designee may determine, and (b) either through commercial sources or by the Government, or both through commercial sources and by the Government.

SEC. 3. Appropriations of the Department of Defense may be reimbursed from the proceeds of sales for expenses of production and sale of the collection of recordings authorized by this Act.

Approved December 31, 1974.

Public Law 93-572

AN ACT

To provide a program of emergency unemployment compensation.

December 31, 1974
[H. R. 17597]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Emergency Un-
employment Com-
pensation Act of
1974.

SHORT TITLE

SEC. 101. This Act may be cited as the “Emergency Unemployment Compensation Act of 1974”.

26 USC 3304
note.

FEDERAL-STATE AGREEMENTS

SEC. 102. (a) Any State, the State unemployment compensation law of which is approved by the Secretary of Labor (hereinafter in this Act referred to as the “Secretary”) under section 3304 of the Internal Revenue Code of 1954 which desires to do so, may enter into and participate in an agreement with the Secretary under this Act, if such State law contains (as of the date such agreement is entered into) a requirement that extended compensation be payable thereunder as provided by the Federal-State Extended Unemployment Compensation Act of 1970. Any State which is a party to an agreement under this Act may, upon providing thirty days’ written notice to the Secretary, terminate such agreement.

26 USC 3304
note.

26 USC 3304.

26 USC 3304
note.

(b) Any such agreement shall provide that the State agency of the State will make payments of emergency compensation—

(1) to individuals who—

(A) (i) have exhausted all rights to regular compensation under the State law;

(ii) have exhausted all rights to extended compensation, or are not entitled thereto, because of the ending of their eligibility period for extended compensation, in such State;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law; and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada,

(2) for any week of unemployment which begins in—

(A) an emergency benefit period (as defined in subsection (c)(3)); and

(B) the individual’s period of eligibility (as defined in section 105(b)).

(c) (1) For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted his rights to regular compensation under a State law when—

(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

(B) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(2) For purposes of subsection (b) (1) (B), an individual shall be deemed to have exhausted his rights to extended compensation under a State law when no payments of extended compensation under a State law can be made under such law because such individual has received all the extended compensation available to him from his extended compensation account (as established under State law in accordance with section 202(b) (1) of the Federal-State Extended Unemployment Compensation Act of 1970).

26 USC 3304
note.
Emergency
benefit period.

(3) (A) (i) For purposes of subsection (b) (2) (A), in the case of any State, an emergency benefit period—

(I) shall begin with the third week after a week for which there is a State “emergency on” indicator; and

(II) shall end with the third week after the first week for which there is a State “emergency off” indicator.

(ii) In the case of any State, no emergency benefit period shall last for a period of less than 26 consecutive weeks.

Notice, publi-
cation in Federal
Register.

(iii) When a determination has been made that an emergency benefit period is beginning or ending with respect to any State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(B) (i) For purposes of subparagraph (A), there is a State “emergency on” indicator for a week if there is a State or National “on” indicator for such week (as determined under subsections (d) and (e) of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970).

26 USC 3304
note.

(ii) For purposes of subparagraph (A), there is a State “emergency off” indicator for a week if there is both a State and a National “off” indicator for such week (as determined under subsections (d) and (e) of the Federal-State Extended Unemployment Compensation Act of 1970).

(d) For purposes of any agreement under this Act—

(1) the amount of the emergency compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents’ allowances) payable to him during his benefit year under the State law; and

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall (except where inconsistent with the provisions of this Act or regulations of the Secretary promulgated to carry out this Act) apply to claims for emergency compensation and the payment thereof.

(e) (1) Any agreement under this Act with a State shall provide that the State will establish, for each eligible individual who files an application for emergency compensation, an emergency compensation account.

Emergency com-
pensation ac-
count, formula.

(2) The amount established in such account for any individual shall be equal to the lesser of—

(A) 50 per centum of the total amount of regular compensation (including dependents’ allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation; or

(B) thirteen times his average weekly benefit amount (as determined for purposes of section 202(b) (1) (C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

Restriction.

(f) (1) No emergency compensation shall be payable to any individual under an agreement entered into under this Act for any week beginning before whichever of the following is the latest:

- (A) the first week which begins after December 31, 1974,
- (B) the week following the week in which such agreement is entered into, or
- (C) the first week which begins after the date of the enactment of this Act.

(2) No emergency compensation shall be payable to any individual under an agreement entered into under this Act for any week ending after—

- (A) December 31, 1976, or
- (B) March 31, 1977, in the case of an individual who (for a week ending before January 1, 1977) had a week with respect to which emergency compensation was payable under such agreement.

PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY COMPENSATION

SEC. 103. (a) There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 per centum of the emergency compensation paid to individuals by the State pursuant to such agreement.

26 USC 3304
note.

(b) No payment shall be made to any State under this section in respect of compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this Act.

(c) Sums payable to any State by reason of such State's having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which would have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

FINANCING PROVISIONS

SEC. 104. (a) (1) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

26 USC 3304
note.
42 USC 1105.

(2) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

Payment certifi-
cation.

(b) There are hereby authorized to be appropriated, without fiscal year limitation, to the extended unemployment compensation account, as repayable advances (without interest), such sums as may be necessary to carry out the purposes of this Act. Amounts appropriated as repayable advances and paid to the States under section 103 shall be repaid, without interest, as provided in section 905(d) of the Social Security Act.

DEFINITIONS

26 USC 3304
note.

SEC. 105. For purposes of this Act—

(1) the terms “compensation”, “regular compensation”, “extended compensation”, “base period”, “benefit year”, “State”, “State agency”, “State law”, and “week” shall have the meanings assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970;

26 USC 3304
note.

(2) the term “period of eligibility” means, in the case of any individual, the weeks in his benefit year which begin in an extended benefit period or an emergency benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such extended benefit period or in such emergency benefit period; and

26 USC 3304
note.

(3) the term “extended benefit period” shall have the meaning assigned to such term under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970.

For purposes of any State law which refers to an extension under Federal law of the duration of benefits under the Federal-State Extended Unemployment Compensation Act of 1970, this Act shall be treated as amendatory of such Act.

EXTENSION OF WAIVER OF 120-PERCENT REQUIREMENT FOR PURPOSES OF EXTENDED COMPENSATION PROGRAM

Ante, p. 420.

SEC. 106. The last sentence of section 203(e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970, as amended, is amended by striking out “April 30, 1975” and inserting in lieu thereof “December 31, 1976”.

TEMPORARY REDUCTION IN NATIONAL TRIGGER

SEC. 107. Section 203(d) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new sentence: “Effective with respect to compensation for weeks of unemployment beginning before December 31, 1976, and beginning after December 31, 1974 (or, if later, the date established pursuant to State law), the State may by law provide that the determination of whether there has been a national ‘on’ or ‘off’ indicator beginning or ending any extended benefit period shall be made under this subsection as if the phrase ‘4.5 per centum’, contained in paragraphs (1) and (2), read ‘4 per centum’.”

PROVISION FOR FINANCING TEMPORARY REDUCTION IN NATIONAL TRIGGER

26 USC 3304
note.

SEC. 108. Section 204(a) of the Federal-State Extended Unemployment Compensation Act of 1970 is amended by adding at the end thereof the following new paragraph:

Supra.

“(3) In the case of compensation which is sharable extended compensation or sharable regular compensation by reason of the provision contained in the last sentence of section 203(d), the first paragraph of this subsection shall be applied as if the words ‘one-half of’ read ‘100 per centum of’ but only with respect to compensation that would not have been payable if the State law’s provisions as to the State ‘on’ and ‘off’ indicators omitted the 120 percent factor as provided for by Public Law 93-368 and by section 106 of this Act.”

Ante, p. 420.
26 USC 3304
note.

Approved December 31, 1974.

Public Law 93-573

AN ACT

December 31, 1974
[S. 3976]

To amend title 17 of the United States Code to remove the expiration date for a limited copyright in sound recordings, to increase the criminal penalties for piracy and counterfeiting of sound recordings, to extend the duration of copyright protection in certain cases, to establish a National Commission on New Technological Uses of Copyrighted Works, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Copyrights.

TITLE I—AMEND TITLE 17 UNITED STATES CODE, AND FOR OTHER PURPOSES

SEC. 101. Section 3 of the Act of October 15, 1971 (85 Stat. 391), is amended by striking out “and before January 1, 1975”.

17 USC 1 note.

SEC. 102. Section 104 of title 17, United States Code, is amended—

(1) by striking out “Any person” and inserting in lieu thereof “(a) Except as provided in subsection (b), any person”; and

(2) by adding at the end thereof the following new subsection:

“(b) Any person who willfully and for profit shall infringe any copyright provided by section 1(f) of this title, or who should knowingly and willfully aid or abet such infringement, shall be fined not more than \$25,000 or imprisoned not more than one year, or both, for the first offense and shall be fined not more than \$50,000 or imprisoned not more than two years, or both, for any subsequent offense.”

Willful infringement, penalties.

SEC. 103. Section 2318 of title 18, United States Code, is amended by striking out all after “fined” and inserting in lieu thereof “not more than \$25,000 or imprisoned for not more than one year, or both, for the first offense and shall be fined not more than \$50,000 or imprisoned not more than two years, or both, for any subsequent offense.”

SEC. 104. In any case in which the renewal term of copyright subsisting in any work on the date of approval of this bill, or the term thereof as extended by Public Law 87-668, by Public Law 89-142, by Public Law 90-141, by Public Law 90-416, by Public Law 91-147, by Public Law 91-555, by Public Law 92-170, or by Public Law 92-566 (or by all or certain of said laws), would expire prior to December 31, 1976, such term is hereby continued until December 31, 1976.

Renewal term, continuation.

17 USC 24 note.

TITLE II—NATIONAL COMMISSION ON NEW TECHNOLOGICAL USES OF COPYRIGHTED WORKS

ESTABLISHMENT AND PURPOSE OF COMMISSION

SEC. 201. (a) There is hereby created in the Library of Congress a National Commission on New Technological Uses of Copyrighted Works (hereafter called the Commission).

17 USC 201 note.

(b) The purpose of the Commission is to study and compile data on:

(1) the reproduction and use of copyrighted works of authorship—

(A) in conjunction with automatic systems capable of storing, processing, retrieving, and transferring information, and

(B) by various forms of machine reproduction, not including reproduction by or at the request of instructors for use in face-to-face teaching activities; and

(2) the creation of new works by the application or intervention of such automatic systems or machine reproduction.

(c) The Commission shall make recommendations as to such changes

in copyright law or procedures that may be necessary to assure for such purposes access to copyrighted works, and to provide recognition of the rights of copyright owners.

MEMBERSHIP OF THE COMMISSION

17 USC 201
note.

SEC. 202. (a) The Commission shall be composed of thirteen voting members, appointed as follows:

(1) Four members, to be appointed by the President, selected from authors and other copyright owners;

(2) Four members, to be appointed by the President, selected from users of copyright works;

(3) Four nongovernmental members to be appointed by the President, selected from the public generally, with at least one member selected from among experts in consumer protection affairs;

(4) The Librarian of Congress.

(b) The President shall appoint a Chairman, and a Vice Chairman who shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office, from among the four members selected from the public generally, as provided by clause (3) of subsection (a). The Register of Copyrights shall serve ex officio as a nonvoting member of the Commission.

(c) Seven voting members of the Commission shall constitute a quorum.

(d) Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner as the original appointment was made.

COMPENSATION OF MEMBERS OF COMMISSION

17 USC 201
note.

SEC. 203. (a) Members of the Commission, other than officers or employees of the Federal Government, shall receive compensation at the rate of \$100 per day while engaged in the actual performance of Commission duties, plus reimbursement for travel, subsistence, and other necessary expenses in connection with such duties.

(b) Any members of the Commission who are officers or employees of the Federal Government shall serve on the Commission without compensation, but such members shall be reimbursed for travel, subsistence, and other necessary expenses in connection with the performance of their duties.

STAFF

17 USC 201
note.

SEC. 204. (a) To assist in its studies, the Commission may appoint a staff which shall be an administrative part of the Library of Congress. The staff shall be headed by an Executive Director, who shall be responsible to the Commission for the Administration of the duties entrusted to the staff.

(b) The Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed \$100 per day.

EXPENSES OF THE COMMISSION

Appropriation.
17 USC 201
note.

SEC. 205. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title until June 30, 1976.

REPORTS

SEC. 206. (a) Within one year after the first meeting of the Commission it shall submit to the President and the Congress a preliminary report on its activities.

Reports to
President and
Congress.
17 USC 201
note.

(b) Within three years after the enactment of this Act the Commission shall submit to the President and the Congress a final report on its study and investigation which shall include its recommendations and such proposals for legislation and administrative action as may be necessary to carry out its recommendations.

(c) In addition to the preliminary report and final report required by this section, the Commission may publish such interim reports as it may determine, including but not limited to consultant's reports, transcripts of testimony, seminar reports, and other Commission findings.

POWERS OF THE COMMISSION

SEC. 207. (a) The Commission or, with the authorization of the Commission, any three or more of its members, may, for the purpose of carrying out the provisions of this title, hold hearings, administer oaths, and require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of documentary material.

17 USC 201
note.

(b) With the consent of the Commission, any of its members may hold any meetings, seminars, or conferences considered appropriate to provide a forum for discussion of the problems with which it is dealing.

TERMINATION

SEC. 208. On the sixtieth day after the date of the submission of its final report, the Commission shall terminate and all offices and employment under it shall expire.

17 USC 201
note.

Approved December 31, 1974.

Public Law 93-574

AN ACT

To amend the Act of June 9, 1906, entitled "An Act granting land to the city of Albuquerque for public purposes" (34 Stat. 227), as amended.

December 31, 1974
[S. 2125]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 9, 1906, entitled "An Act granting land to the city of Albuquerque for public purposes" (34 Stat. 227), as amended, is further amended by adding at the end thereof the following new section:

Albuquerque,
N. Mex.
Land convey-
ance.
64 Stat. 448.

"SEC. 3. (a) Notwithstanding the provisions of section 1 hereof, the Secretary of the Interior is authorized to transfer by quitclaim deed or other appropriate means to the city of Albuquerque, New Mexico, all right, title, and interest remaining in the United States in the following described lands:

"PARCEL 1

"A parcel of land situated within the northwest quarter of section 20, township 10 north, range 4 east of the New Mexico principal meridian and within tract numbered 1 of the Municipal Addition

numbered 2, an addition to the city of Albuquerque, New Mexico, said parcel of land being more particularly described as follows:

“Beginning at the northwest corner of said tract numbered 1, said northwest corner being the same as shown on the plat of said addition filed for record in the office of the county clerk of Bernalillo County, New Mexico, on July 12, 1955, from which point the northwest corner of said section 20 bears north 89 degrees 29 minutes 40 seconds west, a distance of 1355.11 feet;

“thence south 0 degrees 23 minutes 20 seconds west, a distance of 220.88 feet to a point on a curve on the new southerly right-of-way line of Lomas Boulevard Northeast as shown on the New Mexico State Highway Department right-of-way map for project numbered I-040-3(1)163, and the true point of beginning;

“thence southeasterly along said southerly right-of-way line on a curve (said curve being concave to the northeast, having a radius of 1461.13 feet, a central angle of 2 degrees 37 minutes 42 seconds, and a long chord which bears south 88 degrees 17 minutes 40 seconds east, a distance of 67.02 feet) a distance of 67.03 feet to a New Mexico State Highway Department right-of-way marker (station 14+47.46) and a point on the westerly right-of-way line of Herndon Street Northeast;

“thence south 1 degree 49 minutes 00 seconds west, along said westerly right-of-way line, a distance of 11.81 feet to the point of curve marked by a New Mexico State Highway Department right-of-way marker (station 0+50);

“thence southeasterly, along said westerly right-of-way line on a curve (said curve being concave to the northeast, having a radius of 330.71 feet, a central angle of 48 degrees 55 minutes 00 seconds and a long chord which bears south 22 degrees 38 minutes 30 seconds east, a distance of 273.85 feet) a distance of 282.35 feet to a New Mexico State Highway Department right-of-way marker (station 2+89.89);

“thence north 43 degrees 02 minutes 30 seconds east, along said westerly right-of-way line, a distance of 10.00 feet to a New Mexico State Highway marker (station 2+89.89) and a point on a curve;

“thence southeasterly, along said westerly right-of-way line on a curve (said curve being concave to the southwest, having a radius of 242.58 feet, a central angle of 33 degrees 46 minutes 00 seconds and a long chord which bears south 30 degrees 04 minutes 30 seconds east, a distance of 140.09 feet) a distance of 142.96 feet to a New Mexico State Highway Department right-of-way marker (station 4+56);

“thence north 64 degrees 32 minutes 30 seconds west, a distance of 278.27 feet to the westerly boundary line of said tract 1;

“thence north 0 degrees 23 minutes 20 seconds east along said westerly boundary line, a distance of 259.86 feet to the true point of beginning.

Said parcel of land containing 0.7041 acre more or less.

“PARCEL 2

“A parcel of land situated within the northeast quarter of section 20, township 10 north, range 4 east, of the New Mexico principal

meridian and within tract 4 municipal addition numbered 2 an addition to the city of Albuquerque, New Mexico, said parcel of land being more particularly described as follows:

"Beginning at the northeast corner of tract numbered 2 said tract numbered 2 being the same as shown on the plat of said addition filed for record in the office of the county clerk of Bernalillo County, New Mexico, on July 12, 1955, from which point the northeast corner of said section 20 bears north 52 degrees 15 minutes 18 seconds east, a distance of 80.97 feet;

"thence south 1 degree 8 minutes 10 seconds east, along the westerly right-of-way line of Eubank Boulevard northeast, a distance of 208.78 feet to the true point of beginning;

"thence south 1 degree 8 minutes 10 seconds east, along said westerly right-of-way line, a distance of 150.20 feet, from which point the State highway department right-of-way marker (station 20+00 end of construction Eubank) bears south 1 degree 8 minutes 10 seconds east, a distance of 85.18 feet;

"thence south 88 degrees 51 minutes 50 seconds west, a distance of 108.00 feet to the easterly boundary of a 10-foot public service company easement;

"thence north 1 degree 8 minutes 10 seconds west, along said easterly boundary, a distance of 150.20 feet;

"thence north 88 degrees 51 minutes 50 seconds east, a distance of 108.00 feet, to the true point of beginning.

Said parcel of land containing 0.3724 acre more or less.

"(b) No conveyance shall be made under this section unless the city of Albuquerque has shown to the satisfaction of the Secretary of the Interior (i) that the lands described in subsection (a) are no longer suitable for park and other public purposes; (ii) that the city of Albuquerque will sell such lands at not less than fair market value; (iii) that the proceeds from the sale thereof will be spent to acquire lands located in the North Valley area of the city of Albuquerque bounded on the west by the Middle Rio Grande Conservancy District right-of-way, on the south by Candelaria Road, on the east by private residential areas along the west boundary of Rio Grande Boulevard, on the north by privately owned lands and containing 134.975 acres more or less; (iv) that any lands acquired with such proceeds are suitable for park and other public purposes; and (v) that any amount by which the proceeds from the sale of the lands described in subsection (a) exceeds the purchase price of the lands acquired will be paid to the United States.

Conditions.

"(c) If the requirements of subsection (b) are satisfied, the Secretary is authorized to enter into an agreement or agreements with the city of Albuquerque whereby, in consideration of a quitclaim deed to the city of Albuquerque of all right, title, and interest remaining in the United States in and to the lands described in subsection (a) which have been conveyed to the city of Albuquerque, the city of Albuquerque agrees that (i) title to any lands acquired with the proceeds of the sale of the lands described in subsection (a) will vest in the United States if such acquired lands ever cease to be used for park and other public purposes, and (ii) that the city of Albuquerque will, within ninety days after acquiring such lands, execute a deed to this effect and deliver said deed to the Secretary."

Agreements.

Approved December 31, 1974.

Public Law 93-575

December 31, 1974
[S. 3615]

AN ACT

To authorize the Secretary of the Interior to transfer certain lands in the State of Colorado to the Secretary of Agriculture for inclusion in the boundaries of the Arapaho National Forest, Colorado.

Arapaho National Forest, Colo.
Boundary extension.
16 USC 485 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, to insure consolidation of lands in the Arapaho National Forest, Colorado, and to afford the opportunity for better management of those lands, the Secretary of the Interior is hereby authorized to transfer certain lands under his jurisdiction and adjacent to the existing boundary of said national forest to the Secretary of Agriculture. Pursuant to this Act, the exterior boundaries of the Arapaho National Forest, Colorado, shall be extended to include all of the lands not presently within such boundaries lying in township 3 south, range 78 west, township 4 south, range 78 west, township 2 south, range 79 west, township 3 south, range 79 west, and township 2 south, range 80 west, sections 7 through 18, and sections 20 through 28, all of the sixth principal meridian.

Approved December 31, 1974.

Public Law 93-576

December 31, 1974
[H. R. 16609]

AN ACT

To amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

Atomic Energy Commission.
Appropriations increase.
Ante, p. 116.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 (a) of Public Law 93-276 is hereby amended by striking therefrom the figure "\$2,551,533,000" and substituting the figure "\$2,580,733,000".

SEC. 2. Section 101 (b) of Public Law 93-276 is hereby amended by striking from subsection (11) capital equipment the figure "\$208,850,000" and substituting the figure "\$224,900,000".

Safeguards Program.

SEC. 3. From the increase of the sums authorized to be appropriated by this Act \$23,000,000 shall be allotted to, and made available only for the Safeguards Program, with regard to the safeguarding of special nuclear materials from diversion from its intended uses, and for research and development of safeguards techniques and related activities involved in handling nuclear material.

Approved December 31, 1974.

Public Law 93-577

December 31, 1974
[S. 1283]

AN ACT

To establish a national program for research and development in nonnuclear energy sources.

Federal Non-nuclear Energy Research and Development Act of 1974.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

42 USC 5901 note.

SECTION 1. This Act may be cited as the "Federal Nonnuclear Energy Research and Development Act of 1974".

STATEMENT OF FINDINGS

SEC. 2. The Congress hereby finds that—

42 USC 5901.

(a) The Nation is suffering from a shortage of environmentally acceptable forms of energy.

(b) Compounding this energy shortage is our past and present failure to formulate a comprehensive and aggressive research and development program designed to make available to American consumers our large domestic energy reserves including fossil fuels, nuclear fuels, geothermal resources, solar energy, and other forms of energy. This failure is partially because the unconventional energy technologies have not been judged to be economically competitive with traditional energy technologies.

(c) The urgency of the Nation's energy challenge will require commitments similar to those undertaken in the Manhattan and Apollo projects; it will require that the Nation undertake a research, development, and demonstration program in nonnuclear energy technologies with a total Federal investment which may reach or exceed \$20,000,000,000 over the next decade.

(d) In undertaking such program, full advantage must be taken of the existing technical and managerial expertise in the various energy fields within Federal agencies and particularly in the private sector.

(e) The Nation's future energy needs can be met if a national commitment is made now to dedicate the necessary financial resources, to enlist our scientific and technological capabilities, and to accord the proper priority to developing new nonnuclear energy options to serve national needs, conserve vital resources, and protect the environment.

STATEMENT OF POLICY

SEC. 3. (a) It is the policy of the Congress to develop on an urgent basis the technological capabilities to support the broadest range of energy policy options through conservation and use of domestic resources by socially and environmentally acceptable means.

42 USC 5902.

(b) (1) The Congress declares the purpose of this Act to be to establish and vigorously conduct a comprehensive, national program of basic and applied research and development, including but not limited to demonstrations of practical applications, of all potentially beneficial energy sources and utilization technologies, within the Energy Research and Development Administration.

(2) In carrying out this program, the Administrator of the Energy Research and Development Administration (hereinafter in this Act referred to as the "Administrator") shall be governed by the terms of this Act and other applicable provisions of law with respect to all non-nuclear aspects of the research, development, and demonstration program; and the policies and provisions of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), and other provisions of law shall continue to apply to the nuclear research, development, and demonstration program.

Ante, p. 1069.

Ante, p. 1079.

Ante, p. 1431.

(3) In implementing and conducting the research, development, and demonstration programs pursuant to this Act, the Administrator shall incorporate programs in specific nonnuclear technologies previously enacted into law, including those established by the Solar Heating and Cooling Act of 1974 (Public Law 93-409), the Geothermal Energy Research, Development, and Demonstration Act of 1974 (Public Law 93-410), and the Solar Energy Research, Development, and Demonstration Act of 1974 (Public Law 93-473).

DUTIES AND AUTHORITIES OF THE ADMINISTRATOR

42 USC 5903.

SEC. 4. The Administrator shall—

(a) review the current status of nonnuclear energy resources and current nonnuclear energy research and development activities, including research and development being conducted by Federal and non-Federal entities;

(b) formulate and carry out a comprehensive Federal nonnuclear energy research, development, and demonstration program which will expeditiously advance the policies established by this Act and other relevant legislation establishing programs in specific energy technologies;

(c) utilize the funds authorized pursuant to this Act to advance energy research and development by initiating and maintaining, through fund transfers, grants, or contracts, energy research, development and demonstration programs or activities utilizing the facilities, capabilities, expertise, and experience of Federal agencies, national laboratories, universities, nonprofit organizations, industrial entities, and other non-Federal entities which are appropriate to each type of research, development, and demonstration activity;

(d) establish procedures for periodic consultation with representatives of science, industry, environmental organizations, consumers, and other groups who have special expertise in the areas of energy research, development, and technology; and

(e) initiate programs to design, construct, and operate energy facilities of sufficient size to demonstrate the technical and economic feasibility of utilizing various forms of nonnuclear energy.

GOVERNING PRINCIPLES

42 USC 5904.

SEC. 5. (a) The Congress authorizes and directs that the comprehensive program in research, development, and demonstration required by this Act shall be designed and executed according to the following principles:

(1) Energy conservation shall be a primary consideration in the design and implementation of the Federal nonnuclear energy program. For the purposes of this Act, energy conservation means both improvement in efficiency of energy production and use, and reduction in energy waste.

(2) The environmental and social consequences of a proposed program shall be analyzed and considered in evaluating its potential.

(3) Any program for the development of a technology which may require significant consumptive use of water after the technology has reached the stage of commercial application shall

include thorough consideration of the impacts of such technology and use on water resources pursuant to the provisions of section 13.

(4) Heavy emphasis shall be given to those technologies which utilize renewable or essentially inexhaustible energy sources.

(5) The potential for production of net energy by the proposed technology at the stage of commercial application shall be analyzed and considered in evaluating proposals.

(b) The Congress further directs that the execution of the comprehensive research, development, and demonstration program shall conform to the following principles:

(1) Research and development of nonnuclear energy sources shall be pursued in such a way as to facilitate the commercial availability of adequate supplies of energy to all regions of the United States.

(2) In determining the appropriateness of Federal involvement in any particular research and development undertaking, the Administrator shall give consideration to the extent to which the proposed undertaking satisfies criteria including, but not limited to, the following:

(A) The urgency of public need for the potential results of the research, development, or demonstration effort is high, and it is unlikely that similar results would be achieved in a timely manner in the absence of Federal assistance.

(B) The potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial utilization of proprietary knowledge appear inadequate to encourage timely results.

(C) The extent of the problems treated and the objectives sought by the undertaking are national or widespread in their significance.

(D) There are limited opportunities to induce non-Federal support of the undertaking through regulatory actions, end use controls, tax and price incentives, public education, or other alternatives to direct Federal financial assistance.

(E) The degree of risk of loss of investment inherent in the research is high, and the availability of risk capital to the non-Federal entities which might otherwise engage in the field of the research is inadequate for the timely development of the technology.

(F) The magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts.

COMPREHENSIVE PLANNING AND PROGRAMMING

SEC. 6. (a) Pursuant to the authority and directions of this Act and the Energy Reorganization Act of 1974 (Public Law 93-438), the Administrator shall transmit to the Congress, on or before June 30, 1975, a comprehensive plan for energy research, development, and demonstration. This plan shall be appropriately revised annually as provided in section 15(a). Such plan shall be designed to achieve—

(1) solutions to immediate and short-term (to the early 1980's) energy supply system and associated environmental problems;

(2) solutions to middle-term (the early 1980's to 2000) energy supply system and associated environmental problems; and

(3) solutions to long-term (beyond 2000) energy supply system and associated environmental problems.

(b)(1) Based on the comprehensive energy research, development, and demonstration plan developed under subsection (a), the Adminis-

Plan, transmitted to Congress.
42 USC 5905.
Ante, p. 1233.

Program, transmitted to Congress.

trator shall develop and transmit to the Congress, on or before June 30, 1975, a comprehensive nonnuclear energy research, development, and demonstration program to implement the nonnuclear research, development, and demonstration aspects of the comprehensive plan.

(2) This program shall be designed to achieve solutions to the energy supply and associated environmental problems in the immediate and short-term (to the early 1980's), middle-term (the early 1980's to 2000), and long-term (beyond 2000) time intervals. In formulating the nonnuclear aspects of this program, the Administrator shall evaluate the economic, environmental, and technological merits of each aspect of the program.

(3) The Administrator shall assign program elements and activities in specific nonnuclear energy technologies to the short-term, middle-term, and long-term time intervals, and shall present full and complete justification for these assignments and the degree of emphasis for each. These program elements and activities shall include, but not be limited to, research, development, and demonstrations designed—

(A) to advance energy conservation technologies, including but not limited to—

(i) productive use of waste, including garbage, sewage, agricultural wastes, and industrial waste heat;

(ii) reuse and recycling of materials and consumer products;

(iii) improvements in automobile design for increased efficiency and lowered emissions, including investigation of the full range of alternatives to the internal combustion engine and systems of efficient public transportation; and

(iv) advanced urban and architectural design to promote efficient energy use in the residential and commercial sectors, improvements in home design and insulation technologies, small thermal storage units and increased efficiency in electrical appliances and lighting fixtures;

(B) to accelerate the commercial demonstration of technologies for producing low-sulfur fuels suitable for boiler use;

(C) to demonstrate improved methods for the generation, storage, and transmission of electrical energy through (i) advances in gas turbine technologies, combined power cycles, the use of low British thermal unit gas and, if practicable, magnetohydrodynamics; (ii) storage systems to allow more efficient load following, including the use of inertial energy storage systems; and (iii) improvement in cryogenic transmission methods;

(D) to accelerate the commercial demonstration of technologies for producing substitutes for natural gas, including coal gasification: *Provided*, That the Administrator shall invite and consider proposals from potential participants based upon Federal assistance and participation in the form of a joint Federal-industry corporation, and recommendations pursuant to this clause shall be accompanied by a report on the viability of using this form of Federal assistance or participation;

(E) to accelerate the commercial demonstration of technologies for producing syncrude and liquid petroleum products from coal: *Provided*, That the Administrator shall invite and consider proposals from potential participants based upon Federal assistance and participation through guaranteed prices or purchase of the products, and recommendations pursuant to this clause shall be accompanied by a report on the viability of using this form of Federal assistance or participation;

(F) in accordance with the program authorized by the Geothermal Energy Research, Development, and Demonstration Act

of 1974 (Public Law 93-410), to accelerate the commercial demonstration of geothermal energy technologies;

Ante, p. 1079.

(G) to demonstrate the production of syncrude from oil shale by all promising technologies including in situ technologies;

(H) to demonstrate new and improved methods for the extraction of petroleum resources, including secondary and tertiary recovery of crude oil;

(I) to demonstrate the economics and commercial viability of solar energy for residential and commercial energy supply applications in accordance with the program authorized by the Solar Heating and Cooling Act of 1974 (Public Law 93-409);

Ante, p. 1069.

(J) to accelerate the commercial demonstration of environmental control systems for energy technologies developed pursuant to this Act;

(K) to investigate the technical and economic feasibility of tidal power for supplying electrical energy;

(L) to commercially demonstrate advanced solar energy technologies in accordance with the Solar Research, Development, and Demonstration Act of 1974 (Public Law 93-473);

Ante, p. 1431.

(M) to determine the economics and commercial viability of the production of synthetic fuels such as hydrogen and methanol;

(N) to commercially demonstrate the use of fuel cells for central station electric power generation;

(O) to determine the economics and commercial viability of in situ coal gasification;

(P) to improve techniques for the management of existing energy systems by means of quality control; application of systems analysis, communications, and computer techniques; and public information with the objective of improving the reliability and efficiency of energy supplies and encourage the conservation of energy resources; and

(Q) to improve methods for the prevention and cleanup of marine oil spills.

FORMS OF FEDERAL ASSISTANCE

SEC. 7. (a) In carrying out the objectives of this Act, the Administrator may utilize various forms of Federal assistance and participation which may include but are not limited to—

42 USC 5906.

(1) joint Federal-industry experimental, demonstration, or commercial corporations consistent with the provisions of subsection (b) of this section;

(2) contractual arrangements with non-Federal participants including corporations, consortia, universities, governmental entities and nonprofit institutions;

(3) contracts for the construction and operation of federally owned facilities;

(4) Federal purchases or guaranteed price of the products of demonstration plants or activities consistent with the provisions of subsection (c) of the section;

(5) Federal loans to non-Federal entities conducting demonstrations of new technologies; and

(6) incentives, including financial awards, to individual inventors, such incentives to be designed to encourage the participation of a large number of such inventors.

(b) Joint Federal-industry corporations proposed for congressional authorization pursuant to this Act shall be subject to the provisions of section 9 of this Act and shall conform to the following guidelines except as otherwise authorized by Congress:

Joint Federal-industry, corporations, guidelines.

(1) Each such corporation may design, construct, operate, and maintain one or more experimental, demonstration, or commercial-size facilities, or other operations which will ascertain the technical, environmental, and economic feasibility of a particular energy technology. In carrying out this function, the corporation shall be empowered, either directly or by contract, to utilize commercially available technologies, perform tests, or design, construct, and operate pilot plants, as may be necessary for the design of the full-scale facility.

(2) Each corporation shall have—

(A) a Board of nine directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the Board to serve as Chairman. The Board shall be empowered to adopt and amend bylaws. Five members of the Board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and four members of the Board shall be appointed by the President on the basis of recommendations received by him from any non-Federal entity or entities entering into contractual arrangements to participate in the corporation;

(B) a President and such other officers and employees as may be named and appointed by the Board (with the rates of compensation of all officers and employees being fixed by the Board); and

(C) the usual powers conferred upon corporations by the laws of the District of Columbia.

(3) An appropriate time interval, not to exceed 12 years, shall be established for the term of Federal participation in the corporation, at the expiration of which the Board of Directors shall take such action as may be necessary to dissolve the corporation or otherwise terminate Federal participation and financial interests. In carrying out such dissolution, the Board of Directors shall dispose of all physical facilities of the corporation in such manner and subject to such terms and conditions as the Board determines are in the public interest and consistent with existing law; and a share of the appraised value of the corporate assets proportional to the Federal participation in the corporation, including the proceeds from the disposition of such facilities, on the date of its dissolution, after satisfaction of all its legal obligations, shall be made available to the United States and deposited in the Treasury of the United States as miscellaneous receipts. All patent rights of the corporation shall, on such date of dissolution, be vested in the Administrator: *Provided*, That Federal participation may be terminated prior to the time established in the authorizing Act upon recommendation of the Board of Directors.

(4) Any commercially valuable product produced by demonstration facilities shall be disposed of in such manner and under such terms and conditions as the corporation shall prescribe. All revenues received by the corporation from the sale of such products shall be available to the corporation for use by it in defraying expenses incurred in connection with carrying out its functions to which this Act applies.

(5) The estimated Federal share of the construction, operation, and maintenance cost over the life of each corporation shall be determined in order to facilitate a single congressional authorization of the full amount at the time of establishment of the corporation.

(6) The Federal share of the cost of each such corporation shall reflect (A) the technical and economic risk of the venture, (B) the

probability of any financial return to the non-Federal participants arising from the venture, (C) the financial capability of the potential non-Federal participants, and (D) such other factors as the Administrator may set forth in proposing the corporation: *Provided*, That in no instance shall the Federal share exceed 90 per centum of the cost.

(7) (A) Prior to the establishment of any joint Federal-industry corporation pursuant to this Act, the Administrator shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate, and to the appropriate committees of the House of Representatives and the Senate a report setting forth in detail the consistency of the establishment of the corporation with the principles and directives set forth in section 5 and this section, and the proposed purpose and planned activities of the corporation.

Report to Speaker of the House, President pro tempore, and congressional committees.

(B) No such corporation shall be established unless previously authorized by specific legislation enacted by the Congress.

(c) Competitive systems of price supports proposed for congressional authorization pursuant to this Act shall conform to the following guidelines:

Price support systems, guidelines.

(1) The Administrator shall determine the types and capacities of the desired full-scale, commercial-size facility or other operation which would demonstrate the technical, environmental, and economic feasibility of a particular nonnuclear energy technology.

(2) The Administrator may award planning grants for the purpose of financing a study of the full cycle economic and environmental costs associated with the demonstration facility selected pursuant to paragraph (1) of this subsection. Such planning grants may be awarded to Federal and non-Federal entities including, but not limited to, industrial entities, universities, and nonprofit organizations. Such planning grants may also be used by the grantee to prepare a detailed and comprehensive bid to construct the demonstration facility.

(3) Following the completion of the studies pursuant to the planning grants awarded under paragraph (2) of this subsection regarding each such potential price supported demonstration facility for which the Administrator intends to request congressional authorization, he shall invite bids from all interested parties to determine the minimum amount of Federal price support needed to construct the demonstration facility. The Administrator may designate one or more competing entities, each to construct one commercial demonstration facility. Such designation shall be made on the basis of those entities, (A) commitment to construct the demonstration facility at the minimum level of Federal price supports, (B) detailed plan of environmental protection, and (C) proposed design and operation of the demonstration facility.

(4) The construction plans and actual construction of the demonstration facility, together with all related facilities, shall be monitored by the Environmental Protection Agency. If additional environmental requirements are imposed by the Administrator after the designation of the successful bidders and if such additional environmental requirements result in additional costs, the Administrator is authorized to renegotiate the support price to cover such additional costs.

(5) The estimated amount of the Federal price support for a demonstration facility's product over the life of such facility shall

be determined by the Administrator to facilitate a single congressional authorization of the full amount of such support at the time of the designation of the successful bidders.

(6) No price support program shall be implemented unless previously authorized by specific legislation enacted by the Congress.

(d) Nothing in this section shall preclude Federal participation in, and support for, joint university-industry nonnuclear energy research efforts.

DEMONSTRATIONS

42 USC 5907.

SEC. 8. (a) The Administrator is authorized to—

(1) identify opportunities to accelerate the commercial applications of new energy technologies, and provide Federal assistance for or participation in demonstration projects (including pilot plants demonstrating technological advances and field demonstrations of new methods and procedures, and demonstrations of prototype commercial applications for the exploration, development, production, transportation, conversion, and utilization of energy resources); and

(2) enter into cooperative agreements with non-Federal entities to demonstrate the technical feasibility and economic potential of energy technologies on a prototype or full-scale basis.

(b) In reviewing potential projects, the Administrator shall consider criteria including but not limited to—

(1) the anticipated, research, development, and application objectives to be achieved by the activities or facilities proposed;

(2) the economic, environmental, and societal significance which a successful demonstration may have for the national fuels and energy system;

(3) the relationship of the proposal to the criteria of priority set forth in section 5(b)(2);

(4) the availability of non-Federal participants to construct and operate the facilities or perform the activities associated with the proposal and to contribute to the financing of the proposal;

(5) the total estimated cost including the Federal investment and the probable time schedule;

(6) the proposed participants and the proposed financial contributions of the Federal Government and of the non-Federal participants; and

(7) the proposed cooperative arrangement, agreements among the participants, and form of management of the activities.

(c)(1) A financial award under this section may be made only to the extent of the Federal share of the estimated total design and construction costs, plus operation and maintenance costs.

(2) For the purposes of this Act the non-Federal share may be in any form, including, but not limited to, lands or interests therein needed for the project or personal property or services, the value of which shall be determined by the Administrator.

(d)(1) The Administrator shall, within six months of enactment of this Act, promulgate regulations establishing procedures for submission of proposals to the Energy Research and Development Administration for the purposes of this Act. Such regulations shall establish a procedure for selection of proposals which—

(A) provides that projects will be carried out under such conditions and varying circumstances as will assist in solving energy extraction, transportation, conversion, conservation, and end-use problems of various areas and regions, under representative geological, geographic, and environmental conditions; and

(B) provides time schedules for submission of, and action on, proposal requests for the purposes of implementing the goals and objectives of this Act.

Regulations.

(2) Such regulations also shall specify the types and form of the information, data, and support documentation that are to be contained in proposals for each form of Federal assistance or participation set forth in subsection 7(a) : *Provided*, That such proposals to the extent possible shall include, but not be limited to—

- (A) specification of the technology;
- (B) description of prior pilot plant operating experience with the technology;
- (C) preliminary design of the demonstration plant;
- (D) time tables containing proposed construction and operation plans;
- (E) budget-type estimates of construction and operating costs;
- (F) description and proof of title to land for proposed site, natural resources, electricity and water supply and logistical information related to access to raw materials to construct and operate the plant and to dispose of salable products produced from the plant;
- (G) analysis of the environmental impact of the proposed plant and plans for disposal of wastes resulting from the operation of the plant;
- (H) plans for commercial use of the technology if the demonstration is successful;
- (I) plans for continued use of the plant if the demonstration is successful; and
- (J) plans for dismantling of the plant if the demonstration is unsuccessful or otherwise abandoned.

(3) The Administrator shall from time to time review and, as appropriate, modify and repromulgate regulations issued pursuant to this section.

(e) If the estimate of the Federal investment with respect to construction costs of any demonstration project proposed to be established under this section exceeds \$50,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

(f) If the total estimated amount of the Federal contribution to the construction cost of a demonstration project does not exceed \$50,000,000, the Administrator is authorized to proceed with the negotiation of agreements and implementation of the proposal subject to the availability of funds under the authorization of appropriations pursuant to section 16 : *Provided*, That if such Federal contribution to the construction cost is estimated to exceed \$25,000,000 the Administrator shall provide a full and comprehensive report on the proposed demonstration project to the appropriate committees of the Congress and no funds may be expended for any agreement under the authority granted by this section prior to the expiration of sixty calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which the Administrator's report on the proposed project is received by the Congress. Such reports shall contain an analysis of the extent to which the proposed demonstration satisfies the criteria specified in subsection (b) of this section.

Report to congressional committees.

PATENT POLICY

SEC. 9. (a) Whenever any invention is made or conceived in the course of or under any contract of the Administration, other than nuclear energy research, development, and demonstration pursuant to the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) and the Administrator determines that—

42 USC 5908.

- (1) the person who made the invention was employed or assigned to perform research, development, or demonstration

work and the invention is related to the work he was employed or assigned to perform, or that it was within the scope of his employment duties, whether or not it was made during working hours, or with a contribution by the Government of the use of Government facilities, equipment, materials, allocated funds, information proprietary to the Government, or services of Government employees during working hours; or

(2) the person who made the invention was not employed or assigned to perform research, development, or demonstration work, but the invention is nevertheless related to the contract or to the work or duties he was employed or assigned to perform, and was made during working hours, or with a contribution from the Government of the sort referred to in clause (1).

title to such invention shall vest in the United States, and if patents on such invention are issued they shall be issued to the United States, unless in particular circumstances the Administrator waives all or any part of the rights of the United States to such invention in conformity with the provisions of this section.

Report.

(b) Each contract entered into by the Administration with any person shall contain effective provisions under which such person shall furnish promptly to the Administration a written report containing full and complete technical information concerning any invention, discovery, improvement, or innovation which may be made in the course of or under such contract.

Waiver of rights.

(c) Under such regulations in conformity with the provisions of this section as the Administrator shall prescribe, the Administrator may waive all or any part of the rights of the United States under this section with respect to any invention or class of inventions made or which may be made by any person or class of persons in the course of or under any contract of the Administration if he determines that the interests of the United States and the general public will best be served by such waiver. The Administration shall maintain a publicly available, periodically updated record of waiver determinations. In making such determinations, the Administrator shall have the following objectives:

(1) Making the benefits of the energy research, development, and demonstration program widely available to the public in the shortest practicable time.

(2) Promoting the commercial utilization of such inventions.

(3) Encouraging participation by private persons in the Administration's energy research, development, and demonstration program.

(4) Fostering competition and preventing undue market concentration or the creation or maintenance of other situations inconsistent with the antitrust laws.

(d) In determining whether a waiver to the contractor at the time of contracting will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations—

(1) the extent to which the participation of the contractor will expedite the attainment of the purposes of the program;

(2) the extent to which a waiver of all or any part of such rights in any or all fields of technology is needed to secure the participation of the particular contractor;

(3) the extent to which the contractor's commercial position may expedite utilization of the research, development, and demonstration program results;

(4) the extent to which the Government has contributed to the field of technology to be funded under the contract;

(5) the purpose and nature of the contract, including the intended use of the results developed thereunder;

(6) the extent to which the contractor has made or will make substantial investment of financial resources or technology developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

(7) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

(8) the extent to which the Government intends to further develop to the point of commercial utilization the results of the contract effort;

(9) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

(10) the likely effect of the waiver on competition and market concentration; and

(11) in the case of a nonprofit educational institution, the extent to which such institution has a technology transfer capability and program, approved by the Administrator as being consistent with the applicable policies of this section.

(e) In determining whether a waiver to the contractor or inventor of rights to an identified invention will best serve the interests of the United States and the general public, the Administrator shall specifically include as considerations paragraphs (4) through (11) of subsection (d) as applied to the invention and—

(1) the extent to which such waiver is a reasonable and necessary incentive to call forth private risk capital for the development and commercialization of the invention; and

(2) the extent to which the plans, intentions, and ability of the contractor or inventor will obtain expeditious commercialization of such invention.

(f) Whenever title to an invention is vested in the United States, there may be reserved to the contractor or inventor—

(1) a revocable or irrevocable nonexclusive, paid-up license for the practice of the invention throughout the world; and

(2) the rights to such invention in any foreign country where the United States has elected not to secure patent rights and the contractor elects to do so, subject to the rights set forth in paragraphs (2), (3), (6), and (7) of subsection (h): *Provided*, That when specifically requested by the Administration and three years after issuance of such a patent, the contractor shall submit the report specified in subsection (h) (1) of this section.

(g) (1) Subject to paragraph (2) of this subsection, the Administrator shall determine and promulgate regulations specifying the terms and conditions upon which licenses may be granted in any invention to which title is vested in the United States.

Licenses, regulations.

(2) Pursuant to paragraph (1) of this subsection, the Administrator may grant exclusive or partially exclusive licenses in any invention only if, after notice and opportunity for hearing, it is determined that—

Hearing.

(A) the interests of the United States and the general public will best be served by the proposed license, in view of the applicant's intentions, plans, and ability to bring the invention to the point of practical or commercial applications;

(B) the desired practical or commercial applications have not been achieved, or are not likely expeditiously to be achieved, under any nonexclusive license which has been granted, or which may be granted, on the invention;

(C) exclusive or partially exclusive licensing is a reasonable and necessary incentive to call forth risk capital and expenses

to bring the invention to the point of practical or commercial applications; and

(D) the proposed terms and scope of exclusivity are not substantially greater than necessary to provide the incentive for bringing the invention to the point of practical or commercial applications and to permit the licensee to recoup its costs and a reasonable profit thereon:

Provided, That, the Administrator shall not grant such exclusive or partially exclusive license if he determines that the grant of such license will tend substantially to lessen competition or result in undue concentration in any section of the country in any line of commerce to which the technology to be licensed relates. The Administration shall maintain a publicly available, periodically updated record of determinations to grant such licenses.

Waiver, terms
and conditions.

(h) Each waiver of rights or grant of an exclusive or partially exclusive license shall contain such terms and conditions as the Administrator may determine to be appropriate for the protection of the interests of the United States and the general public, including provisions for the following:

(1) Periodic written reports at reasonable intervals, and when specifically requested by the Administration, on the commercial use that is being made or is intended to be made of the invention.

(2) At least an irrevocable, nonexclusive, paid-up license to make, use, and sell the invention throughout the world by or on behalf of the United States (including any Government agency) and States and domestic municipal governments, unless the Administrator determines that it would not be in the public interest to acquire the license for the States and domestic municipal governments.

(3) The right in the United States to sublicense any foreign government pursuant to any existing or future treaty or agreement if the Administrator determines it would be in the national interest to acquire this right.

(4) The reservation in the United States of the rights to the invention in any country in which the contractor does not file an application for patent within such time as the Administration shall determine.

(5) The right in the Administrator to require the granting of a nonexclusive, exclusive, or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, (A) to the extent that the invention is required for public use by governmental regulations, or (B) as may be necessary to fulfill health, safety, or energy needs, or (C) for such other purposes as may be stipulated in the applicable agreement.

(6) The right in the Administrator to terminate such waiver or license in whole or in part unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

(7) The right in the Administrator, commencing three years after the grant of a license and four years after a waiver is effective as to an invention, to require the granting of a nonexclusive or partially exclusive license to a responsible applicant or applicants, upon terms reasonable under the circumstances, and in appropriate circumstances to terminate the waiver or license in whole or in part, following a hearing upon notice thereof to the public, upon a petition by an interested person justifying such hearing—

(A) if the Administrator determines, upon review of such material as he deems relevant, and after the recipient of the waiver or license, or other interested person, has had the opportunity to provide such relevant and material information as the Administrator may require, that such waiver or license has tended substantially to lessen competition or to result in undue concentration in any section of the country in any line of commerce to which the technology relates; or

(B) unless the recipient of the waiver or license demonstrates to the satisfaction of the Administrator at such hearing that he has taken effective steps, or within a reasonable time thereafter is expected to take such steps, necessary to accomplish substantial utilization of the invention.

(i) The Administrator shall provide an annual periodic notice to the public in the Federal Register, or other appropriate publication, of the right to have a hearing as provided by subsection (h) (7) of this section, and of the availability of the records of determinations provided in this section.

Publication in
Federal Register.

(j) The Administrator shall, in granting waivers or licenses, consider the small business status of the applicant.

(k) The Administrator is authorized to take all suitable and necessary steps to protect any invention or discovery to which the United States holds title, and to require that contractors or persons who acquire rights to inventions under this section protect such inventions.

(l) The Administration shall be considered a defense agency of the United States for the purpose of chapter 17 of title 35 of the United States Code.

35 USC 181.

(m) As used in this section—

Definitions.

(1) the term "person" means any individual, partnership, corporation, association, institution, or other entity;

(2) the term "contract" means any contract, grant, agreement, understanding, or other arrangement, which includes research, development, or demonstration work, and includes any assignment, substitution of parties, or subcontract executed or entered into thereunder;

(3) the term "made", when used in relation to any invention, means the conception or first actual reduction to practice of such invention;

(4) the term "invention" means inventions or discoveries, whether patented or unpatented; and

(5) the term "contractor" means any person having a contract with or on behalf of the Administration.

(n) Within twelve months after the date of the enactment of this Act, the Administrator with the participation of the Attorney General, the Secretary of Commerce, and other officials as the President may designate, shall submit to the President and the appropriate congressional committees a report concerning the applicability of existing patent policies affecting the programs under this Act, along with his recommendations for amendments or additions to the statutory patent policy, including his recommendations on mandatory licensing, which he deems advisable for carrying out the purposes of this Act.

Report, submitted to President and congressional committees.

RELATIONSHIP TO ANTITRUST LAWS

SEC. 10. (a) Nothing in this Act shall be deemed to convey to any individual, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

42 USC 5909.

(b) As used in this section, the term "antitrust law" means—

"Antitrust law."

(1) the Act entitled “An Act to protect trade and commerce against unlawful restraints and monopolies”, approved July 2, 1890 (15 U.S.C. 1 et seq.), as amended;

(2) the Act entitled “An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes”, approved October 15, 1914 (15 U.S.C. 12 et seq.) as amended;

15 USC 58.

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended;

(4) sections 73 and 74 of the Act entitled “An Act to reduce taxation, to provide revenue for the Government, and for other purposes”, approved August 27, 1894 (15 U.S.C. 8 and 9), as amended; and

(5) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

ENVIRONMENTAL EVALUATION

42 USC 5910.

SEC. 11. (a) The Council on Environmental Quality is authorized and directed to carry out a continuing analysis of the effect of application of nonnuclear energy technologies to evaluate—

(1) the adequacy of attention to energy conservation methods; and

(2) the adequacy of attention to environmental protection and the environmental consequences of the application of energy technologies.

(b) The Council on Environmental Quality, in carrying out the provisions of this section, may employ consultants or contractors and may by fund transfer employ the services of other Federal agencies for the conduct of studies and investigations.

Hearings.

(c) The Council on Environmental Quality shall hold annual public hearings on the conduct of energy research and development and the probable environmental consequences of trends in the development and application of energy technologies. The transcript of the hearings shall be published and made available to the public.

Transcript,
availability.

Report to
President, Ad-
ministrator, and
Congress.

(d) The Council on Environmental Quality shall make such reports to the President, the Administrator, and the Congress as it deems appropriate concerning the conduct of energy research and development. The President as a part of the annual Environmental Policy Report required by section 201 of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) shall set forth the findings of the Council on Environmental Quality concerning the probable environmental consequences of trends in the development and application of energy technologies.

ACQUISITION OF ESSENTIAL MATERIALS

42 USC 5911.

SEC. 12. (a) The President may, by rule or order, require the allocation of, or the performance under contracts or orders (other than contracts of employment) relating to, supplies of materials and equipment if he finds that—

(1) such supplies are scarce, critical, and essential to carry out the purposes of this Act; and

(2) such supplies cannot reasonably be obtained without exercising the authority granted by this section.

Proposed rule
or order, trans-
mittal to Con-
gress.

(b) The President shall transmit any rule or order proposed under subsection (a) of this section (bearing an identification number) to each House of Congress on the date on which it is proposed. If such proposed rule or order is transmitted to the Congress such proposed

rule or order shall take effect at the end of the first period of thirty calendar days of continuous session of Congress after the date on which such proposed rule or order is transmitted to it unless, between the date of transmittal and the end of the thirty day period, either House passes a resolution stating in substance that such House does not favor such a proposed rule or order.

WATER RESOURCE EVALUATION

SEC. 13. (a) At the request of the Administrator, the Water Resources Council shall undertake assessments of water resource requirements and water supply availability for any nonnuclear energy technology and any probable combinations of technologies which are the subject of Federal research and development efforts authorized by this Act, and the commercial development of which could have significant impacts on water resources. In the preparation of its assessment, the Council shall—

42 USC 5912.

(1) utilize to the maximum extent practicable data on water supply and demand available in the files of member agencies of the Council;

(2) collect and compile any additional data it deems necessary for complete and accurate assessments;

(3) give full consideration to the constraints upon availability imposed by treaty, compact, court decree, State water laws, and water rights granted pursuant to State and Federal law;

(4) assess the effects of development of such technology on water quality;

(5) include estimates of cost associated with production and management of the required water supply, and the cost of disposal of waste water generated by the proposed facility or process;

(6) assess the environmental, social, and economic impact of any change in use of currently utilized water resource that may be required by the proposed facility or process; and

(7) consult with the Council on Environmental Quality.

(b) For any proposed demonstration project which may involve a significant impact on water resources, the Administrator shall, as a precondition of Federal assistance to that project, prepare or have prepared an assessment of the availability of adequate water resources. A report on the assessment shall be published in the Federal Register for public review thirty days prior to the expenditure of Federal funds on the demonstration.

Publication in
Federal Register.

(c) For any proposed Federal assistance for commercial application of energy technologies pursuant to this Act, the Water Resource Council shall, as a precondition of such Federal assistance, provide to the Administrator an assessment of the availability of adequate water resources for such commercial application and an evaluation of the environmental, social, and economic impacts of the dedication of water to such uses.

(d) Reports of assessments and evaluations prepared by the Council pursuant to subsections (a) and (c) shall be published in the Federal Register and at least ninety days shall be provided for public review and comment. Comments received shall accompany the reports when they are submitted to the Administrator and shall be available to the public.

Publication in
Federal Register.

(e) The Council shall include a broad survey and analysis of regional and national water resource availability for energy development in the biennial assessment required by section 102(a) of the Water Resources Planning Act (42 U.S.C. 1962a-1(a)).

ENERGY-RELATED INVENTIONS

42 USC 5913.

Regulations.

SEC. 14. The National Bureau of Standards shall give particular attention to the evaluation of all promising energy-related inventions, particularly those submitted by individual inventors and small companies for the purpose of obtaining direct grants from the Administrator. The National Bureau of Standards is authorized to promulgate regulations in the furtherance of this section.

REPORTS TO CONGRESS

42 USC 5914.

SEC. 15. (a) Concurrent with the submission of the President's annual budget to the Congress, the Administrator shall submit to the Congress each year—

(1) a report detailing the activities carried out pursuant to this Act during the preceding fiscal year;

(2) a detailed description of the comprehensive plan for nuclear and nonnuclear energy research, development, and demonstration then in effect under section 6(a); and

(3) a detailed description of the comprehensive nonnuclear research, development, and demonstration program then in effect under section 6(b) including its program elements and activities, setting forth such modifications in the comprehensive plan referred to in clause (2) and the comprehensive program referred to in clause (3) as may be necessary to revise appropriately such plan and program in the light of the activities referred to in clause (1) and any changes in circumstances which may have occurred since the last previous report under this subsection.

(b) The description of the comprehensive nonnuclear research, development, and demonstration program submitted under subsection (a)(2) shall include a statement setting forth—

(1) the anticipated research, development, and application objectives to be achieved by the proposed program;

(2) the economic, environmental, and societal significance which the proposed program may have;

(3) the total estimated cost of individual program items;

(4) the estimated relative financial contributions of the Federal Government and non-Federal participants in the research and development program;

(5) the relationship of the proposed program to any Federal national energy or fuel policies; and

(6) the relationship of any short-term undertakings and expenditures to long-range goals.

Ante, p. 1251.

(c) The reports required by subsections (a) and (b) of this section will satisfy the reporting requirements of section 307(a) of the Energy Reorganization Act of 1974 (Public Law 93-438) insofar as is concerned activities, goals, priorities, and plans of the Energy Research and Development Administration pertaining to nonnuclear energy.

APPROPRIATION AUTHORIZATION

42 USC 5915.

SEC. 16. (a) There may be appropriated to the Administrator to carry out the purposes of this Act such sums as may be authorized in annual authorization Acts.

(b) Of the amounts appropriated pursuant to subsection (a) of this section—

(1) \$500,000 annually shall be made available by fund transfer to the Council on Environmental Quality for the purposes authorized by section 11; and

(2) not to exceed \$1,000,000 annually shall be made available by fund transfer to the Water Resources Council for the purposes authorized by section 13.

(c) There also may be appropriated to the Administrator by separate Acts such amounts as are required for demonstration projects for which the total Federal contribution to construction costs exceeds \$50,000,000.

Approved December 31, 1974.

Public Law 93-578

AN ACT

December 31, 1974
[S. 3574]

To relinquish and disclaim any title to certain lands and to authorize the Secretary of the Interior to convey certain lands situated in Yuma County, Arizona.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States hereby disclaims any right, title, or interest in or to certain real property situated in Yuma County, Arizona, within the boundaries of the east half of the northwest quarter and the north half of the northeast quarter and the northwest quarter of the northwest quarter of section 13; and the northeast quarter of the southwest quarter and the south half of the southwest quarter of section 12, township 9 south, range 21 east, San Bernardino meridian as depicted by the original plat of survey of such township published by the United States Surveyor General's Office, dated March 21, 1857, being a portion of sections 23, 25, and 26, township 1 north, range 24 west, Gila and Salt River meridian as depicted by the dependent resurvey and accretion survey plat of said township published by the United States Department of the Interior, Bureau of Land Management, dated June 5, 1962, except that the provisions of this section shall not apply to the 52-acre portion of such property that was condemned by the United States pursuant to the complaint in condemnation filed by the United States on June 30, 1964, in the United States District Court for the District of Arizona (No. Civ. 5188-Phx) and any portion of such property submerged in the bed of the Colorado River and owned by the States of California and Arizona.

Yuma County,
Ariz.
Land convey-
ance.

SEC. 2. The Secretary of the Interior is authorized and directed to convey by patent to Wide River Farms, Incorporated, an Arizona corporation, 52 acres of land, more or less, described as the southwest quarter of the northwest quarter and the southwest quarter of the northeast quarter of section 13, township 9 south, range 21 east, San Bernardino meridian as depicted by the original plat of survey of such township published by the United States Surveyor General's Office, dated March 21, 1857, being a portion of section 26, township 1 north, range 24 west, Gila and Salt River meridian, as depicted by the dependent resurvey and accretion survey plat of said township published by the United States Department of the Interior, Bureau of Land Management, dated June 5, 1962, except that the provisions of this section shall not apply to any portion of such property that was described in the complaint in condemnation filed by the United States on June 30, 1964, in the United States District Court for the District of Arizona (No. Civ. 5188-Phx.) and any portion of such property submerged in the bed of the Colorado River and owned by the States of California and Arizona.

SEC. 3. The Secretary of the Interior is authorized and directed to

prepare and execute without consideration such instruments as may be appropriate to carry out the purposes of this Act.

Approved December 31, 1974.

Public Law 93-579

AN ACT

December 31, 1974
[S. 3418]

To amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records, to provide that individuals be granted access to records concerning them which are maintained by Federal agencies, to establish a Privacy Protection Study Commission, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Privacy Act of 1974".

Privacy Act of
1974.
5 USC 552a
note.
Congressional
findings.
5 USC 552a
note.

SEC. 2. (a) The Congress finds that—

(1) the privacy of an individual is directly affected by the collection, maintenance, use, and dissemination of personal information by Federal agencies;

(2) the increasing use of computers and sophisticated information technology, while essential to the efficient operations of the Government, has greatly magnified the harm to individual privacy that can occur from any collection, maintenance, use, or dissemination of personal information;

(3) the opportunities for an individual to secure employment, insurance, and credit, and his right to due process, and other legal protections are endangered by the misuse of certain information systems;

(4) the right to privacy is a personal and fundamental right protected by the Constitution of the United States; and

(5) in order to protect the privacy of individuals identified in information systems maintained by Federal agencies, it is necessary and proper for the Congress to regulate the collection, maintenance, use, and dissemination of information by such agencies.

(b) The purpose of this Act is to provide certain safeguards for an individual against an invasion of personal privacy by requiring Federal agencies, except as otherwise provided by law, to—

(1) permit an individual to determine what records pertaining to him are collected, maintained, used, or disseminated by such agencies;

(2) permit an individual to prevent records pertaining to him obtained by such agencies for a particular purpose from being used or made available for another purpose without his consent;

(3) permit an individual to gain access to information pertaining to him in Federal agency records, to have a copy made of all or any portion thereof, and to correct or amend such records;

(4) collect, maintain, use, or disseminate any record of identifiable personal information in a manner that assures that such action is for a necessary and lawful purpose, that the information is current and accurate for its intended use, and that adequate safeguards are provided to prevent misuse of such information;

(5) permit exemptions from the requirements with respect to records provided in this Act only in those cases where there is an important public policy need for such exemption as has been determined by specific statutory authority; and

(6) be subject to civil suit for any damages which occur as a result of willful or intentional action which violates any individual's rights under this Act.

Statement of
purpose.

SEC. 3. Title 5, United States Code, is amended by adding after section 552 the following new section:

“§ 552a. Records maintained on individuals

5 USC 552a.

“(a) DEFINITIONS.—For purposes of this section—

“(1) the term ‘agency’ means agency as defined in section 552(e) of this title;

Ante, p. 1564.

“(2) the term ‘individual’ means a citizen of the United States or an alien lawfully admitted for permanent residence;

“(3) the term ‘maintain’ includes maintain, collect, use, or disseminate;

“(4) the term ‘record’ means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph;

“(5) the term ‘system of records’ means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual;

“(6) the term ‘statistical record’ means a record in a system of records maintained for statistical research or reporting purposes only and not used in whole or in part in making any determination about an identifiable individual, except as provided by section 8 of title 13; and

“(7) the term ‘routine use’ means, with respect to the disclosure of a record, the use of such record for a purpose which is compatible with the purpose for which it was collected.

“(b) CONDITIONS OF DISCLOSURE.—No agency shall disclose any record which is contained in a system of records by any means of communication to any person, or to another agency, except pursuant to a written request by, or with the prior written consent of, the individual to whom the record pertains, unless disclosure of the record would be—

“(1) to those officers and employees of the agency which maintains the record who have a need for the record in the performance of their duties;

“(2) required under section 552 of this title;

“(3) for a routine use as defined in subsection (a) (7) of this section and described under subsection (e) (4) (D) of this section;

“(4) to the Bureau of the Census for purposes of planning or carrying out a census or survey or related activity pursuant to the provisions of title 13;

“(5) to a recipient who has provided the agency with advance adequate written assurance that the record will be used solely as a statistical research or reporting record, and the record is to be transferred in a form that is not individually identifiable;

“(6) to the National Archives of the United States as a record which has sufficient historical or other value to warrant its continued preservation by the United States Government, or for evaluation by the Administrator of General Services or his designee to determine whether the record has such value;

“(7) to another agency or to an instrumentality of any governmental jurisdiction within or under the control of the United States for a civil or criminal law enforcement activity if the activity is authorized by law, and if the head of the agency or instrumentality has made a written request to the agency which

maintains the record specifying the particular portion desired and the law enforcement activity for which the record is sought;

“(8) to a person pursuant to a showing of compelling circumstances affecting the health or safety of an individual if upon such disclosure notification is transmitted to the last known address of such individual;

“(9) to either House of Congress, or, to the extent of matter within its jurisdiction, any committee or subcommittee thereof, any joint committee of Congress or subcommittee of any such joint committee;

“(10) to the Comptroller General, or any of his authorized representatives, in the course of the performance of the duties of the General Accounting Office; or

“(11) pursuant to the order of a court of competent jurisdiction.

“(c) ACCOUNTING OF CERTAIN DISCLOSURES.—Each agency, with respect to each system of records under its control, shall—

“(1) except for disclosures made under subsections (b) (1) or (b) (2) of this section, keep an accurate accounting of—

“(A) the date, nature, and purpose of each disclosure of a record to any person or to another agency made under subsection (b) of this section; and

“(B) the name and address of the person or agency to whom the disclosure is made;

“(2) retain the accounting made under paragraph (1) of this subsection for at least five years or the life of the record, whichever is longer, after the disclosure for which the accounting is made;

“(3) except for disclosures made under subsection (b) (7) of this section, make the accounting made under paragraph (1) of this subsection available to the individual named in the record at his request; and

“(4) inform any person or other agency about any correction or notation of dispute made by the agency in accordance with subsection (d) of this section of any record that has been disclosed to the person or agency if an accounting of the disclosure was made.

“(d) ACCESS TO RECORDS.—Each agency that maintains a system of records shall—

“(1) upon request by any individual to gain access to his record or to any information pertaining to him which is contained in the system, permit him and upon his request, a person of his own choosing to accompany him, to review the record and have a copy made of all or any portion thereof in a form comprehensible to him, except that the agency may require the individual to furnish a written statement authorizing discussion of that individual's record in the accompanying person's presence;

“(2) permit the individual to request amendment of a record pertaining to him and—

“(A) not later than 10 days (excluding Saturdays, Sundays, and legal public holidays) after the date of receipt of such request, acknowledge in writing such receipt; and

“(B) promptly, either—

“(i) make any correction of any portion thereof which the individual believes is not accurate, relevant, timely, or complete; or

“(ii) inform the individual of its refusal to amend the record in accordance with his request, the reason

Personal
review.

Amendment
request.

for the refusal, the procedures established by the agency for the individual to request a review of that refusal by the head of the agency or an officer designated by the head of the agency, and the name and business address of that official;

“(3) permit the individual who disagrees with the refusal of the agency to amend his record to request a review of such refusal, and not later than 30 days (excluding Saturdays, Sundays, and legal public holidays) from the date on which the individual requests such review, complete such review and make a final determination unless, for good cause shown, the head of the agency extends such 30-day period; and if, after his review, the reviewing official also refuses to amend the record in accordance with the request, permit the individual to file with the agency a concise statement setting forth the reasons for his disagreement with the refusal of the agency, and notify the individual of the provisions for judicial review of the reviewing official’s determination under subsection (g) (1) (A) of this section;

Review.

“(4) in any disclosure, containing information about which the individual has filed a statement of disagreement, occurring after the filing of the statement under paragraph (3) of this subsection, clearly note any portion of the record which is disputed and provide copies of the statement and, if the agency deems it appropriate, copies of a concise statement of the reasons of the agency for not making the amendments requested, to persons or other agencies to whom the disputed record has been disclosed; and

Notation of dispute.

“(5) nothing in this section shall allow an individual access to any information compiled in reasonable anticipation of a civil action or proceeding.

“(e) AGENCY REQUIREMENTS.—Each agency that maintains a system of records shall—

“(1) maintain in its records only such information about an individual as is relevant and necessary to accomplish a purpose of the agency required to be accomplished by statute or by executive order of the President;

“(2) collect information to the greatest extent practicable directly from the subject individual when the information may result in adverse determinations about an individual’s rights, benefits, and privileges under Federal programs;

“(3) inform each individual whom it asks to supply information, on the form which it uses to collect the information or on a separate form that can be retained by the individual—

“(A) the authority (whether granted by statute, or by executive order of the President) which authorizes the solicitation of the information and whether disclosure of such information is mandatory or voluntary;

“(B) the principal purpose or purposes for which the information is intended to be used;

“(C) the routine uses which may be made of the information, as published pursuant to paragraph (4) (D) of this subsection; and

“(D) the effects on him, if any, of not providing all or any part of the requested information;

“(4) subject to the provisions of paragraph (11) of this subsection, publish in the Federal Register at least annually a notice of the existence and character of the system of records, which notice shall include—

Publication in Federal Register.

“(A) the name and location of the system;

“(B) the categories of individuals on whom records are maintained in the system;

“(C) the categories of records maintained in the system;

“(D) each routine use of the records contained in the system, including the categories of users and the purpose of such use;

“(E) the policies and practices of the agency regarding storage, retrievability, access controls, retention, and disposal of the records;

“(F) the title and business address of the agency official who is responsible for the system of records;

“(G) the agency procedures whereby an individual can be notified at his request if the system of records contains a record pertaining to him;

“(H) the agency procedures whereby an individual can be notified at his request how he can gain access to any record pertaining to him contained in the system of records, and how he can contest its content; and

“(I) the categories of sources of records in the system;

“(5) maintain all records which are used by the agency in making any determination about any individual with such accuracy, relevance, timeliness, and completeness as is reasonably necessary to assure fairness to the individual in the determination;

“(6) prior to disseminating any record about an individual to any person other than an agency, unless the dissemination is made pursuant to subsection (b) (2) of this section, make reasonable efforts to assure that such records are accurate, complete, timely, and relevant for agency purposes;

“(7) maintain no record describing how any individual exercises rights guaranteed by the First Amendment unless expressly authorized by statute or by the individual about whom the record is maintained or unless pertinent to and within the scope of an authorized law enforcement activity;

“(8) make reasonable efforts to serve notice on an individual when any record on such individual is made available to any person under compulsory legal process when such process becomes a matter of public record;

“(9) establish rules of conduct for persons involved in the design, development, operation, or maintenance of any system of records, or in maintaining any record, and instruct each such person with respect to such rules and the requirements of this section, including any other rules and procedures adopted pursuant to this section and the penalties for noncompliance;

“(10) establish appropriate administrative, technical, and physical safeguards to insure the security and confidentiality of records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained; and

“(11) at least 30 days prior to publication of information under paragraph (4) (D) of this subsection, publish in the Federal Register notice of any new use or intended use of the information in the system, and provide an opportunity for interested persons to submit written data, views, or arguments to the agency.

“(f) AGENCY RULES.—In order to carry out the provisions of this section, each agency that maintains a system of records shall promulgate rules, in accordance with the requirements (including general notice) of section 553 of this title, which shall—

“(1) establish procedures whereby an individual can be notified

Rules of conduct.

Confidentiality of records.

Publication in Federal Register.

in response to his request if any system of records named by the individual contains a record pertaining to him;

“(2) define reasonable times, places, and requirements for identifying an individual who requests his record or information pertaining to him before the agency shall make the record or information available to the individual;

“(3) establish procedures for the disclosure to an individual upon his request of his record or information pertaining to him, including special procedure, if deemed necessary, for the disclosure to an individual of medical records, including psychological records, pertaining to him;

“(4) establish procedures for reviewing a request from an individual concerning the amendment of any record or information pertaining to the individual, for making a determination on the request, for an appeal within the agency of an initial adverse agency determination, and for whatever additional means may be necessary for each individual to be able to exercise fully his rights under this section; and

“(5) establish fees to be charged, if any, to any individual for making copies of his record, excluding the cost of any search for and review of the record.

Fees.

The Office of the Federal Register shall annually compile and publish the rules promulgated under this subsection and agency notices published under subsection (e) (4) of this section in a form available to the public at low cost.

Publication in
Federal Register.

“(g) (1) CIVIL REMEDIES.—Whenever any agency

“(A) makes a determination under subsection (d) (3) of this section not to amend an individual's record in accordance with his request, or fails to make such review in conformity with that subsection;

“(B) refuses to comply with an individual request under subsection (d) (1) of this section;

“(C) fails to maintain any record concerning any individual with such accuracy, relevance, timeliness, and completeness as is necessary to assure fairness in any determination relating to the qualifications, character, rights, or opportunities of, or benefits to the individual that may be made on the basis of such record, and consequently a determination is made which is adverse to the individual; or

“(D) fails to comply with any other provision of this section, or any rule promulgated thereunder, in such a way as to have an adverse effect on an individual,

the individual may bring a civil action against the agency, and the district courts of the United States shall have jurisdiction in the matters under the provisions of this subsection.

Jurisdiction.

“(2) (A) In any suit brought under the provisions of subsection (g) (1) (A) of this section, the court may order the agency to amend the individual's record in accordance with his request or in such other way as the court may direct. In such a case the court shall determine the matter de novo.

Amendment of
record.

“(B) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this paragraph in which the complainant has substantially prevailed.

“(3) (A) In any suit brought under the provisions of subsection (g) (1) (B) of this section, the court may enjoin the agency from withholding the records and order the production to the complainant of any agency records improperly withheld from him. In such a case the court shall determine the matter de novo, and may examine the contents of

Injunction.

any agency records in camera to determine whether the records or any portion thereof may be withheld under any of the exemptions set forth in subsection (k) of this section, and the burden is on the agency to sustain its action.

“(B) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this paragraph in which the complainant has substantially prevailed.

Damages.

“(4) In any suit brought under the provisions of subsection (g) (1) (C) or (D) of this section in which the court determines that the agency acted in a manner which was intentional or willful, the United States shall be liable to the individual in an amount equal to the sum of—

“(A) actual damages sustained by the individual as a result of the refusal or failure, but in no case shall a person entitled to recovery receive less than the sum of \$1,000; and

“(B) the costs of the action together with reasonable attorney fees as determined by the court.

“(5) An action to enforce any liability created under this section may be brought in the district court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the agency records are situated, or in the District of Columbia, without regard to the amount in controversy, within two years from the date on which the cause of action arises, except that where an agency has materially and willfully misrepresented any information required under this section to be disclosed to an individual and the information so misrepresented is material to establishment of the liability of the agency to the individual under this section, the action may be brought at any time within two years after discovery by the individual of the misrepresentation. Nothing in this section shall be construed to authorize any civil action by reason of any injury sustained as the result of a disclosure of a record prior to the effective date of this section.

“(h) RIGHTS OF LEGAL GUARDIANS.—For the purposes of this section, the parent of any minor, or the legal guardian of any individual who has been declared to be incompetent due to physical or mental incapacity or age by a court of competent jurisdiction, may act on behalf of the individual.

“(i) (1) CRIMINAL PENALTIES.—Any officer or employee of an agency, who by virtue of his employment or official position, has possession of, or access to, agency records which contain individually identifiable information the disclosure of which is prohibited by this section or by rules or regulations established thereunder, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

“(2) Any officer or employee of any agency who willfully maintains a system of records without meeting the notice requirements of subsection (e) (4) of this section shall be guilty of a misdemeanor and fined not more than \$5,000.

“(3) Any person who knowingly and willfully requests or obtains any record concerning an individual from an agency under false pretenses shall be guilty of a misdemeanor and fined not more than \$5,000.

“(j) GENERAL EXEMPTIONS.—The head of any agency may promulgate rules, in accordance with the requirements (including general notice) of sections 553 (b) (1), (2), and (3), (c), and (e) of this title, to exempt any system of records within the agency from any part of this section except subsections (b), (c) (1) and (2), (e) (4) (A) through

(F), (e) (6), (7), (9), (10), and (11), and (i) if the system of records is—

“(1) maintained by the Central Intelligence Agency; or

“(2) maintained by an agency or component thereof which performs as its principal function any activity pertaining to the enforcement of criminal laws, including police efforts to prevent, control, or reduce crime or to apprehend criminals, and the activities of prosecutors, courts, correctional, probation, pardon, or parole authorities, and which consists of (A) information compiled for the purpose of identifying individual criminal offenders and alleged offenders and consisting only of identifying data and notations of arrests, the nature and disposition of criminal charges, sentencing, confinement, release, and parole and probation status; (B) information compiled for the purpose of a criminal investigation, including reports of informants and investigators, and associated with an identifiable individual; or (C) reports identifiable to an individual compiled at any stage of the process of enforcement of the criminal laws from arrest or indictment through release from supervision.

At the time rules are adopted under this subsection, the agency shall include in the statement required under section 553(c) of this title, the reasons why the system of records is to be exempted from a provision of this section.

5 USC 553.

“(k) SPECIFIC EXEMPTIONS.—The head of any agency may promulgate rules, in accordance with the requirements (including general notice) of sections 553(b) (1), (2), and (3), (c), and (e) of this title, to exempt any system of records within the agency from subsections (c) (3), (d), (e) (1), (e) (4) (G), (H), and (I) and (f) of this section if the system of records is—

“(1) subject to the provisions of section 552(b) (1) of this title;

5 USC 552.

“(2) investigatory material compiled for law enforcement purposes, other than material within the scope of subsection (j) (2) of this section: *Provided, however,* That if any individual is denied any right, privilege, or benefit that he would otherwise be entitled by Federal law, or for which he would otherwise be eligible, as a result of the maintenance of such material, such material shall be provided to such individual, except to the extent that the disclosure of such material would reveal the identity of a source who furnished information to the Government under an express promise that the identity of the source would be held in confidence, or, prior to the effective date of this section, under an implied promise that the identity of the source would be held in confidence;

“(3) maintained in connection with providing protective services to the President of the United States or other individuals pursuant to section 3056 of title 18;

“(4) required by statute to be maintained and used solely as statistical records;

“(5) investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Federal civilian employment, military service, Federal contracts, or access to classified information, but only to the extent that the disclosure of such material would reveal the identity of a source who furnished information to the Government under an express promise that the identity of the source would be held in confidence, or, prior to the effective date of this section, under an implied promise that the identity of the source would be held in confidence;

“(6) testing or examination material used solely to determine individual qualifications for appointment or promotion in the

Federal service the disclosure of which would compromise the objectivity or fairness of the testing or examination process; or

“(7) evaluation material used to determine potential for promotion in the armed services, but only to the extent that the disclosure of such material would reveal the identity of a source who furnished information to the Government under an express promise that the identity of the source would be held in confidence, or, prior to the effective date of this section, under an implied promise that the identity of the source would be held in confidence.

5 USC 553.

At the time rules are adopted under this subsection, the agency shall include in the statement required under section 553 (c) of this title, the reasons why the system of records is to be exempted from a provision of this section.

44 USC 3103.

“(1) (1) ARCHIVAL RECORDS.—Each agency record which is accepted by the Administrator of General Services for storage, processing, and servicing in accordance with section 3103 of title 44 shall, for the purposes of this section, be considered to be maintained by the agency which deposited the record and shall be subject to the provisions of this section. The Administrator of General Services shall not disclose the record except to the agency which maintains the record, or under rules established by that agency which are not inconsistent with the provisions of this section.

Publication in
Federal Register.

“(2) Each agency record pertaining to an identifiable individual which was transferred to the National Archives of the United States as a record which has sufficient historical or other value to warrant its continued preservation by the United States Government, prior to the effective date of this section, shall, for the purposes of this section, be considered to be maintained by the National Archives and shall not be subject to the provisions of this section, except that a statement generally describing such records (modeled after the requirements relating to records subject to subsections (e) (4) (A) through (G) of this section) shall be published in the Federal Register.

“(3) Each agency record pertaining to an identifiable individual which is transferred to the National Archives of the United States as a record which has sufficient historical or other value to warrant its continued preservation by the United States Government, on or after the effective date of this section, shall, for the purposes of this section, be considered to be maintained by the National Archives and shall be exempt from the requirements of this section except subsections (e) (4) (A) through (G) and (e) (9) of this section.

“(m) GOVERNMENT CONTRACTORS.—When an agency provides by a contract for the operation by or on behalf of the agency of a system of records to accomplish an agency function, the agency shall, consistent with its authority, cause the requirements of this section to be applied to such system. For purposes of subsection (i) of this section any such contractor and any employee of such contractor, if such contract is agreed to on or after the effective date of this section, shall be considered to be an employee of an agency.

“(n) MAILING LISTS.—An individual's name and address may not be sold or rented by an agency unless such action is specifically authorized by law. This provision shall not be construed to require the withholding of names and addresses otherwise permitted to be made public.

Notice to
Congress and
OMB.

“(o) REPORT ON NEW SYSTEMS.—Each agency shall provide adequate advance notice to Congress and the Office of Management and Budget of any proposal to establish or alter any system of records in order to permit an evaluation of the probable or potential effect of such

proposal on the privacy and other personal or property rights of individuals or the disclosure of information relating to such individuals, and its effect on the preservation of the constitutional principles of federalism and separation of powers.

“(p) ANNUAL REPORT.—The President shall submit to the Speaker of the House and the President of the Senate, by June 30 of each calendar year, a consolidated report, separately listing for each Federal agency the number of records contained in any system of records which were exempted from the application of this section under the provisions of subsections (j) and (k) of this section during the preceding calendar year, and the reasons for the exemptions, and such other information as indicates efforts to administer fully this section.

Report to Speaker of the House and President of the Senate.

“(q) EFFECT OF OTHER LAWS.—No agency shall rely on any exemption contained in section 552 of this title to withhold from an individual any record which is otherwise accessible to such individual under the provisions of this section.”.

5 USC 552.

SEC. 4. The chapter analysis of chapter 5 of title 5, United States Code, is amended by inserting:

“552a. Records about individuals.”

immediately below:

“552. Public information; agency rules, opinions, orders, and proceedings.”.

SEC. 5. (a) (1) There is established a Privacy Protection Study Commission (hereinafter referred to as the “Commission”) which shall be composed of seven members as follows:

Privacy Protection Study Commission.
Establishment.
5 USC 552a note.
Membership.

(A) three appointed by the President of the United States,

(B) two appointed by the President of the Senate, and

(C) two appointed by the Speaker of the House of Representatives.

Members of the Commission shall be chosen from among persons who, by reason of their knowledge and expertise in any of the following areas—civil rights and liberties, law, social sciences, computer technology, business, records management, and State and local government—are well qualified for service on the Commission.

(2) The members of the Commission shall elect a Chairman from among themselves.

(3) Any vacancy in the membership of the Commission, as long as there are four members in office, shall not impair the power of the Commission but shall be filled in the same manner in which the original appointment was made.

Vacancies.

(4) A quorum of the Commission shall consist of a majority of the members, except that the Commission may establish a lower number as a quorum for the purpose of taking testimony. The Commission is authorized to establish such committees and delegate such authority to them as may be necessary to carry out its functions. Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission, shall have full access to all information necessary to the performance of their functions, and shall have one vote. Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or a member designated by the Chairman to be acting Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, other persons, and the public, and, on behalf of the Commission, shall see to the faithful execution of the administrative policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct.

Budget re-
quests.

Legislative
recommendations.

Study.

Ante, p. 1897.

(5) (A) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that request to Congress.

(B) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation to the President or Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(b) The Commission shall—

(1) make a study of the data banks, automated data processing programs, and information systems of governmental, regional, and private organizations, in order to determine the standards and procedures in force for the protection of personal information; and

(2) recommend to the President and the Congress the extent, if any, to which the requirements and principles of section 552a of title 5, United States Code, should be applied to the information practices of those organizations by legislation, administrative action, or voluntary adoption of such requirements and principles, and report on such other legislative recommendations as it may determine to be necessary to protect the privacy of individuals while meeting the legitimate needs of government and society for information.

(c) (1) In the course of conducting the study required under subsection (b) (1) of this section, and in its reports thereon, the Commission may research, examine, and analyze—

(A) interstate transfer of information about individuals that is undertaken through manual files or by computer or other electronic or telecommunications means;

(B) data banks and information programs and systems the operation of which significantly or substantially affect the enjoyment of the privacy and other personal and property rights of individuals;

(C) the use of social security numbers, license plate numbers, universal identifiers, and other symbols to identify individuals in data banks and to gain access to, integrate, or centralize information systems and files; and

(D) the matching and analysis of statistical data, such as Federal census data, with other sources of personal data, such as automobile registries and telephone directories, in order to reconstruct individual responses to statistical questionnaires for commercial or other purposes, in a way which results in a violation of the implied or explicitly recognized confidentiality of such information.

(2) (A) The Commission may include in its examination personal information activities in the following areas: medical; insurance; education; employment and personnel; credit, banking and financial institutions; credit bureaus; the commercial reporting industry; cable television and other telecommunications media; travel, hotel and entertainment reservations; and electronic check processing.

(B) The Commission shall include in its examination a study of—

(i) whether a person engaged in interstate commerce who maintains a mailing list should be required to remove an individual's name and address from such list upon request of that individual;

(ii) whether the Internal Revenue Service should be prohibited from transferring individually identifiable data to other agencies and to agencies of State governments;

(iii) whether the Federal Government should be liable for general damages incurred by an individual as the result of a willful or intentional violation of the provisions of sections 552a (g)

(1) (C) or (D) of title 5, United States Code; and

Ante, p. 1897.

(iv) whether and how the standards for security and confidentiality of records required under section 552a (c) (10) of such title should be applied when a record is disclosed to a person other than an agency.

(C) The Commission may study such other personal information activities necessary to carry out the congressional policy embodied in this Act, except that the Commission shall not investigate information systems maintained by religious organizations.

Religious organizations, exception.

(3) In conducting such study, the Commission shall—

Guidelines for study.

(A) determine what laws, Executive orders, regulations, directives, and judicial decisions govern the activities under study and the extent to which they are consistent with the rights of privacy, due process of law, and other guarantees in the Constitution;

(B) determine to what extent governmental and private information systems affect Federal-State relations or the principle of separation of powers;

(C) examine the standards and criteria governing programs, policies, and practices relating to the collection, soliciting, processing, use, access, integration, dissemination, and transmission of personal information; and

(D) to the maximum extent practicable, collect and utilize findings, reports, studies, hearing transcripts, and recommendations of governmental, legislative and private bodies, institutions, organizations, and individuals which pertain to the problems under study by the Commission.

(d) In addition to its other functions the Commission may—

(1) request assistance of the heads of appropriate departments, agencies, and instrumentalities of the Federal Government, of State and local governments, and other persons in carrying out its functions under this Act;

(2) upon request, assist Federal agencies in complying with the requirements of section 552a of title 5, United States Code;

(3) determine what specific categories of information, the collection of which would violate an individual's right of privacy, should be prohibited by statute from collection by Federal agencies; and

(4) upon request, prepare model legislation for use by State and local governments in establishing procedures for handling, maintaining, and disseminating personal information at the State and local level and provide such technical assistance to State and local governments as they may require in the preparation and implementation of such legislation.

(e) (1) The Commission may, in carrying out its functions under this section, conduct such inspections, sit and act at such times and places, hold such hearings, take such testimony, require by subpoena the attendance of such witnesses and the production of such books, records, papers, correspondence, and documents, administer such oaths, have such printing and binding done, and make such expenditures as the Commission deems advisable. A subpoena shall be issued only upon an affirmative vote of a majority of all members of the Com-

mission. Subpenas shall be issued under the signature of the Chairman or any member of the Commission designated by the Chairman and shall be served by any person designated by the Chairman or any such member. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(2) (A) Each department, agency, and instrumentality of the executive branch of the Government is authorized to furnish to the Commission, upon request made by the Chairman, such information, data, reports and such other assistance as the Commission deems necessary to carry out its functions under this section. Whenever the head of any such department, agency, or instrumentality submits a report pursuant to section 552a (o) of title 5, United States Code, a copy of such report shall be transmitted to the Commission.

(B) In carrying out its functions and exercising its powers under this section, the Commission may accept from any such department, agency, independent instrumentality, or other person any individually identifiable data if such data is necessary to carry out such powers and functions. In any case in which the Commission accepts any such information, it shall assure that the information is used only for the purpose for which it is provided, and upon completion of that purpose such information shall be destroyed or returned to such department, agency, independent instrumentality, or person from which it is obtained, as appropriate.

(3) The Commission shall have the power to—

(A) appoint and fix the compensation of an executive director, and such additional staff personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(B) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

The Commission may delegate any of its functions to such personnel of the Commission as the Commission may designate and may authorize such successive redelegations of such functions as it may deem desirable.

(4) The Commission is authorized—

(A) to adopt, amend, and repeal rules and regulations governing the manner of its operations, organization, and personnel;

(B) to enter into contracts or other arrangements or modifications thereof, with any government, any department, agency, or independent instrumentality of the United States, or with any person, firm, association, or corporation, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(C) to make advance, progress, and other payments which the Commission deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529); and

(D) to take such other action as may be necessary to carry out its functions under this section.

Reports, trans-
mittal to Com-
mission.
Ante, p. 1897.

5 USC 5101,
5331.

5 USC 5332
note.

Rules and
regulations.

(f) (1) Each [the] member of the Commission who is an officer or employee of the United States shall serve without additional compensation, but shall continue to receive the salary of his regular position when engaged in the performance of the duties vested in the Commission.

Compensation.

(2) A member of the Commission other than one to whom paragraph (1) applies shall receive per diem at the maximum daily rate for GS-18 of the General Schedule when engaged in the actual performance of the duties vested in the Commission.

Per diem.

5 USC 5332
note.

(3) All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

Travel ex-
penses.

(g) The Commission shall, from time to time, and in an annual report, report to the President and the Congress on its activities in carrying out the provisions of this section. The Commission shall make a final report to the President and to the Congress on its findings pursuant to the study required to be made under subsection (b) (1) of this section not later than two years from the date on which all of the members of the Commission are appointed. The Commission shall cease to exist thirty days after the date on which its final report is submitted to the President and the Congress.

Report to
President and
Congress.

(h) (1) Any member, officer, or employee of the Commission, who by virtue of his employment or official position, has possession of, or access to, agency records which contain individually identifiable information the disclosure of which is prohibited by this section, and who knowing that disclosure of the specific material is so prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

Penalties.

(2) Any person who knowingly and willfully requests or obtains any record concerning an individual from the Commission under false pretenses shall be guilty of a misdemeanor and fined not more than \$5,000.

SEC. 6. The Office of Management and Budget shall—

(1) develop guidelines and regulations for the use of agencies in implementing the provisions of section 552a of title 5, United States Code, as added by section 3 of this Act; and

5 USC 552a
note.

(2) provide continuing assistance to and oversight of the implementation of the provisions of such section by agencies.

Ante, p. 1897.

SEC. 7. (a) (1) It shall be unlawful for any Federal, State or local government agency to deny to any individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his social security account number.

5 USC 552a
note.

(2) the provisions of paragraph (1) of this subsection shall not apply with respect to—

(A) any disclosure which is required by Federal statute, or

(B) the disclosure of a social security number to any Federal, State, or local agency maintaining a system of records in existence and operating before January 1, 1975, if such disclosure was required under statute or regulation adopted prior to such date to verify the identity of an individual.

(b) Any Federal, State, or local government agency which requests an individual to disclose his social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, and what uses will be made of it.

Effective date.
5 USC 552a
note.

SEC. 8. The provisions of this Act shall be effective on and after the date of enactment, except that the amendments made by sections 3 and 4 shall become effective 270 days following the day on which this Act is enacted.

Appropriation.
5 USC 552a
note.

SEC. 9. There is authorized to be appropriated to carry out the provisions of section 5 of this Act for fiscal years 1975, 1976, and 1977 the sum of \$1,500,000, except that not more than \$750,000 may be expended during any such fiscal year.

Approved December 31, 1974.

Public Law 93-580

January 2, 1975
[S. J. Res. 133]

JOINT RESOLUTION

To provide for the establishment of the American Indian Policy Review Commission.

CONGRESSIONAL FINDINGS

25 USC 174
note.

The Congress, after careful review of the Federal Government's historical and special legal relationship with American Indian people, finds that—

(a) the policy implementing this relationship has shifted and changed with changing administrations and passing years, without apparent rational design and without a consistent goal to achieve Indian self-sufficiency;

(b) there has been no general comprehensive review of conduct of Indian affairs by the United States nor a coherent investigation of the many problems and issues involved in the conduct of Indian affairs since the 1928 Meriam Report conducted by the Institute for Government Research; and

(c) in carrying out its responsibilities under its plenary power over Indian affairs, it is imperative that the Congress now cause such a comprehensive review of Indian affairs to be conducted.

DECLARATION OF PURPOSE

Congress declares that it is timely and essential to conduct a comprehensive review of the historical and legal developments underlying the Indians' unique relationship with the Federal Government in order to determine the nature and scope of necessary revisions in the formulation of policies and programs for the benefit of Indians.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

American In-
dian Policy Re-
view Commis-
sion.

Establishment.
25 USC 174
note.

Membership.

(a) In order to carry out the purposes described in the preamble hereof and as further set out herein, there is hereby created the American Indian Policy Review Commission, hereinafter referred to as the "Commission".

(b) The Commission shall be composed of eleven members, as follows:

(1) three Members of the Senate appointed by the President pro tempore of the Senate, two from the majority party and one from the minority party;

(2) three Members of the House of Representatives appointed by the Speaker of the House of Representatives, two from the majority party and one from the minority party; and

(3) five Indian members as provided in subsection (c) of this section.

(c) At its organization meeting, the members of the Commission appointed pursuant to section (b) (1) and (b) (2) of this section shall elect from among their members a Chairman and a Vice Chairman. Immediately thereafter, such members shall select, by majority vote, five Indian members of the Commission from the Indian community, as follows:

- (1) three members shall be selected from Indian tribes that are recognized by the Federal Government;
- (2) one member shall be selected to represent urban Indians; and
- (3) one member shall be selected who is a member of an Indian group not recognized by the Federal Government.

None of the Indian members shall be employees of the Federal Government concurrently with their term of service on the Commission nor shall there be more than one member from any one Indian tribe.

(d) Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission and shall be filled in the same manner as in the case of the original appointment.

Vacancies.

(e) Six members of the Commission shall constitute a quorum, but a smaller number, as determined by the Commission, may conduct hearings: *Provided*, That at least one congressional member must be present at any Commission hearing.

(f) Members of the Congress who are members of the Commission shall serve without any compensation other than that received for their services as Members of Congress, but they may be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(g) The Indian members of the Commission shall receive compensation for each day such members are engaged in the actual performance of duties vested in the Commission at a daily rate not to exceed the daily equivalent of the maximum annual compensation that may be paid to employees of the United States Senate generally. Each such member may be reimbursed for travel expenses, including per diem in lieu of subsistence.

SEC. 2. It shall be the duty of the Commission to make a comprehensive investigation and study of Indian affairs and the scope of such duty shall include, but shall not be limited to—

Investigation
and study.
25 USC 174
note.

(1) a study and analysis of the Constitution, treaties, statutes, judicial interpretations, and Executive orders to determine the attributes of the unique relationship between the Federal Government and Indian tribes and the land and other resources they possess;

(2) a review of the policies, practices, and structure of the Federal agencies charged with protecting Indian resources and providing services to Indians: *Provided*, That such review shall include a management study of the Bureau of Indian Affairs utilizing experts from the public and private sector;

(3) an examination of the statutes and procedures for granting Federal recognition and extending services to Indian communities and individuals;

(4) the collection and compilation of data necessary to understand the extent of Indian needs which presently exist or will exist in the near future;

(5) an exploration of the feasibility of alternative elective bodies which could fully represent Indians at the national level of Government to provide Indians with maximum participation in policy formation and program development;

(6) a consideration of alternative methods to strengthen tribal government so that the tribes might fully represent their members and, at the same time, guarantee the fundamental rights of individual Indians; and

(7) the recommendation of such modification of existing laws, procedures, regulations, policies, and practices as will, in the judgment of the Commission, best serve to carry out the policy and declaration of purposes as set out above.

POWERS OF THE COMMISSION

25 USC 174
note.

SEC. 3. (a) The Commission or, on authorization of the Commission, any committee of two or more members is authorized, for the purposes of carrying out the provisions of this resolution, to sit and act at such places and times during the sessions, recesses, and adjourned periods of Congress, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths and affirmations, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable. The Commission may make such rules respecting its organization and procedures as it deems necessary, except that no recommendation shall be reported from the Commission unless a majority of the Commission assent. Upon the authorization of the Commission subpoenas may be issued over the signature of the Chairman of the Commission or of any member designated by him or the Commission, and may be served by such person or persons as may be designated by such Chairman or member. The Chairman of the Commission or any member thereof may administer oaths or affirmations to witnesses.

(b) The provisions of sections 192 through 194, inclusive, of title 2, United States Code, shall apply in the case of any failure of any witness to comply with any subpoena when summoned under this section.

(c) The Commission is authorized to secure from any department, agency, or instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this resolution and each such department, agency, or instrumentality is authorized and directed to furnish such information to the Commission and to conduct such studies and surveys as may be requested by the Chairman or the Vice Chairman when acting as Chairman.

Confidential
materials.

(d) If the Commission requires of any witness or of any Government agency the production of any materials which have theretofore been submitted to a Government agency on a confidential basis, and the confidentiality of those materials is protected by statute, the material so produced shall be held in confidence by the Commission.

INVESTIGATING TASK FORCES

25 USC 174
note.

SEC. 4. (a) As soon as practicable after the organization of the Commission, the Commission shall, for the purpose of gathering facts and other information necessary to carry out its responsibilities pursuant to section 2 of this resolution, appoint investigating task forces to be composed of three persons, a majority of whom shall be of Indian descent. Such task forces shall be appointed and directed to make preliminary investigations and studies in the various areas of Indian affairs, including, but not limited to—

- (1) trust responsibility and Federal-Indian relationship, including treaty review;
- (2) tribal government;
- (3) Federal administration and structure of Indian affairs;

- (4) Federal, State, and tribal jurisdiction;
- (5) Indian education;
- (6) Indian health;
- (7) reservation development;
- (8) urban, rural nonreservation, terminated, and nonfederally recognized Indians; and
- (9) Indian law revision, consolidation, and codification.

(b) (i) Such task forces shall have such powers and authorities, in carrying out their responsibilities, as shall be conferred upon them by the Commission, except that they shall have no power to issue subpoenas or to administer oaths or affirmations: *Provided*, That they may call upon the Commission or any committee thereof, in the Commission's discretion, to assist them in securing any testimony, materials, documents, or other information necessary for their investigation and study.

(ii) The Commission shall require each task force to provide written quarterly reports to the Commission on the progress of the task force and, in the discretion of the Commission, an oral presentation of such report. In order to insure the correlation of data in the final report and recommendations of the Commission, the Director of the Commission shall coordinate the independent efforts of the task force groups.

(c) The Commission may fix the compensation of the members of such task forces at a rate not to exceed the daily equivalent of the highest rate of annual compensation that may be paid to employees of the United States Senate generally.

(d) The Commission shall, pursuant to section 6, insure that the task forces are provided with adequate staff support in addition to that authorized under section 6(a), to carry out the projects assigned to them.

(e) Each task force appointed by the Commission shall, within one year from the date of the appointment of its members, submit to the Commission its final report of investigation and study together with recommendations thereon.

REPORT OF THE COMMISSION

SEC. 5. (a) Upon the report of the task forces made pursuant to section 4 hereof, the Commission shall review and compile such reports, together with its independent findings, into a final report. Within six months after the reports of the investigating task forces, the Commission shall submit its final report, together with recommendations thereon, to the President of the Senate and the Speaker of the House of Representatives. The Commission shall cease to exist six months after submission of said final report but not later than June 30, 1977. All records and papers of the Commission shall thereupon be delivered to the Administrator of the General Services Administration for deposit in the Archives of the United States.

(b) Any recommendation of the Commission involving the enactment of legislation shall be referred by the President of the Senate or the Speaker of the House of Representatives to the appropriate standing committee of the Senate and House of Representatives, respectively, and such committees shall make a report thereon to the respective house within two years of such referral.

25 USC 174
note.

Report, submitted to President of the Senate and Speaker of the House.

Termination.

COMMISSION STAFF

25 USC 174
note.

SEC. 6. (a) The Commission may by record vote of a majority of the Commission members, appoint a Director of the Commission, a General Counsel, one professional staff member, and three clerical assistants. The Commission shall prescribe the duties and responsibilities of such staff members and fix their compensation at per annum gross rates not in excess of the per annum rates of compensation prescribed for employees of standing committees of the Senate.

(b) In carrying out any of its functions under this resolution, the Commission is authorized to utilize the services, information, facilities, and personnel of the Executive departments and agencies of the Government, and to procure the temporary or intermittent services of experts or consultants or organizations thereof by contract at rates of compensation not in excess of the daily equivalent of the highest per annum rate of compensation that may be paid to employees of the Senate generally.

Appropriation.
25 USC 174
note.

SEC. 7. There is hereby authorized to be appropriated a sum not to exceed \$2,500,000 to carry out the provisions of this resolution. Until such time as funds are appropriated pursuant to this section, salaries and expenses of the Commission shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman. To the extent that any payments are made from the contingent fund of the Senate prior to the time appropriation is made, such payments shall be chargeable against the maximum amount authorized herein.

Approved January 2, 1975.

Public Law 93-581

JOINT RESOLUTION

January 2, 1975
[S. J. Res. 262]

Authorizing the Architect of the Capitol to permit certain temporary and permanent construction work on the Capitol Grounds in connection with the erection of an addition to a building on privately owned property adjacent to the Capitol Grounds.

U.S. Capitol
Grounds.
Temporary and
permanent con-
struction, authori-
zation.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) The Architect of the Capitol is hereby authorized to permit (1) the performance within the United States Capitol Grounds of excavation, temporary construction, or other work, that may be necessary for the construction of an addition to the national headquarters building, and other related facilities, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers on D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest commencing at the westerly end of the existing headquarters building and extending westward to a point approximately thirty-five feet from the intersection of New Jersey Avenue and D Street Northwest, in the District of Columbia; and (2) the use of Capitol Grounds property located north of the street curb on D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest, for purposes of ingress and egress to and from the building site during such construction. No permanent construction shall extend into the United States Capitol Grounds except as otherwise provided in subsection (b) of this section.

(b) The Architect of the Capitol is hereby authorized to permit the following improvements of a permanent nature to be made on Capitol Grounds property located north of the street curb at D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest:

(1) the extension of existing sewers and the building of new manholes under the northern sidewalk of D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest, to accommodate service laterals from the proposed new building addition, and the installation of necessary laterals;

(2) the installation of service laterals from existing water mains under the northern sidewalk of D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest, as may be required for the proposed new building addition;

(3) the removal and replacement of existing sidewalks located on Capitol Grounds property north of the curblin on D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest, including the removal and replacement of a driveway into an existing parking lot, to serve building facilities after construction of the proposed new building addition;

(4) the planting of additional trees between the street curb and the new sidewalk along D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest, of a number and kind prescribed and selected by the Architect of the Capitol;

(5) the regrading and resodding of the remaining area between the street curb and the new sidewalk north on the curblin on D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest; and

(6) the plugging and filling of any portion of abandoned sewer and the repair and/or alteration of any active sewer which extend into the Capitol Grounds on D Street Northwest between New Jersey Avenue Northwest and Louisiana Avenue Northwest and which are encountered or damaged during excavation for, and construction of, the proposed new building addition.

SEC. 2. The United States shall not incur any expense or liability whatsoever, under or by reason of this joint resolution, or be liable under any claim of any nature or kind that may arise from anything that may be connected with or grow out of this joint resolution.

Expense and liability.

SEC. 3. No work shall be performed within the Capitol Grounds pursuant to this joint resolution until the Architect of the Capitol shall have been furnished with such assurances as he may deem necessary that all areas within such grounds, disturbed by reason of such construction, shall, except as otherwise provided in this joint resolution, be restored to their original condition without expense to the United States; and all work within the Capitol Grounds herein authorized shall be performed under conditions satisfactory to the Architect of the Capitol.

Approved January 2, 1975.

Public Law 93-582

AN ACT

To declare that certain land of the United States is held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma.

January 2, 1975
[S. 521]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to the following described land, and improvements thereon, are hereby declared to be held by the United States in trust for the Cheyenne-Arapaho Tribes of Oklahoma:

Beginning at the southwest corner of lot 2 in the northwest quarter of section 7, township 19 north, range 14 west of the Indian meridian, Dewey County, State of Oklahoma, thence east 20 rods, thence north

Indians.
Cheyenne-
Arapaho Tribes,
Okla.
Lands in trust.

40 rods, thence west 20 rods to the west line of said lot 2, thence south 40 rods to the place of beginning, containing 5 acres, more or less.

SEC. 2. This conveyance is subject to existing rights-of-way for waterlines, electric transmission lines, roads, and railroads.

Approved January 2, 1975.

Public Law 93-583

AN ACT

January 2, 1975
[S. 544]

To amend title 18 of the United States Code to permit the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries authorized by law and conducted by a State, and for other purposes.

State lotteries.

18 USC 1301.

18 USC 1307.

18 USC 1301,
1302, 1303, 1304.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 61 of title 18 of the United States Code (relating to lotteries) is amended by adding at the end thereof the following new section:

“§ 1307. State-conducted lotteries

“(a) The provisions of sections 1301, 1302, 1303, and 1304 shall not apply to an advertisement, list of prizes, or information concerning a lottery conducted by a State acting under the authority of State law—

“(1) contained in a newspaper published in that State, or

“(2) broadcast by a radio or television station licensed to a location in that State or an adjacent State which conducts such a lottery.

“(b) The provisions of sections 1301, 1302, and 1303 shall not apply to the transportation or mailing to addresses within a State of tickets and other material concerning a lottery conducted by that State acting under authority of State law.

“State.”

“(c) For the purposes of this section ‘State’ means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

“Lottery.”

“(d) For the purposes of this section ‘lottery’ means the pooling of proceeds derived from the sale of tickets or chances and allotting those proceeds or parts thereof by chance to one or more chance takers or ticket purchasers. ‘Lottery’ does not include the placing or accepting of bets or wagers on sporting events or contests.”

SEC. 2. The sectional analysis for chapter 61 is amended by adding the following item:

“1307. State-conducted lotteries.”.

SEC. 3. Section 1953(b) of title 18 of the United States Code is amended by changing the period to a comma and adding: “or (4) equipment, tickets, or materials used or designed for use within a State in a lottery conducted by that State acting under authority of State law.”

SEC. 4. Section 3005 of title 39 of the United States Code is amended by adding at the end thereof the following subsection:

“(d) Nothing in this section shall prohibit the mailing of (1) a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law, or (2) tickets or other materials concerning such a lottery within that State to addresses within that State. For the purposes of this subsection, ‘State’ means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.”

“State.”

Approved January 2, 1975.

Public Law 93-584

AN ACT

To improve judicial machinery by amending title 28, United States Code, with respect to judicial review of decisions of the Interstate Commerce Commission and for other purposes.

January 2, 1975
[S. 663]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1336(a) of title 28, United States Code, is amended to read as follows:

ICC decisions.
Judicial review.

“(a) Except as otherwise provided by Act of Congress, the district courts shall have jurisdiction of any civil action to enforce, in whole or in part, any order of the Interstate Commerce Commission, and to enjoin or suspend, in whole or in part, any order of the Interstate Commerce Commission for the payment of money or the collection of fines, penalties, and forfeitures.”

SEC. 2. Section 1398(a) of title 28, United States Code is amended to read as follows:

“(a) Except as otherwise provided by law, a civil action brought under section 1336(a) of this title shall be brought only in a judicial district in which any of the parties bringing the action resides or has its principal office.

Supra.

SEC. 3. Section 2341 (3)(A) of title 28, United States Code, is amended by inserting following “Federal Maritime Commission,” the words “the Interstate Commerce Commission,”.

SEC. 4. Section 2342 of title 28, United States Code, is amended as follows:

(a) In the paragraph designated “(3)”, following the semicolon, strike “and”;

(b) In the paragraph designated “(4)”, strike the period and insert in lieu thereof a semicolon followed by the word “and”;

(c) Add a new paragraph “(5)” as follows:

“(5) all rules, regulations, or final orders of the Interstate Commerce Commission made reviewable by section 2321 of this title.”

Infra.

SEC. 5. Section 2321 of title 28, United States Code, is amended to read:

“§ 2321. Judicial review of Commission’s orders and decisions; procedure generally; process

28 USC 2321.

“(a) Except as otherwise provided by an Act of Congress, a proceeding to enjoin or suspend, in whole or in part, a rule, regulation, or order of the Interstate Commerce Commission shall be brought in the court of appeals as provided by and in the manner prescribed in chapter 158 of this title.

28 USC 2341.

“(b) The procedure in the district courts in actions to enforce, in whole or in part, any order of the Interstate Commerce Commission other than for payment of money or the collection of fines, penalties, and forfeitures, shall be as provided in this chapter.

“(c) The orders, writs, and process of the district courts may, in the cases specified in subsection (b) and in the cases and proceedings under section 20 of the Act of February 4, 1887, as amended (24 Stat. 386; 49 U.S.C. 20), section 23 of the Act of May 16, 1942, as amended (56 Stat. 301; 49 U.S.C. 23), and section 3 of the Act of February 19, 1903, as amended (32 Stat. 848; 49 U.S.C. 43), run, be served and be returnable anywhere in the United States.”

Ante, p. 1709.

SEC. 6. The first paragraph of section 2323 of title 28, United States Code, is amended to read as follows:

“The Attorney General shall represent the Government in the actions specified in section 2321 of this title and in actions under section 20 of the Act of February 4, 1887, as amended (24 Stat. 386; 49 U.S.C. 20), section 23 of the Act of May 16, 1942, as amended (56

Supra.

Ante, p. 1709.
Repeals.

Stat. 301; 49 U.S.C. 23), and section 3 of the Act of February 19, 1903, as amended (32 Stat. 848; 49 U.S.C. 43)."

SEC. 7. Sections 2324 and 2325 of title 28, United States Code, are hereby repealed.

SEC. 8. The table of sections of chapter 157 of title 28, United States Code, is amended to read:

**"Chapter 157.—INTERSTATE COMMERCE COMMISSION
ORDERS; ENFORCEMENT AND REVIEW**

"Sec.

"2321. Judicial review of Commission's orders and decisions; procedure generally; process.

"2322. United States as party.

"2323. Duties of Attorney General; intervenors."

SEC. 9. The proviso in section 205(g) of the Motor Carrier Act, as amended (49 Stat. 550; 49 U.S.C. 305(g)), is amended by striking "file a bill of complaint with the appropriate District Court of the United States, convened under section 2284 of title 28 of the United States" and inserting in lieu thereof "commence appropriate judicial proceedings in a court of the United States under those provisions of law applicable in the case of proceedings to enjoin or suspend rules, regulations, or orders of the Commission".

Nonapplicabil-
ity.
28 USC 2321
note.

SEC. 10. This Act shall not apply to any action commenced on or before the last day of the first month beginning after the date of enactment. However, actions to enjoin or suspend orders of the Interstate Commerce Commission which are pending when this Act becomes effective shall not be affected thereby, but shall proceed to final disposition under the law existing on the date they were commenced.

Approved January 2, 1975.

Public Law 93-585

AN ACT

January 2, 1975
[S. 1418]

To recognize the fifty years of extraordinary and selfless public service of Herbert Hoover, including his many great humanitarian endeavors, his chairmanship of two Commissions of the Organization of the Executive Branch, and his service as thirty-first President of the United States, and in commemoration of the one hundredth anniversary of his birth on August 10, 1874, by providing grants to the Hoover Institution on War, Revolution, and Peace.

Hoover Institu-
tion on War, Rev-
olution, and
Peace, Stanford
University, Calif.
Grants.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to establish an appropriate memorial to the late President Herbert Hoover, the Secretary of the Treasury (hereinafter referred to as the "Secretary") is authorized to make grants, in accordance with the provisions of this Act, to the Hoover Institution on War, Revolution, and Peace, Stanford University, Stanford, California.

(b) No grant may be made under this Act for any fiscal year unless—

(1) the Secretary determines that the total of such grants for that year will not exceed the total amount of gifts, bequests, and devises of money, securities, and other property, made after the date of enactment of this Act, for that year for the benefit of the Hoover Institution on War, Revolution, and Peace; and

(2) the Hoover Institution on War, Revolution, and Peace furnishes to the Secretary such information at such times and in such manner as he may require.

(c) Grants made under this Act may be used for the construction of a new educational building to be used by the Hoover Institution on War, Revolution, and Peace, and for the equipment of such building.

Construction.

SEC. 2. (a) The Congress finds that, if a facility constructed with the aid of any grant under this Act is used as an educational facility for twenty years following completion of such construction, the public benefit accruing to the United States from such use will equal in value the amount of such grant or grants. The period of twenty years after completion of such construction shall, therefore, be deemed to be the period of Federal interest in such facility for the purposes of this Act.

(b) If, within twenty years after completion of construction of an educational facility which has been constructed in part with a grant or grants under this Act—

Grants, recovery.

(1) the Hoover Institution on War, Revolution, and Peace (or its successor in title or possession) ceases or fails to be a non-profit institution, or

(2) the facility ceases to be used as an educational facility, unless the Secretary determines that there is good cause for releasing the institution from its obligation,

the United States shall be entitled to recover from such Institution (or successor) an amount which bears to the then value of the facility the same ratio as the amount of such Federal grant or grants bore to the development cost of the facility (as determined by the Secretary) financed with the aid of such grant or grants. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(c) Notwithstanding the provisions of subsections (a) and (b), no facility constructed with assistance under this Act shall ever be used for religious worship or a sectarian activity or for a school or department of divinity.

Religious usage, prohibition.

SEC. 3. The Comptroller General of the United States, or any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Hoover Institution on War, Revolution, and Peace that are pertinent to the grant received.

Records, accessibility.

SEC. 4. The Hoover Institution on War, Revolution, and Peace shall, annually, prepare and furnish to the President and the Congress a report on the expenditure of funds received by the Institution in the previous fiscal year during the period for which grants are made under this Act.

Report to President and Congress.

SEC. 5. There are authorized to be appropriated to the Secretary for making grants in accordance with this Act amounts not to exceed \$7,000,000. Funds appropriated pursuant to this Act shall be available without fiscal year limitation, for the period beginning on the date of enactment of this Act and ending five years after such date.

Appropriation.

SEC. 6. Grants made pursuant to this Act shall be the sole Federal memorial to the late President Herbert Hoover.

Approved January 2, 1975.

Public Law 93-586

January 2, 1975
[S. 2149]

AN ACT

To amend title 10, United States Code, to provide certain benefits to members of the Coast Guard Reserve, and for other purposes.

Coast Guard
Reserve.
Benefits.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 684 of title 10, United States Code, is amended by striking out “or Marine Corps” and inserting in place thereof “Marine Corps, or Coast Guard” in subsections (a) and (b).

14 USC 751a.

SEC. 2. Section 1005 of title 10, United States Code, is amended by striking out the period at the end of the first sentence and adding “or chapter 21 of title 14.”

SEC. 3. Section 1006 of title 10, United States Code, is amended—

(1) by adding “or chapter 21 of title 14,” after “or 863 of this title” in subsections (a) and (b);

(2) by striking out “of the Army or the Air Force” in subsection (c); and

(3) by adding “or title 14” at the end of the first sentence in subsection (e).

Approved January 2, 1975.

Public Law 93-587

January 2, 1975
[S. 2807]

AN ACT

To name the Federal building, United States post office, United States courthouse, in Brunswick, Georgia, as the “Frank M. Scarlett Federal Building”.

Frank M.
Scarlett Federal
Building.
Designation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal building, United States post office, United States courthouse, at 801 Gloucester Street, Brunswick, Georgia, shall hereafter be known and designated as the “Frank M. Scarlett Federal Building”. Any reference in a law, map, regulation, document, record, or other paper of the United States to such building shall be held to be a reference to the “Frank M. Scarlett Federal Building”.

Approved January 2, 1975.

Public Law 93-588

January 2, 1975
[S. 2888]

AN ACT

To convey certain land of the United States to the Inter-Tribal Council, Incorporated, Miami, Oklahoma.

Indians.
Inter-Tribal
Council, Inc.,
Okla.
Lands in trust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) all right, title, and interest of the United States in and to the land more particularly described in subsection (b) of this section are hereby declared to be held in trust by the United States for the Indian tribes described in and subject to section 2 of this Act.

(b) The land referred to in subsection (a) is more particularly described as follows: south half of the northwest quarter and that part of the north half of the southwest quarter of section 21, township 27 north, range 24 east, lying north of the centerline of Highway Numbered 60, I.B.M., containing one hundred and fourteen acres, more or less, in Ottawa County, Oklahoma.

SEC. 2. The land referred to in section 1 shall be held in trust by the United States jointly for the Seneca-Cayuga Tribe of Oklahoma, Quapaw Tribe of Oklahoma, Eastern Shawnee Tribe of Oklahoma, Miami Tribe of Oklahoma, Peoria Tribe of Indians of Oklahoma, Ottawa Tribe of Oklahoma, Wyandotte Tribe of Oklahoma, and Modoc Tribe of Oklahoma: *Provided*, That the following tribes shall have no right or interest in such land (a) so long as they are subject to the provisions of law cited below and (b) if they are still subject to such provisions five years after enactment of this Act:

(1) Peoria Tribe of Indians—sections 3 and 4 of the Act of August 2, 1956 (70 Stat. 937; 25 U.S.C. 823 and 824);

(2) Ottawa Tribe of Oklahoma—sections 8 and 9 of the Act of August 3, 1956 (70 Stat. 963, 964; 25 U.S.C. 848 and 849); and

(3) Wyandotte Tribe of Oklahoma—sections 13 and 14 of the Act of August 1, 1956 (70 Stat. 893, 896, 25 U.S.C. 803 and 804):

Provided further, That the Modoc Tribe of Oklahoma shall have no right or interest in such lands (a) so long as the Modoc Indians in Oklahoma are subject to sections 18 and 19 of the Act of August 13, 1954 (68 Stat. 718, 722, 25 U.S.C. 564q and 564r), (b) until a Modoc Tribe of Oklahoma is organized and federally recognized, and (c) if five years after enactment of this Act, such Indians are still subject to such section and such tribe has not been so organized and recognized.

Approved January 2, 1975.

Public Law 93-589

AN ACT

To amend the Act of August 10, 1939 (53 Stat. 1347), and for other purposes.

January 2, 1975
[S. 3289]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act of August 10, 1939 (53 Stat. 1350) is hereby amended to read as follows:

“SEC. 2. Any of the non-Federal lands described in the first section of this Act may be accepted in exchange under the provisions of the Act entitled ‘An Act to consolidate national forest lands,’ approved March 20, 1922, as amended (42 Stat. 465; 43 Stat. 1090). All of such lands so accepted in exchange shall thereupon be added to and made a part of the national forest in which they are located and shall thereafter be administered under the laws and regulations relating to the national forests. Lands received in exchange or purchased under the provisions of this Act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States.”

SEC. 2. All exchanges made prior to the date of this Act involving any non-Federal lands within the area described in section 1 of the Act of August 10, 1939 (53 Stat. 1347) are hereby approved and confirmed.

Approved January 2, 1975.

Kaniksu National Forest,
Wash.
16 USC 486a-486w note.

16 USC 485, 486.

Public Law 93-590

AN ACT

January 2, 1975
[S. 3358]

To authorize the conveyance of certain lands to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma.

Indians,
Absentee
Shawnee Tribe,
Okla.
Lands in trust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duly authorized tribal officials of the Absentee Shawnee Tribe of Indians of Oklahoma are hereby authorized to convey to the United States in trust for the Absentee Shawnee Tribe of Indians of Oklahoma the following described land and the improvements thereon, subject to all valid existing rights, and the United States will accept such conveyance when approved by the Secretary of the Interior:

All that part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at a point 1,320 feet south and 726 feet west of the northeast corner of said northeast quarter southwest quarter; thence north 220.44 feet; thence west 594 feet to the point of intersection with the west line of said northeast quarter southwest quarter; thence north along the west line a distance of 439.56 feet to the midpoint of the west line of said northeast quarter southwest quarter; thence east a distance of 17 feet to the intersection of the west right-of-way line of Oklahoma State Highway Numbered 18; thence northeasterly along said west right-of-way line a distance of 493 feet; thence east 1,485 feet to the west right-of-way line of the Atchison, Topeka, and Santa Fe Railroad right-of-way; thence southwesterly along said west right-of-way line a distance of 1,223 feet to a point in the south line of said northeast quarter southwest quarter, said point being 129 feet west of the southeast corner of said northeast quarter southwest quarter; thence west along the south line of said northeast quarter southwest quarter a distance of 597 feet to the point of beginning; containing 33.23 acres, more or less.

Approved January 2, 1975.

Public Law 93-591

AN ACT

January 2, 1975
[S. 3359]

To authorize the conveyance of certain lands to the United States in trust for the Citizen Band of Pottawatomie Indians.

Citizen Band
of Pottawatomie
Indians, Okla.
Lands in trust.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the duly elected officials of the Citizen Band of Pottawatomie Indians of Oklahoma are hereby authorized to convey to the United States in trust for the Citizen Band of Pottawatomie Indians of Oklahoma the following described lands and the improvements thereon, subject to all valid existing rights, and the United States will accept such conveyance when approved by the Secretary of the Interior:

TRACT NUMBERED 1

The northeast quarter northeast quarter, southeast quarter northeast quarter, southwest quarter northeast quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, containing 120.00 acres, more or less.

TRACT NUMBERED 2

That part of the northwest quarter southeast quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the southwest corner of said northwest quarter southeast quarter; thence east 1,320 feet; thence north 1,320 feet; thence west 1,320 feet to the center of said section; thence south 167 feet; thence east 183 feet to the intersection with the west line of the Atchison, Topeka, and Santa Fe Railroad right-of-way; thence southwesterly along the west right-of-way line a distance of 856 feet to the intersection with a point in the west line of the northwest quarter southeast quarter, said point being 983 feet south of the center of section 31; thence south along the west line of the northwest quarter southeast quarter, a distance of 337 feet, to the point of beginning, containing 38.29 acres, more or less.

TRACT NUMBERED 3

That part of the southeast quarter northwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the northeast corner of said southeast quarter northwest quarter; thence south 1,320 feet to the center of said section 31; thence west along the south line of said southeast quarter northwest quarter, a distance of 1,255.4 feet to the intersection with the centerline of Oklahoma State Highway Numbered 18; thence northwesterly along the centerline of the highway a distance of 660.58 feet to a point on the south line of the northwest quarter southeast quarter northwest quarter; thence east 38 feet to the intersection with the east right-of-way line of Oklahoma State Highway Numbered 18; thence northwesterly along the east right-of-way line to a point in the north line of said southeast quarter northwest quarter, said point being 58 feet east of the northwest corner of said southeast quarter northwest quarter; thence east a distance of 1,262 feet to the point of beginning; containing 38.63 acres, more or less.

TRACT NUMBERED 4

That part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the northeast corner of said northeast quarter southwest quarter, said point being the center of section 31; thence south 167 feet; thence west 1,302 feet to the intersection with the west line of the right-of-way of Oklahoma State Highway Numbered 18; thence northeasterly along the west right-of-way line a distance of 167 feet to the north line of said northeast quarter southwest quarter; thence east along said north line a distance 1,297.4 feet to the point of beginning; containing 4.678 acres, more or less.

TRACT NUMBERED 5

That part of the northeast quarter southwest quarter section 31, township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, described as: Beginning at the southeast corner of said northeast quarter southwest quarter; thence north along the east line of said northeast quarter southwest quarter a distance of 337 feet to the intersection with the west right-of-way line of the Atchison, Topeka, and Santa Fe Railroad right-of-way; thence southwesterly along said west right-of-way line a distance of 367 feet to the intersection with the south line of said northeast quarter southwest quarter;

thence east along the south line a distance of 129 feet to the point of beginning; containing .498 acre, more or less.

TRACT NUMBERED 6

The reserved mineral deposits, including the right to prospect for and remove the same, in and under lands described as the south half of lot 2 (southwest quarter northwest quarter), and that part of the southwest quarter southeast quarter northwest quarter lying west of the centerline of Oklahoma State Highway Numbered 18 and adjacent to the south half of said lot 2, all in section 31; township 10 north, range 4 east, Indian meridian, Pottawatomie County, Oklahoma, containing 19.87 acres, more or less, which lands were previously conveyed to Pottawatomie County, Oklahoma, by quitclaim deed dated December 17, 1959, pursuant to the Act of June 4, 1953 (67 Stat. 71; 25 U.S.C. 293a), said deed appearing of record in Pottawatomie County, Oklahoma, in deed book 174 at page 367 of the land records of said county.

TRACT NUMBERED 7

That part of lot 1 (northwest quarter of northwest quarter) and north half of lot 2 (north half of southwest quarter of northwest quarter) and the part of the north half of the southeast quarter of the northwest quarter lying west of the east right-of-way line of Oklahoma State Highway Numbered 18, all in section 31, township 10 north, range 4 east of the Indian meridian, Pottawatomie County, Oklahoma, containing 57.99 acres, more or less, subject to the right of the Absentee Shawnee Tribe of Indians of Oklahoma, the Sac and Fox Tribe of Indians of Oklahoma, the Kickapoo Tribe of Indians of Oklahoma, and the Iowa Tribe of Indians of Oklahoma to use the Pottawatomie community house that may be constructed and maintained thereon.

Approved January 2, 1975.

Public Law 93-592

January 2, 1975
[S. 4073]

AN ACT

To extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 104(u) of the Federal Water Pollution Control Act, as amended (86 Stat. 825), is amended by—

(a) striking in paragraph (1) “and the fiscal year ending June 30, 1974,” and inserting in lieu thereof “the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975,”;

(b) striking in paragraph (2) “fiscal years 1973 and 1974” and inserting in lieu thereof “fiscal years 1973, 1974, and 1975”;

(c) striking in paragraph (3) “fiscal year 1973” and inserting in lieu thereof “fiscal years 1973, 1974, and 1975”;

(d) striking in paragraph (4) “and June 30, 1974,” and inserting in lieu thereof “June 30, 1974, and June 30, 1975,”;

(e) striking in paragraph (5) “and June 30, 1974,” and inserting in lieu thereof “June 30, 1974, and June 30, 1975,”; and

(f) striking in paragraph (6) “and June 30, 1974,” and inserting in lieu thereof “June 30, 1974, and June 30, 1975,”.

Federal Water
Pollution Control
Act, amendments.
33 USC 1254.

SEC. 2. Section 105(h) of the Federal Water Pollution Control Act, as amended (86 Stat. 826), is amended by striking "and the fiscal year ending June 30, 1974," and inserting in lieu thereof "the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975,".

33 USC 1255.

SEC. 3. Section 106(a) (2) of the Federal Water Pollution Control Act, as amended (86 Stat. 827), is amended by striking "June 30, 1974;" and inserting in lieu thereof "June 30, 1974, and the fiscal year ending June 30, 1975;".

33 USC 1256.

SEC. 4. Section 112(c) of the Federal Water Pollution Control Act, as amended (86 Stat. 832), is amended by striking "and June 30, 1974," and inserting in lieu thereof "June 30, 1974, and June 30, 1975,".

33 USC 1262.

SEC. 5. Section 315(h) of the Federal Water Pollution Control Act is amended by striking out "\$15,000,000" and inserting in lieu thereof "\$17,000,000".

33 USC 1325.

Approved January 2, 1975.

Public Law 93-593

AN ACT

To direct the Administrator of General Services to release certain conditions with respect to certain real property conveyed to the State of Arkansas by the United States, and for other purposes.

January 2, 1975
[H. R. 1820]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any provision of the Act of May 19, 1948 (62 Stat. 240, 16 U.S.C. 667b), or of any other law, the Administrator of General Services (hereafter referred to in this Act as the "Administrator") is authorized and directed to release, subject to section 2 of this Act, on behalf of the United States with respect to certain portions of the real property which is located in the county of Faulkner, State of Arkansas, and which was conveyed by the United States to the State of Arkansas by deed dated June 29, 1949, the conditions in that deed which require that the real property so conveyed—

State of Arkansas.
Certain real property, release of conditions.

(1) be continuously used only for the conservation of wildlife, other than migratory birds; and

(2) revert to the United States at any time it ceases to be so used, or in the event it is needed for national defense purposes.

(b) As used in this Act, the term "certain portions" means those portions of the real property conveyed by the United States to the State of Arkansas by such deed dated June 29, 1949, which in part abut the east boundary of such real property and which lie generally east of Saltillo Road.

"Certain portions."

SEC. 2. (a) The release of the conditions described in subsection (a) of the first section of this Act with respect to the certain portions is contingent upon the entering into of an agreement between the Administrator and the State of Arkansas under which the State of Arkansas, in consideration for the release of such conditions to the certain portions, agrees—

(1) to exchange such certain portions for one or more parcels of real property which are of approximately comparable value and which at least in part abut any of the boundaries of the real property conveyed by the United States to the State of Arkansas by such deed dated June 29, 1949; and

(2) that the real property so acquired by exchange shall be continuously used only for the conservation of wildlife, other than migratory birds, and in the event it is no longer used for such purpose or in the event it is needed for national defense purposes, title thereto shall vest in the United States.

(b) The release of the conditions described in subsection (a) of the first section of this Act shall not take effect with respect to any of the certain portions until such time as an exchange of real property for that certain portion is executed in accordance with the terms of agreement described in subsection (a) of this section.

Approved January 2, 1975.

Public Law 93-594

AN ACT

January 2, 1975
[H. R. 5264]

To amend section 3(f) of the Federal Property and Administrative Services Act of 1949, with respect to American Samoa, Guam, and the Trust Territory of the Pacific Islands.

40 USC 472.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(f) of the Federal Property Administrative Services Act of 1949 is amended by inserting after the words "Puerto Rico," the words "American Samoa, Guam, the Trust Territory of the Pacific Islands,".

Approved January 2, 1975.

Public Law 93-595

AN ACT

January 2, 1975
[H. R. 5463]

To establish rules of evidence for certain courts and proceedings.

Federal Rules
of Evidence.
28 USC app.
Effective date.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rules shall take effect on the one hundred and eightieth day beginning after the date of the enactment of this Act. These rules apply to actions, cases, and proceedings brought after the rules take effect. These rules also apply to further procedure in actions, cases, and proceedings then pending, except to the extent that application of the rules would not be feasible, or would work injustice, in which event former evidentiary principles apply.

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RULES OF EVIDENCE FOR UNITED STATES
COURTS AND MAGISTRATES

28 USC app.

ARTICLE I. GENERAL PROVISIONS

Rule 101. Scope

These rules govern proceedings in the courts of the United States and before United States magistrates, to the extent and with the exceptions stated in rule 1101.

Rule 102. Purpose and Construction

These rules shall be construed to secure fairness in administration, elimination of unjustifiable expense and delay, and promotion of growth and development of the law of evidence to the end that the truth may be ascertained and proceedings justly determined.

Rule 103. Rulings on Evidence

(a) Effect of erroneous ruling.—Error may not be predicated upon a ruling which admits or excludes evidence unless a substantial right of the party is affected, and

- (1) Objection.—In case the ruling is one admitting evidence, a timely objection or motion to strike appears of record, stating

the specific ground of objection, if the specific ground was not apparent from the context; or

(2) Offer of proof.—In case the ruling is one excluding evidence, the substance of the evidence was made known to the court by offer or was apparent from the context within which questions were asked.

(b) Record of offer and ruling.—The court may add any other or further statement which shows the character of the evidence, the form in which it was offered, the objection made, and the ruling thereon. It may direct the making of an offer in question and answer form.

(c) Hearing of jury.—In jury cases, proceedings shall be conducted, to the extent practicable, so as to prevent inadmissible evidence from being suggested to the jury by any means, such as making statements or offers of proof or asking questions in the hearing of the jury.

(d) Plain error.—Nothing in this rule precludes taking notice of plain errors affecting substantial rights although they were not brought to the attention of the court.

Rule 104. Preliminary Questions

(a) Questions of admissibility generally.—Preliminary questions concerning the qualification of a person to be a witness, the existence of a privilege, or the admissibility of evidence shall be determined by the court, subject to the provisions of subdivision (b). In making its determination it is not bound by the rules of evidence except those with respect to privileges.

(b) Relevancy conditioned on fact.—When the relevancy of evidence depends upon the fulfillment of a condition of fact, the court shall admit it upon, or subject to, the introduction of evidence sufficient to support a finding of the fulfillment of the condition.

(c) Hearing of jury.—Hearings on the admissibility of confessions shall in all cases be conducted out of the hearing of the jury. Hearings on other preliminary matters shall be so conducted when the interests of justice require or, when an accused is a witness, if he so requests.

(d) Testimony by accused.—The accused does not, by testifying upon a preliminary matter, subject himself to cross-examination as to other issues in the case.

(e) Weight and credibility.—This rule does not limit the right of a party to introduce before the jury evidence relevant to weight or credibility.

Rule 105. Limited Admissibility

When evidence which is admissible as to one party or for one purpose but not admissible as to another party or for another purpose is admitted, the court, upon request, shall restrict the evidence to its proper scope and instruct the jury accordingly.

Rule 106. Remainder of or Related Writings or Recorded Statements

When a writing or recorded statement or part thereof is introduced by a party, an adverse party may require him at that time to introduce any other part or any other writing or recorded statement which ought in fairness to be considered contemporaneously with it.

ARTICLE II. JUDICIAL NOTICE

Rule 201. Judicial Notice of Adjudicative Facts

(a) Scope of rule.—This rule governs only judicial notice of adjudicative facts.

(b) Kinds of facts.—A judicially noticed fact must be one not subject to reasonable dispute in that it is either (1) generally known within the territorial jurisdiction of the trial court or (2) capable of accurate and ready determination by resort to sources whose accuracy cannot reasonably be questioned.

(c) When discretionary.—A court may take judicial notice, whether requested or not.

(d) When mandatory.—A court shall take judicial notice if requested by a party and supplied with the necessary information.

(e) Opportunity to be heard.—A party is entitled upon timely request to an opportunity to be heard as to the propriety of taking judicial notice and the tenor of the matter noticed. In the absence of prior notification, the request may be made after judicial notice has been taken.

(f) Time of taking notice.—Judicial notice may be taken at any stage of the proceeding.

(g) Instructing jury.—In a civil action or proceeding, the court shall instruct the jury to accept as conclusive any fact judicially noticed. In a criminal case, the court shall instruct the jury that it may, but is not required to, accept as conclusive any fact judicially noticed.

ARTICLE III. PRESUMPTIONS IN CIVIL ACTIONS AND PROCEEDINGS

Rule 301. Presumptions in General in Civil Actions and Proceedings

In all civil actions and proceedings not otherwise provided for by Act of Congress or by these rules, a presumption imposes on the party against whom it is directed the burden of going forward with evidence to rebut or meet the presumption, but does not shift to such party the burden of proof in the sense of the risk of nonpersuasion, which remains throughout the trial upon the party on whom it was originally cast.

Rule 302. Applicability of State Law in Civil Actions and Proceedings

In civil actions and proceedings, the effect of a presumption respecting a fact which is an element of a claim or defense as to which State law supplies the rule of decision is determined in accordance with State law.

ARTICLE IV. RELEVANCY AND ITS LIMITS

Rule 401. Definition of "Relevant Evidence"

"Relevant evidence" means evidence having any tendency to make the existence of any fact that is of consequence to the determination of the action more probable or less probable than it would be without the evidence.

Rule 402. Relevant Evidence Generally Admissible; Irrelevant Evidence Inadmissible

All relevant evidence is admissible, except as otherwise provided by the Constitution of the United States, by Act of Congress, by these rules, or by other rules prescribed by the Supreme Court pursuant to statutory authority. Evidence which is not relevant is not admissible.

Rule 403. Exclusion of Relevant Evidence on Grounds of Prejudice,
Confusion, or Waste of Time

Although relevant, evidence may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury, or by considerations of undue delay, waste of time, or needless presentation of cumulative evidence.

Rule 404. Character Evidence Not Admissible To Prove Conduct;
Exceptions; Other Crimes

(a) Character evidence generally.—Evidence of a person's character or a trait of his character is not admissible for the purpose of proving that he acted in conformity therewith on a particular occasion, except:

(1) Character of accused.—Evidence of a pertinent trait of his character offered by an accused, or by the prosecution to rebut the same;

(2) Character of victim.—Evidence of a pertinent trait of character of the victim of the crime offered by an accused, or by the prosecution to rebut the same, or evidence of a character trait of peacefulness of the victim offered by the prosecution in a homicide case to rebut evidence that the victim was the first aggressor;

(3) Character of witness.—Evidence of the character of a witness, as provided in rules 607, 608, and 609.

(b) Other crimes, wrongs, or acts.—Evidence of other crimes, wrongs, or acts is not admissible to prove the character of a person in order to show that he acted in conformity therewith. It may, however, be admissible for other purposes, such as proof of motive, opportunity, intent, preparation, plan, knowledge, identity, or absence of mistake or accident.

Rule 405. Methods of Proving Character

(a) Reputation or opinion.—In all cases in which evidence of character or a trait of character of a person is admissible, proof may be made by testimony as to reputation or by testimony in the form of an opinion. On cross-examination, inquiry is allowable into relevant specific instances of conduct.

(b) Specific instances of conduct.—In cases in which character or a trait of character of a person is an essential element of a charge, claim, or defense, proof may also be made of specific instances of his conduct.

Rule 406. Habit; Routine Practice

Evidence of the habit of a person or of the routine practice of an organization, whether corroborated or not and regardless of the presence of eyewitnesses, is relevant to prove that the conduct of the person or organization on a particular occasion was in conformity with the habit or routine practice.

Rule 407. Subsequent Remedial Measures

When, after an event, measures are taken which, if taken previously, would have made the event less likely to occur, evidence of the subsequent measures is not admissible to prove negligence or culpable conduct in connection with the event. This rule does not require the exclusion of evidence of subsequent measures when offered for another purpose, such as proving ownership, control, or feasibility of precautionary measures, if controverted, or impeachment.

Rule 408. Compromise and Offers to Compromise

Evidence of (1) furnishing or offering or promising to furnish, or (2) accepting or offering or promising to accept, a valuable consideration in compromising or attempting to compromise a claim which was disputed as to either validity or amount, is not admissible to prove liability for or invalidity of the claim or its amount. Evidence of conduct or statements made in compromise negotiations is likewise not admissible. This rule does not require the exclusion of any evidence otherwise discoverable merely because it is presented in the course of compromise negotiations. This rule also does not require exclusion when the evidence is offered for another purpose, such as proving bias or prejudice of a witness, negating a contention of undue delay, or proving an effort to obstruct a criminal investigation or prosecution.

Rule 409. Payment of Medical and Similar Expenses

Evidence of furnishing or offering or promising to pay medical, hospital, or similar expenses occasioned by an injury is not admissible to prove liability for the injury.

Rule 410. Offer To Plead Guilty; Nolo Contendere;
Withdrawn Plea of Guilty

Except as otherwise provided by Act of Congress, evidence of a plea of guilty, later withdrawn, or a plea of nolo contendere, or of an offer to plead guilty or nolo contendere to the crime charged or any other crime, or of statements made in connection with any of the foregoing pleas or offers, is not admissible in any civil or criminal action, case, or proceeding against the person who made the plea or offer. This rule shall not apply to the introduction of voluntary and reliable statements made in court on the record in connection with any of the foregoing pleas or offers where offered for impeachment purposes or in a subsequent prosecution of the declarant for perjury or false statement.

This rule shall not take effect until August 1, 1975, and shall be superseded by any amendment to the Federal Rules of Criminal Procedure which is inconsistent with this rule, and which takes effect after the date of the enactment of the Act establishing these Federal Rules of Evidence.

Effective date.

18 USC app.

Rule 411. Liability Insurance

Evidence that a person was or was not insured against liability is not admissible upon the issue whether he acted negligently or otherwise wrongfully. This rule does not require the exclusion of evidence of insurance against liability when offered for another purpose, such as proof of agency, ownership, or control, or bias or prejudice of a witness.

ARTICLE V. PRIVILEGES

Rule 501. General Rule

Except as otherwise required by the Constitution of the United States or provided by Act of Congress or in rules prescribed by the Supreme Court pursuant to statutory authority, the privilege of a witness, person, government, State, or political subdivision thereof shall be governed by the principles of the common law as they may be interpreted by the courts of the United States in the light of reason and experience. However, in civil actions and proceedings, with respect to an element of a claim or defense as to which State law

USC prec.
title 1.

supplies the rule of decision, the privilege of a witness, person, government, State, or political subdivision thereof shall be determined in accordance with State law.

ARTICLE VI. WITNESSES

Rule 601. General Rule of Competency

Every person is competent to be a witness except as otherwise provided in these rules. However, in civil actions and proceedings, with respect to an element of a claim or defense as to which State law supplies the rule of decision, the competency of a witness shall be determined in accordance with State law.

Rule 602. Lack of Personal Knowledge

A witness may not testify to a matter unless evidence is introduced sufficient to support a finding that he has personal knowledge of the matter. Evidence to prove personal knowledge may, but need not, consist of the testimony of the witness himself. This rule is subject to the provisions of rule 703, relating to opinion testimony by expert witnesses.

Rule 603. Oath or Affirmation

Before testifying, every witness shall be required to declare that he will testify truthfully, by oath or affirmation administered in a form calculated to awaken his conscience and impress his mind with his duty to do so.

Rule 604. Interpreters

An interpreter is subject to the provisions of these rules relating to qualification as an expert and the administration of an oath or affirmation that he will make a true translation.

Rule 605. Competency of Judge as Witness

The judge presiding at the trial may not testify in that trial as a witness. No objection need be made in order to preserve the point.

Rule 606. Competency of Juror as Witness

(a) At the trial.—A member of the jury may not testify as a witness before that jury in the trial of the case in which he is sitting as a juror. If he is called so to testify, the opposing party shall be afforded an opportunity to object out of the presence of the jury.

(b) Inquiry into validity of verdict or indictment.—Upon an inquiry into the validity of a verdict or indictment, a juror may not testify as to any matter or statement occurring during the course of the jury's deliberations or to the effect of anything upon his or any other juror's mind or emotions as influencing him to assent to or dissent from the verdict or indictment or concerning his mental processes in connection therewith, except that a juror may testify on the question whether extraneous prejudicial information was improperly brought to the jury's attention or whether any outside influence was improperly brought to bear upon any juror. Nor may his affidavit or evidence of any statement by him concerning a matter about what he would be precluded from testifying be received for these purposes.

Rule 607. Who May Impeach

The credibility of a witness may be attacked by any party, including the party calling him.

Rule 608. Evidence of Character and Conduct of Witness

(a) Opinion and reputation evidence of character.—The credibility of a witness may be attacked or supported by evidence in the form of opinion or reputation, but subject to these limitations: (1) the evidence may refer only to character for truthfulness or untruthfulness, and (2) evidence of truthful character is admissible only after the character of the witness for truthfulness has been attacked by opinion or reputation evidence or otherwise.

(b) Specific instances of conduct.—Specific instances of the conduct of a witness, for the purpose of attacking or supporting his credibility, other than conviction of crime as provided in rule 609, may not be proved by extrinsic evidence. They may, however, in the discretion of the court, if probative of truthfulness or untruthfulness, be inquired into on cross-examination of the witness (1) concerning his character for truthfulness or untruthfulness, or (2) concerning the character for truthfulness or untruthfulness of another witness as to which character the witness being cross-examined has testified.

The giving of testimony, whether by an accused or by any other witness, does not operate as a waiver of his privilege against self-incrimination when examined with respect to matters which relate only to credibility.

Rule 609. Impeachment by Evidence of Conviction of Crime

(a) General rule.—For the purpose of attacking the credibility of a witness, evidence that he has been convicted of a crime shall be admitted if elicited from him or established by public record during cross-examination but only if the crime (1) was punishable by death or imprisonment in excess of one year under the law under which he was convicted, and the court determines that the probative value of admitting this evidence outweighs its prejudicial effect to the defendant, or (2) involved dishonesty or false statement, regardless of the punishment.

(b) Time limit.—Evidence of a conviction under this rule is not admissible if a period of more than ten years has elapsed since the date of the conviction or of the release of the witness from the confinement imposed for that conviction, whichever is the later date, unless the court determines, in the interests of justice, that the probative value of the conviction supported by specific facts and circumstances substantially outweighs its prejudicial effect. However, evidence of a conviction more than 10 years old as calculated herein, is not admissible unless the proponent gives to the adverse party sufficient advance written notice of intent to use such evidence to provide the adverse party with a fair opportunity to contest the use of such evidence.

(c) Effect of pardon, annulment, or certificate of rehabilitation.—Evidence of a conviction is not admissible under this rule if (1) the conviction has been the subject of a pardon, annulment, certificate of rehabilitation, or other equivalent procedure based on a finding of the rehabilitation of the person convicted, and that person has not been convicted of a subsequent crime which was punishable by death or imprisonment in excess of one year, or (2) the conviction has been the subject of a pardon, annulment, or other equivalent procedure based on a finding of innocence.

(d) Juvenile adjudications.—Evidence of juvenile adjudications is generally not admissible under this rule. The court may, however, in a criminal case allow evidence of a juvenile adjudication of a witness other than the accused if conviction of the offense would be admissible to attack the credibility of an adult and the court is satisfied that admission in evidence is necessary for a fair determination of the issue of guilt or innocence.

(e) Pendency of appeal.—The pendency of an appeal therefrom does not render evidence of a conviction inadmissible. Evidence of the pendency of an appeal is admissible.

Rule 610. Religious Beliefs or Opinions

Evidence of the beliefs or opinions of a witness on matters of religion is not admissible for the purpose of showing that by reason of their nature his credibility is impaired or enhanced.

Rule 611. Mode and Order of Interrogation and Presentation

(a) Control by court.—The court shall exercise reasonable control over the mode and order of interrogating witnesses and presenting evidence so as to (1) make the interrogation and presentation effective for the ascertainment of the truth, (2) avoid needless consumption of time, and (3) protect witnesses from harassment or undue embarrassment.

(b) Scope of cross-examination.—Cross-examination should be limited to the subject matter of the direct examination and matters affecting the credibility of the witness. The court may, in the exercise of discretion, permit inquiry into additional matters as if on direct examination.

(c) Leading questions.—Leading questions should not be used on the direct examination of a witness except as may be necessary to develop his testimony. Ordinarily leading questions should be permitted on cross-examination. When a party calls a hostile witness, an adverse party, or a witness identified with an adverse party, interrogation may be by leading questions.

Rule 612. Writing Used To Refresh Memory

Except as otherwise provided in criminal proceedings by section 3500 of title 18, United States Code, if a witness uses a writing to refresh his memory for the purpose of testifying, either—

(1) while testifying, or

(2) before testifying, if the court in its discretion determines it is necessary in the interests of justice,

an adverse party is entitled to have the writing produced at the hearing, to inspect it, to cross-examine the witness thereon, and to introduce in evidence those portions which relate to the testimony of the witness. If it is claimed that the writing contains matters not related to the subject matter of the testimony the court shall examine the writing in camera, excise any portions not so related, and order delivery of the remainder to the party entitled thereto. Any portion withheld over objections shall be preserved and made available to the appellate court in the event of an appeal. If a writing is not produced or delivered pursuant to order under this rule, the court shall make any order justice requires, except that in criminal cases when the prosecution elects not to comply, the order shall be one striking the testimony or, if the court in its discretion determines that the interests of justice so require, declaring a mistrial.

Rule 613. Prior Statements of Witnesses

(a) Examining witness concerning prior statement.—In examining a witness concerning a prior statement made by him, whether written or not, the statement need not be shown nor its contents disclosed to him at that time, but on request the same shall be shown or disclosed to opposing counsel.

(b) Extrinsic evidence of prior inconsistent statement of witness.—Extrinsic evidence of a prior inconsistent statement by a witness is not admissible unless the witness is afforded an opportunity to explain or deny the same and the opposite party is afforded an opportunity to interrogate him thereon, or the interests of justice otherwise require. This provision does not apply to admissions of a party-opponent as defined in rule 801(d) (2).

Rule 614. Calling and Interrogation of Witnesses by Court

(a) Calling by court.—The court may, on its own motion or at the suggestion of a party, call witnesses, and all parties are entitled to cross-examine witnesses thus called.

(b) Interrogation by court.—The court may interrogate witnesses, whether called by itself or by a party.

(c) Objections.—Objections to the calling of witnesses by the court or to interrogation by it may be made at the time or at the next available opportunity when the jury is not present.

Rule 615. Exclusion of Witnesses

At the request of a party the court shall order witnesses excluded so that they cannot hear the testimony of other witnesses, and it may make the order of its own motion. This rule does not authorize exclusion of (1) a party who is a natural person, or (2) an officer or employee of a party which is not a natural person designated as its representative by its attorney, or (3) a person whose presence is shown by a party to be essential to the presentation of his cause.

ARTICLE VII. OPINIONS AND EXPERT TESTIMONY

Rule 701. Opinion Testimony by Lay Witnesses

If the witness is not testifying as an expert, his testimony in the form of opinions or inferences is limited to those opinions or inferences which are (a) rationally based on the perception of the witness and (b) helpful to a clear understanding of his testimony or the determination of a fact in issue.

Rule 702. Testimony by Experts

If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise.

Rule 703. Bases of Opinion Testimony by Experts

The facts or data in the particular case upon which an expert bases an opinion or inference may be those perceived by or made known to him at or before the hearing. If of a type reasonably relied upon by experts in the particular field in forming opinions or inferences upon the subject, the facts or data need not be admissible in evidence.

Rule 704. Opinion on Ultimate Issue

Testimony in the form of an opinion or inference otherwise admissible is not objectionable because it embraces an ultimate issue to be decided by the trier of fact.

Rule 705. Disclosure of Facts or Data Underlying Expert Opinion

The expert may testify in terms of opinion or inference and give his reasons therefor without prior disclosure of the underlying facts or data, unless the court requires otherwise. The expert may in any event be required to disclose the underlying facts or data on cross-examination.

Rule 706. Court Appointed Experts

(a) Appointment.—The court may on its own motion or on the motion of any party enter an order to show cause why expert witnesses should not be appointed, and may request the parties to submit nominations. The court may appoint any expert witnesses agreed upon by the parties, and may appoint expert witnesses of its own selection. An expert witness shall not be appointed by the court unless he consents to act. A witness so appointed shall be informed of his duties by the court in writing, a copy of which shall be filed with the clerk, or at a conference in which the parties shall have opportunity to participate. A witness so appointed shall advise the parties of his findings, if any; his deposition may be taken by any party; and he may be called to testify by the court or any party. He shall be subject to cross-examination by each party, including a party calling him as a witness.

(b) Compensation.—Expert witnesses so appointed are entitled to reasonable compensation in whatever sum the court may allow. The compensation thus fixed is payable from funds which may be provided by law in criminal cases and civil actions and proceedings involving just compensation under the fifth amendment. In other civil actions and proceedings the compensation shall be paid by the parties in such proportion and at such time as the court directs, and thereafter charged in like manner as other costs.

(c) Disclosure of appointment.—In the exercise of its discretion, the court may authorize disclosure to the jury of the fact that the court appointed the expert witness.

(d) Parties' experts of own selection.—Nothing in this rule limits the parties in calling expert witnesses of their own selection.

ARTICLE VIII. HEARSAY**Rule 801. Definitions**

The following definitions apply under this article:

(a) Statement.—A "statement" is (1) an oral or written assertion or (2) nonverbal conduct of a person, if it is intended by him as an assertion.

(b) Declarant.—A "declarant" is a person who makes a statement.

(c) Hearsay.—"Hearsay" is a statement, other than one made by the declarant while testifying at the trial or hearing, offered in evidence to prove the truth of the matter asserted.

(d) Statements which are not hearsay.—A statement is not hearsay if—

(1) Prior statement by witness.—The declarant testifies at the trial or hearing and is subject to cross-examination concerning the statement, and the statement is (A) inconsistent with his testimony, and was given under oath subject to the penalty of perjury at a trial, hearing, or other proceeding, or in a deposition, or (B) consistent with his testimony and is offered to rebut an express or implied charge against him of recent fabrication or improper influence or motive, or

(2) Admission by party-opponent.—The statement is offered against a party and is (A) his own statement, in either his individual or a representative capacity or (B) a statement of which he has manifested his adoption or belief in its truth, or (C) a statement by a person authorized by him to make a statement concerning the subject, or (D) a statement by his agent or servant concerning a matter within the scope of his agency or employment, made during the existence of the relationship, or (E) a statement by a coconspirator of a party during the course and in furtherance of the conspiracy.

Rule 802. Hearsay Rule

Hearsay is not admissible except as provided by these rules or by other rules prescribed by the Supreme Court pursuant to statutory authority or by Act of Congress.

Rule 803. Hearsay Exceptions; Availability of Declarant Immaterial

The following are not excluded by the hearsay rule, even though the declarant is available as a witness:

(1) Present sense impression.—A statement describing or explaining an event or condition made while the declarant was perceiving the event or condition, or immediately thereafter.

(2) Excited utterance.—A statement relating to a startling event or condition made while the declarant was under the stress of excitement caused by the event or condition.

(3) Then existing mental, emotional, or physical condition.—A statement of the declarant's then existing state of mind, emotion, sensation, or physical condition (such as intent, plan, motive, design, mental feeling, pain, and bodily health), but not including a statement of memory or belief to prove the fact remembered or believed unless it relates to the execution, revocation, identification, or terms of declarant's will.

(4) Statements for purposes of medical diagnosis or treatment.—Statements made for purposes of medical diagnosis or treatment and describing medical history, or past or present symptoms, pain, or sensations, or the inception or general character of the cause or external source thereof insofar as reasonably pertinent to diagnosis or treatment.

(5) Recorded recollection.—A memorandum or record concerning a matter about which a witness once had knowledge but now has insufficient recollection to enable him to testify fully and accurately, shown to have been made or adopted by the witness when the matter was fresh in his memory and to reflect that knowledge correctly. If admitted, the memorandum or record may be read into evidence but may not itself be received as an exhibit unless offered by an adverse party.

(6) Records of regularly conducted activity.—A memorandum, report, record, or data compilation, in any form, of acts, events, conditions, opinions, or diagnoses, made at or near the time by, or from information transmitted by, a person with knowledge, if kept in the course of a regularly conducted business activity, and if it was the regular practice of that business activity to make the memorandum, report, record, or data compilation, all as shown by the testimony of the custodian or other qualified witness, unless the source of information or the method or circumstances of preparation indicate lack of trustworthiness. The term "business"

as used in this paragraph includes business, institution, association, profession, occupation, and calling of every kind, whether or not conducted for profit.

(7) Absence of entry in records kept in accordance with the provisions of paragraph (6).—Evidence that a matter is not included in the memoranda reports, records, or data compilations, in any form, kept in accordance with the provisions of paragraph (6), to prove the nonoccurrence or nonexistence of the matter, if the matter was of a kind of which a memorandum, report, record, or data compilation was regularly made and preserved, unless the sources of information or other circumstances indicate lack of trustworthiness.

(8) Public records and reports.—Records, reports, statements, or data compilations, in any form, of public offices or agencies, setting forth (A) the activities of the office or agency, or (B) matters observed pursuant to duty imposed by law as to which matters there was a duty to report, excluding, however, in criminal cases matters observed by police officers and other law enforcement personnel, or (C) in civil actions and proceedings and against the Government in criminal cases, factual findings resulting from an investigation made pursuant to authority granted by law, unless the sources of information or other circumstances indicate lack of trustworthiness.

(9) Records of vital statistics.—Records or data compilations, in any form, of births, fetal deaths, deaths, or marriages, if the report thereof was made to a public office pursuant to requirements of law.

(10) Absence of public record or entry.—To prove the absence of a record, report, statement, or data compilation, in any form, or the nonoccurrence or nonexistence of a matter of which a record, report, statement, or data compilation, in any form, was regularly made and preserved by a public office or agency, evidence in the form of a certification in accordance with rule 902, or testimony, that diligent search failed to disclose the record, report, statement, or data compilation, or entry.

(11) Records of religious organizations.—Statements of births, marriages, divorces, deaths, legitimacy, ancestry, relationship by blood or marriage, or other similar facts of personal or family history, contained in a regularly kept record of a religious organization.

(12) Marriage, baptismal, and similar certificates.—Statements of fact contained in a certificate that the maker performed a marriage or other ceremony or administered a sacrament, made by a clergyman, public official, or other person authorized by the rules or practices of a religious organization or by law to perform the act certified, and purporting to have been issued at the time of the act or within a reasonable time thereafter.

(13) Family records.—Statements of fact concerning personal or family history contained in family Bibles, genealogies, charts, engravings on rings, inscriptions on family portraits, engravings on urns, crypts, or tombstones, or the like.

(14) Records of documents affecting an interest in property.—The record of a document purporting to establish or affect an interest in property, as proof of the content of the original recorded document and its execution and delivery by each person by whom it purports to have been executed, if the record is a record of a public office and an applicable statute authorizes the recording of documents of that kind in that office.

(15) Statements in documents affecting an interest in property.—A statement contained in a document purporting to establish or affect an interest in property if the matter stated was relevant to the purpose of the document, unless dealings with the property since the document was made have been inconsistent with the truth of the statement or the purport of the document.

(16) Statements in ancient documents.—Statements in a document in existence twenty years or more the authenticity of which is established.

(17) Market reports, commercial publications.—Market quotations, tabulations, lists, directories, or other published compilations, generally used and relied upon by the public or by persons in particular occupations.

(18) Learned treatises.—To the extent called to the attention of an expert witness upon cross-examination or relied upon by him in direct examination, statements contained in published treatises, periodicals, or pamphlets on a subject of history, medicine, or other science or art, established as a reliable authority by the testimony or admission of the witness or by other expert testimony or by judicial notice. If admitted, the statements may be read into evidence but may not be received as exhibits.

(19) Reputation concerning personal or family history.—Reputation among members of his family by blood, adoption, or marriage, or among his associates, or in the community, concerning a person's birth, adoption, marriage, divorce, death, legitimacy, relationship by blood, adoption, or marriage, ancestry, or other similar fact of his personal or family history.

(20) Reputation concerning boundaries or general history.—Reputation in a community, arising before the controversy, as to boundaries of or customs affecting lands in the community, and reputation as to events of general history important to the community or State or nation in which located.

(21) Reputation as to character.—Reputation of a person's character among his associates or in the community.

(22) Judgment of previous conviction.—Evidence of a final judgment, entered after a trial or upon a plea of guilty (but not upon a plea of *nolo contendere*), adjudging a person guilty of a crime punishable by death or imprisonment in excess of one year, to prove any fact essential to sustain the judgment, but not including, when offered by the Government in a criminal prosecution for purposes other than impeachment, judgments against persons other than the accused. The pendency of an appeal may be shown but does not affect admissibility.

(23) Judgment as to personal, family or general history, or boundaries.—Judgments as proof of matters of personal, family or general history, or boundaries, essential to the judgment, if the same would be provable by evidence of reputation.

(24) Other exceptions.—A statement not specifically covered by any of the foregoing exceptions but having equivalent circumstantial guarantees of trustworthiness, if the court determines that (A) the statement is offered as evidence of a material fact; (B) the statement is more probative on the point for which it is offered than any other evidence which the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence. However, a statement may not be admitted under this exception unless the proponent of it makes known to the adverse party sufficiently in advance of the trial

or hearing to provide the adverse party with a fair opportunity to prepare to meet it, his intention to offer the statement and the particulars of it, including the name and address of the declarant.

Rule 804. Hearsay Exceptions: Declarant Unavailable

(a) Definition of unavailability.—“Unavailability as a witness” includes situations in which the declarant—

(1) is exempted by ruling of the court on the ground of privilege from testifying concerning the subject matter of his statement; or

(2) persists in refusing to testify concerning the subject matter of his statement despite an order of the court to do so; or

(3) testifies to a lack of memory of the subject matter of his statement; or

(4) is unable to be present or to testify at the hearing because of death or then existing physical or mental illness or infirmity; or

(5) is absent from the hearing and the proponent of his statement has been unable to procure his attendance (or in the case of a hearsay exception under subdivision (b) (2), (3), or (4), his attendance or testimony) by process or other reasonable means.

A declarant is not unavailable as a witness if his exemption, refusal, claim of lack of memory, inability, or absence is due to the procurement or wrongdoing of the proponent of his statement for the purpose of preventing the witness from attending or testifying.

(b) Hearsay exceptions.—The following are not excluded by the hearsay rule if the declarant is unavailable as a witness:

(1) Former testimony.—Testimony given as a witness at another hearing of the same or a different proceeding, or in a deposition taken in compliance with law in the course of the same or another proceeding, if the party against whom the testimony is now offered, or, in a civil action or proceeding, a predecessor in interest, had an opportunity and similar motive to develop the testimony by direct, cross, or redirect examination.

(2) Statement under belief of impending death.—In a prosecution for homicide or in a civil action or proceeding, a statement made by a declarant while believing that his death was imminent, concerning the cause or circumstances of what he believed to be his impending death.

(3) Statement against interest.—A statement which was at the time of its making so far contrary to the declarant's pecuniary or proprietary interest, or so far tended to subject him to civil or criminal liability, or to render invalid a claim by him against another, that a reasonable man in his position would not have made the statement unless he believed it to be true. A statement tending to expose the declarant to criminal liability and offered to exculpate the accused is not admissible unless corroborating circumstances clearly indicate the trustworthiness of the statement.

(4) Statement of personal or family history.—(A) A statement concerning the declarant's own birth, adoption, marriage, divorce, legitimacy, relationship by blood, adoption, or marriage, ancestry, or other similar fact of personal or family history, even though declarant had no means of acquiring personal knowledge of the matter stated; or (B) a statement concerning the foregoing matters, and death also, of another person, if the declarant was related to the other by blood, adoption, or marriage or

was so intimately associated with the other's family as to be likely to have accurate information concerning the matter declared.

(5) Other exceptions.—A statement not specifically covered by any of the foregoing exceptions but having equivalent circumstantial guarantees of trustworthiness, if the court determines that (A) the statement is offered as evidence of a material fact; (B) the statement is more probative on the point for which it is offered than any other evidence which the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence. However, a statement may not be admitted under this exception unless the proponent of it makes known to the adverse party sufficiently in advance of the trial or hearing to provide the adverse party with a fair opportunity to prepare to meet it, his intention to offer the statement and the particulars of it, including the name and address of the declarant.

Rule 805. Hearsay Within Hearsay

Hearsay included within hearsay is not excluded under the hearsay rule if each part of the combined statements conforms with an exception to the hearsay rule provided in these rules.

Rule 806. Attacking and Supporting Credibility of Declarant

When a hearsay statement, or a statement defined in Rule 801(d) (2), (C), (D), or (E), has been admitted in evidence, the credibility of the declarant may be attacked, and if attacked may be supported, by any evidence which would be admissible for those purposes if declarant had testified as a witness. Evidence of a statement or conduct by the declarant at any time, inconsistent with his hearsay statement, is not subject to any requirement that he may have been afforded an opportunity to deny or explain. If the party against whom a hearsay statement has been admitted calls the declarant as a witness, the party is entitled to examine him on the statement as if under cross-examination.

ARTICLE IX. AUTHENTICATION AND IDENTIFICATION

Rule 901. Requirement of Authentication or Identification

(a) General provision.—The requirement of authentication or identification as a condition precedent to admissibility is satisfied by evidence sufficient to support a finding that the matter in question is what its proponent claims.

(b) Illustrations.—By way of illustration only, and not by way of limitation, the following are examples of authentication or identification conforming with the requirements of this rule:

(1) Testimony of witness with knowledge.—Testimony that a matter is what it is claimed to be.

(2) Nonexpert opinion on handwriting.—Nonexpert opinion as to the genuineness of handwriting, based upon familiarity not acquired for purposes of the litigation.

(3) Comparison by trier or expert witness.—Comparison by the trier of fact or by expert witnesses with specimens which have been authenticated.

(4) Distinctive characteristics and the like.—Appearance, contents, substance, internal patterns, or other distinctive characteristics, taken in conjunction with circumstances.

(5) Voice identification.—Identification of a voice, whether heard firsthand or through mechanical or electronic transmission or recording, by opinion based upon hearing the voice at any time under circumstances connecting it with the alleged speaker.

(6) Telephone conversations.—Telephone conversations, by evidence that a call was made to the number assigned at the time by the telephone company to a particular person or business, if (A) in the case of a person, circumstances, including self-identification, show the person answering to be the one called, or (B) in the case of a business, the call was made to a place of business and the conversation related to business reasonably transacted over the telephone.

(7) Public records or reports.—Evidence that a writing authorized by law to be recorded or filed and in fact recorded or filed in a public office, or a purported public record, report, statement, or data compilation, in any form, is from the public office where items of this nature are kept.

(8) Ancient documents or data compilation.—Evidence that a document or data compilation, in any form, (A) is in such condition as to create no suspicion concerning its authenticity, (B) was in a place where it, if authentic, would likely be, and (C) has been in existence 20 years or more at the time it is offered.

(9) Process or system.—Evidence describing a process or system used to produce a result and showing that the process or system produces an accurate result.

(10) Methods provided by statute or rule.—Any method of authentication or identification provided by Act of Congress or by other rules prescribed by the Supreme Court pursuant to statutory authority.

Rule 902. Self-authentication

Extrinsic evidence of authenticity as a condition precedent to admissibility is not required with respect to the following:

(1) Domestic public documents under seal.—A document bearing a seal purporting to be that of the United States, or of any State, district, Commonwealth, territory, or insular possession thereof, or the Panama Canal Zone, or the Trust Territory of the Pacific Islands, or of a political subdivision, department, officer, or agency thereof, and a signature purporting to be an attestation or execution.

(2) Domestic public documents not under seal.—A document purporting to bear the signature in his official capacity of an officer or employee of any entity included in paragraph (1) hereof, having no seal, if a public officer having a seal and having official duties in the district or political subdivision of the officer or employee certifies under seal that the signer has the official capacity and that the signature is genuine.

(3) Foreign public documents.—A document purporting to be executed or attested in his official capacity by a person authorized by the laws of a foreign country to make the execution or attestation, and accompanied by a final certification as to the genuineness of the signature and official position (A) of the executing or attesting person, or (B) of any foreign official whose certificate of genuineness of signature and official position relates to

the execution or attestation or is in a chain of certificates of genuineness of signature and official position relating to the execution or attestation. A final certification may be made by a secretary of embassy or legation, consul general, consul, vice consul, or consular agent of the United States, or a diplomatic or consular official of the foreign country assigned or accredited to the United States. If reasonable opportunity has been given to all parties to investigate the authenticity and accuracy of official documents, the court may, for good cause shown, order that they be treated as presumptively authentic without final certification or permit them to be evidenced by an attested summary with or without final certification.

(4) Certified copies of public records.—A copy of an official record or report or entry therein, or of a document authorized by law to be recorded or filed and actually recorded or filed in a public office, including data compilations in any form, certified as correct by the custodian or other person authorized to make the certification, by certificate complying with paragraph (1), (2), or (3) of this rule or complying with any Act of Congress or rule prescribed by the Supreme Court pursuant to statutory authority.

(5) Official publications.—Books, pamphlets, or other publications purporting to be issued by public authority.

(6) Newspapers and periodicals.—Printed materials purporting to be newspapers or periodicals.

(7) Trade inscriptions and the like.—Inscriptions, signs, tags, or labels purporting to have been affixed in the course of business and indicating ownership, control, or origin.

(8) Acknowledged documents.—Documents accompanied by a certificate of acknowledgment executed in the manner provided by law by a notary public or other officer authorized by law to take acknowledgments.

(9) Commercial paper and related documents.—Commercial paper, signatures thereon, and documents relating thereto to the extent provided by general commercial law.

(10) Presumptions under Acts of Congress.—Any signature, document, or other matter declared by Act of Congress to be presumptively or prima facie genuine or authentic.

Rule 903. Subscribing Witness' Testimony Unnecessary

The testimony of a subscribing witness is not necessary to authenticate a writing unless required by the laws of the jurisdiction whose laws govern the validity of the writing.

ARTICLE X. CONTENTS OF WRITINGS, RECORDINGS, AND PHOTOGRAPHS

Rule 1001. Definitions.

For purposes of this article the following definitions are applicable:

(1) Writings and recordings.—“Writings” and “recordings” consist of letters, words, or numbers, or their equivalent, set down by handwriting, typewriting, printing, photostating, photographing, magnetic impulse, mechanical or electronic recording, or other form of data compilation.

(2) Photographs.—“Photographs” include still photographs, X-ray films, video tapes, and motion pictures.

(3) Original.—An “original” of a writing or recording is the writing or recording itself or any counterpart intended to have

the same effect by a person executing or issuing it. An "original" of a photograph includes the negative or any print therefrom. If data are stored in a computer or similar device, any printout or other output readable by sight, shown to reflect the data accurately, is an "original".

(4) Duplicate.—A "duplicate" is a counterpart produced by the same impression as the original, or from the same matrix, or by means of photography, including enlargements and miniatures, or by mechanical or electronic re-recording, or by chemical reproduction, or by other equivalent techniques which accurately reproduces the original.

Rule 1002. Requirement of Original

To prove the content of a writing, recording, or photograph, the original writing, recording, or photograph is required, except as otherwise provided in these rules or by Act of Congress.

Rule 1003. Admissibility of Duplicates

A duplicate is admissible to the same extent as an original unless (1) a genuine question is raised as to the authenticity of the original or (2) in the circumstances it would be unfair to admit the duplicate in lieu of the original.

Rule 1004. Admissibility of Other Evidence of Contents

The original is not required, and other evidence of the contents of a writing, recording, or photograph is admissible if—

(1) Originals lost or destroyed.—All originals are lost or have been destroyed, unless the proponent lost or destroyed them in bad faith; or

(2) Original not obtainable.—No original can be obtained by any available judicial process or procedure; or

(3) Original in possession of opponent.—At a time when an original was under the control of the party against whom offered, he was put on notice, by the pleadings or otherwise, that the contents would be a subject of proof at the hearing, and he does not produce the original at the hearing; or

(4) Collateral matters.—The writing, recording, or photograph is not closely related to a controlling issue.

Rule 1005. Public Records

The contents of an official record, or of a document authorized to be recorded or filed and actually recorded or filed, including data compilations in any form, if otherwise admissible, may be proved by copy, certified as correct in accordance with rule 902 or testified to be correct by a witness who has compared it with the original. If a copy which complies with the foregoing cannot be obtained by the exercise of reasonable diligence, then other evidence of the contents may be given.

Rule 1006. Summaries

The contents of voluminous writings, recordings, or photographs which cannot conveniently be examined in court may be presented in the form of a chart, summary, or calculation. The originals, or duplicates, shall be made available for examination or copying, or both, by other parties at reasonable time and place. The court may order that they be produced in court.

Rule 1007. Testimony or Written Admission of Party

Contents of writings, recordings, or photographs may be proved by the testimony or deposition of the party against whom offered or by his written admission, without accounting for the nonproduction of the original.

Rule 1008. Functions of Court and Jury

When the admissibility of other evidence of contents of writings, recordings, or photographs under these rules depends upon the fulfillment of a condition of fact, the question whether the condition has been fulfilled is ordinarily for the court to determine in accordance with the provisions of rule 104. However, when an issue is raised (a) whether the asserted writing ever existed, or (b) whether another writing, recording, or photograph produced at the trial is the original, or (c) whether other evidence of contents correctly reflects the contents, the issue is for the trier of fact to determine as in the case of other issues of fact.

ARTICLE XI. MISCELLANEOUS RULES

Rule 1101. Applicability of Rules

(a) Courts and magistrates.—These rules apply to the United States district courts, the District Court of Guam, the District Court of the Virgin Islands, the District Court for the District of the Canal Zone, the United States courts of appeals, the Court of Claims, and to United States magistrates, in the actions, cases, and proceedings and to the extent hereinafter set forth. The terms “judge” and “court” in these rules include United States magistrates, referees in bankruptcy, and commissioners of the Court of Claims.

(b) Proceedings generally.—These rules apply generally to civil actions and proceedings, including admiralty and maritime cases, to criminal cases and proceedings, to contempt proceedings except those in which the court may act summarily, and to proceedings and cases under the Bankruptcy Act.

(c) Rule of privilege.—The rule with respect to privileges applies at all stages of all actions, cases, and proceedings.

(d) Rules inapplicable.—The rules (other than with respect to privileges) do not apply in the following situations:

(1) Preliminary questions of fact.—The determination of questions of fact preliminary to admissibility of evidence when the issue is to be determined by the court under rule 104.

(2) Grand jury.—Proceedings before grand juries.

(3) Miscellaneous proceedings.—Proceedings for extradition or rendition; preliminary examinations in criminal cases; sentencing, or granting or revoking probation; issuance of warrants for arrest, criminal summonses, and search warrants; and proceedings with respect to release on bail or otherwise.

(e) Rules applicable in part.—In the following proceedings these rules apply to the extent that matters of evidence are not provided for in the statutes which govern procedure therein or in other rules prescribed by the Supreme Court pursuant to statutory authority: the trial of minor and petty offenses by United States magistrates; review of agency actions when the facts are subject to trial de novo under section 706(2) (F) of title 5, United States Code; review of orders of the Secretary of Agriculture under section 2 of the Act entitled “An Act to authorize association of producers of agricultural products” approved February 18, 1922 (7 U.S.C. 292), and under sections 6 and 7(c) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C.

11 USC 1 note.

499f, 499g(c)); naturalization and revocation of naturalization under sections 310–318 of the Immigration and Nationality Act (8 U.S.C. 1421–1429); prize proceedings in admiralty under sections 7651–7681 of title 10, United States Code; review of orders of the Secretary of the Interior under section 2 of the Act entitled “An Act authorizing associations of producers of aquatic products” approved June 25, 1934 (15 U.S.C. 522); review of orders of petroleum control boards under section 5 of the Act entitled “An Act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes”, approved February 22, 1935 (15 U.S.C. 715d); actions for fines, penalties, or forfeitures under part V of title IV of the Tariff Act of 1930 (19 U.S.C. 1581–1624), or under the Anti-Smuggling Act (19 U.S.C. 1701–1711); criminal libel for condemnation, exclusion of imports, or other proceedings under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301–392); disputes between seamen under sections 4079, 4080, and 4081 of the Revised Statutes (22 U.S.C. 256–258; habeas corpus under sections 2241–2254 of title 28, United States Code; motions to vacate, set aside or correct sentence under section 2255 of title 28, United States Code; actions for penalties for refusal to transport destitute seamen under section 4578 of the Revised Statutes (46 U.S.C. 679); actions against the United States under the Act entitled “An Act authorizing suits against the United States in admiralty for damage caused by and salvage service rendered to public vessels belonging to the United States, and for other purposes”, approved March 3, 1925 (46 U.S.C. 781–790), as implemented by section 7730 of title 10, United States Code.

Rule 1102. Amendments

Infra. Amendments to the Federal Rules of Evidence may be made as provided in section 2076 of title 28 of the United States Code.

Rule 1103. Title

These rules may be known and cited as the Federal Rules of Evidence.

SEC. 2. (a) Title 28 of the United States Code is amended—

(1) by inserting immediately after section 2075 the following new section:

28 USC 2076.

“§ 2076. Rules of evidence

Report to
Congress.

“The Supreme Court of the United States shall have the power to prescribe amendments to the Federal Rules of Evidence. Such amendments shall not take effect until they have been reported to Congress by the Chief Justice at or after the beginning of a regular session of Congress but not later than the first day of May, and until the expiration of one hundred and eighty days after they have been so reported; but if either House of Congress within that time shall by resolution disapprove any amendment so reported it shall not take effect. The effective date of any amendment so reported may be deferred by either House of Congress to a later date or until approved by Act of Congress. Any rule whether proposed or in force may be amended by Act of Congress. Any provision of law in force at the expiration of such time and in conflict with any such amendment not disapproved shall be of no further force or effect after such amendment has taken effect. Any such amendment creating, abolishing, or modifying a privilege shall have no force or effect unless it shall be approved by act of Congress”; and

(2) by adding at the end of the table of sections of chapter 181 the following new item:

“2076. Rules of evidence.”

(b) Section 1732 of title 28 of the United States Code is amended by striking out subsection (a), and by striking out “(b)”.

(c) Section 1733 of title 28 of the United States Code is amended by adding at the end thereof the following new subsection:

“(c) This section does not apply to cases, actions, and proceedings to which the Federal Rules of Evidence apply.”

SEC. 3. The Congress expressly approves the amendments to the Federal Rules of Civil Procedure, and the amendments to the Federal Rules of Criminal Procedure, which are embraced by the orders entered by the Supreme Court of the United States on November 20, 1972, and December 18, 1972, and such amendments shall take effect on the one hundred and eightieth day beginning after the date of the enactment of this Act.

18 USC 3771
note.
28 USC 2071
note.
Effective date.

Approved January 2, 1975.

Public Law 93-596

AN ACT

To amend the Trademark Act of 1946 and title 35 of the United States Code to change the name of the Patent Office to the “Patent and Trademark Office”.

January 2, 1975
[H. R. 7599]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Trademark Act of 1946, 60 Stat. 427, as amended (15 U.S.C. sec. 1051 et seq. (1970)), and title 35 of the United States Code, entitled “Patents”, are amended by striking out each time they appear “Patent Office” and “Commissioner of Patents” and inserting in lieu thereof “Patent and Trademark Office” and “Commissioner of Patents and Trademarks”, respectively.

Patent Office.
Name change.
35 USC 1 et
seq.

SEC. 2. Section 29 of the Trademark Act of 1946 is further amended by striking out “Reg. U.S. Pat. Off.” and inserting in lieu thereof “Reg. U.S. Pat. & Tm. Off.”

15 USC 1111.

SEC. 3. The terms “Patent Office” and “Commissioner of Patents” in all laws of the United States shall mean “Patent and Trademark Office” and “Commissioner of Patents and Trademarks”, respectively.

35 USC 1 note.

SEC. 4. This Act shall become effective upon enactment. However, any registrant may continue to give notice of his registration in accordance with section 29 of the Trademark Act of 1946 (60 Stat. 427), as amended Oct. 9, 1962 (76 Stat. 769), as an alternative to notice in accordance with section 29 of the Trademark Act as amended by section 2 of this Act, regardless of whether his mark was registered before or after the effective date of this Act.

Effective date.
15 USC 1111
note.

Approved January 2, 1975.

Public Law 93-597

AN ACT

January 2, 1975
[H. R. 8214]

To modify the tax treatment of members of the Armed Forces of the United States and civilian employees who are prisoners of war or missing in action, and for other purposes.

Internal Revenue Code of 1954, amendments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF 1954 CODE.

Except as otherwise provided in this Act, whenever an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be a section or other provision of the Internal Revenue Code of 1954.

SEC. 2. CERTAIN COMBAT PAY OF MEMBERS OF THE ARMED FORCES.

(a) AMENDMENT OF SUBSECTIONS (a) AND (b) OF SECTION 112.—Subsections (a) and (b) of section 112 (relating to certain combat pay of members of the Armed Forces) are each amended—

(1) by striking out “during an induction period” in paragraph (1).

(2) by striking out “during an induction period; but this paragraph shall not apply for any month during any part of which there are no combatant activities in any combat zone as determined under subsection (c) (3) of this section” in paragraph (2), and inserting in lieu thereof “; but this paragraph shall not apply for any month beginning more than 2 years after the date of the termination of combatant activities in such zone”, and

(3) by adding at the end thereof the following new sentence: “With respect to service in the combat zone designated for purposes of the Vietnam conflict, paragraph (2) shall not apply to any month beginning more than 2 years after the date of the enactment of this sentence.”

(b) CONFORMING AMENDMENT.—Subsection (c) of section 112 is amended by striking out paragraph (5).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1973.

SEC. 3. JOINT RETURNS; SURVIVING SPOUSE.

(a) JOINT RETURNS.—Section 6013 (relating to joint returns of income tax by husband and wife) is amended by adding at the end thereof the following new subsection:

“(f) JOINT RETURN WHERE INDIVIDUAL IS IN MISSING STATUS.—For purposes of this section and subtitle A—

“(1) ELECTION BY SPOUSE.—If—

“(A) an individual is in a missing status (within the meaning of paragraph (3)) as a result of service in a combat zone (as determined for purposes of section 112), and

“(B) the spouse of such individual is otherwise entitled to file a joint return for any taxable year which begins on or before the day which is 2 years after the date designated under section 112 as the date of termination of combatant activities in such zone,

then such spouse may elect under subsection (a) to file a joint return for such taxable year. With respect to service in the combat zone designated for purposes of the Vietnam conflict, no such election may be made for any taxable year beginning more than 2 years after the date of the enactment of this sentence.

26 USC 1 et seq.

26 USC 112.

26 USC 112 note.

26 USC 6013.

“(2) EFFECT OF ELECTION.—If the spouse of an individual described in paragraph (1) (A) elects to file a joint return under subsection (a) for a taxable year, then, until such election is revoked—

“(A) such election shall be valid even if such individual died before the beginning of such year, and

“(B) except for purposes of section 692 (relating to income taxes of members of the Armed Forces on death), the income tax liability of such individual, his spouse, and his estate shall be determined as if he were alive throughout the taxable year.

26 USC 692.

“(3) MISSING STATUS.—For purposes of this subsection—

“(A) UNIFORMED SERVICES.—A member of a uniformed service (within the meaning of section 101(3) of title 37 of the United States Code) is in a missing status for any period for which he is entitled to pay and allowances under section 552 of such title 37.

“(B) CIVILIAN EMPLOYEES.—An employee (within the meaning of section 5561(2) of title 5 of the United States Code) is in a missing status for any period for which he is entitled to pay and allowances under section 5562 of such title 5.

“(4) MAKING OF ELECTION; REVOCATION.—An election described in this subsection with respect to any taxable year may be made by filing a joint return in accordance with subsection (a) and under such regulations as may be prescribed by the Secretary or his delegate. Such an election may be revoked by either spouse on or before the due date (including extensions) for such taxable year, and, in the case of an executor or administrator, may be revoked by disaffirming as provided in the last sentence of subsection (a) (3).”

(b) SURVIVING SPOUSE.—Section 2(a) (defining surviving spouse) is amended by adding at the end thereof the following new paragraph:

26 USC 2.

“(3) SPECIAL RULE WHERE DECEASED SPOUSE WAS IN MISSING STATUS.—If an individual was in a missing status (within the meaning of section 6013(f) (3)) as a result of service in a combat zone (as determined for purposes of section 112) and if such individual remains in such status until the date referred to in subparagraph (A) or (B), then, for purposes of paragraph (1) (A), the date on which such individual died shall be treated as the earlier of the date determined under subparagraph (A) or the date determined under subparagraph (B):

Ante, p. 1950.

26 USC 112.

“(A) the date on which the determination is made under section 556 of title 37 of the United States Code or under section 5566 of title 5 of such Code (whichever is applicable) that such individual died while in such missing status, or

“(B) the date which is 2 years after—

“(i) the date of the enactment of this paragraph, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

“(ii) the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in clause (i).”

26 USC 6013
note.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending on or after February 28, 1961.

SEC. 4. INCOME TAXES OF MEMBERS OF ARMED FORCES ON DEATH.

26 USC 692.

(a) **AMENDMENT OF SECTION 692.**—Section 692 (relating to income taxes of members of Armed Forces on death) is amended—

(1) by striking out “In the case” and inserting in lieu thereof “(a) **GENERAL RULE.**—In the case”;

(2) by striking out “during an induction period (as defined in section 112(c)(5))”; and

(3) by adding at the end thereof the following new subsection:

Ante, p. 1950.

“(b) **INDIVIDUALS IN MISSING STATUS.**—For purposes of this section, in the case of an individual who was in a missing status within the meaning of section 6013(f)(3)(A), the date of his death shall be treated as being not earlier than the date on which a determination of his death is made under section 556 of title 37 of the United States Code. The preceding sentence shall not cause subsection (a)(1) to apply for any taxable year beginning more than 2 years after—

“(1) the date of the enactment of this subsection, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

26 USC 112.

“(2) the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).”

26 USC 692
note.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to taxable years ending on or after February 28, 1961.

26 USC 692
note.

(c) **REFUNDS AND CREDITS RESULTING FROM SECTION 692 OF CODE.**—If the refund or credit of any overpayment for any taxable year ending on or after February 28, 1961, resulting from the application of section 692 of the Internal Revenue Code of 1954 (as amended by subsection (a) of this section) is prevented at any time before the expiration of one year after the date of the enactment of this Act by the operation of any law or rule of law, but would not have been so prevented if claim for refund or credit therefor were made on the due date for the return for the taxable year of his death (or any later year), refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed before the expiration of such one-year period.

SEC. 5. TIME FOR PERFORMING CERTAIN ACTS POSTPONED BY REASON OF WAR.

26 USC 7508.

(a) **AMENDMENT OF SECTION 7508.**—Section 7508 (relating to time for performing acts postponed by reason of war) is amended by redesignating subsection (b) as subsection (d) and by inserting after subsection (a) the following new subsections:

“(b) **APPLICATION TO SPOUSE.**—The provisions of this section shall apply to the spouse of any individual entitled to the benefits of subsection (a). The preceding sentence shall not cause this section to apply to any spouse for any taxable year beginning more than 2 years after—

“(1) the date of the enactment of this subsection, in the case of service in the combat zone designated for purposes of the Vietnam conflict, or

“(2) the date designated under section 112 as the date of termination of combatant activities in that zone, in the case of any combat zone other than that referred to in paragraph (1).”

“(c) MISSING STATUS.—The period of service in the area referred to in subsection (a) shall include the period during which an individual entitled to benefits under subsection (a) is in a missing status, within the meaning of section 6013(f)(3).”

Ante, p. 1950.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years ending on or after February 28, 1961.

26 USC 7508
note.

SEC. 6. TECHNICAL AMENDMENTS SO THAT CERTAIN PROVISIONS WILL APPLY WITHOUT REGARD TO WHETHER OR NOT AN INDUCTION PERIOD EXISTS.

(a) SALE OF RESIDENCE.—Section 1034(h) (relating to sale or exchange of residence by members of the Armed Forces) is amended by striking out “and during an induction period (as defined in section 112(c)(5))”.

26 USC 1034.

(b) NONAPPLICATION OF ADDITIONAL ESTATE TAX.—

(1) Section 2210 (relating to members of the Armed Forces dying during induction period) is amended by striking out “during an induction period (as defined in section 112(c)(5))”.

26 USC 2201.

(2) The heading for such section 2201 is amended to read as follows:

“SEC. 2201. MEMBERS OF THE ARMED FORCES DYING IN COMBAT ZONE OR BY REASON OF COMBAT-ZONE-INCURRED WOUNDS, ETC.”.

(3) The table of sections for subchapter C of chapter 11 of such Code is amended by striking out the item relating to section 2201 and inserting in lieu thereof the following:

“Sec. 2201. Members of the Armed Forces dying in combat zone or by reason of combat-zone-incurred wounds, etc.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1973.

26 USC 1034
note.

SEC. 7. EXTENSION OF SECTION 112(d) OF CODE TO CERTAIN MEMBERS OF ARMED FORCES AND CIVILIANS ILLEGALLY DETAINED IN 1968.

26 USC 112.

(a) IN GENERAL.—The first section of the Act of April 24, 1970, entitled “An Act to provide that, for purposes of the Internal Revenue Code of 1954, individuals who were illegally detained during 1968 by the Democratic People’s Republic of Korea shall be treated as serving in a combat zone” (Public Law 91-235) is amended by adding at the end thereof the following new sentence: “For purposes of section 112(d) of the Internal Revenue Code of 1954, the period during which any member of the Armed Forces of the United States or any employee was so detained shall be treated as a period in which such member or employee is in a missing status during the Vietnam conflict as a result of such conflict.”

84 Stat. 200.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to compensation received for periods of active service after December 31, 1967, in taxable years ending after such date. If refund or credit of any overpayment for any taxable year resulting from the application of the amendment made by subsection (a) is prevented at any time before the expiration of one year after the date of the enactment of this Act by the operation of any law or rule of law, refund or credit of such overpayment may, nevertheless, be made or allowed if claim therefor is filed before the expiration of such one-year period.

Approved January 2, 1975.

Public Law 93-598

January 2, 1975
[H. R. 8591]

AN ACT

To authorize the President to appoint to the active list of the Navy and Marine Corps certain Reserves and temporary officers.

Navy and Marine Corps.
Presidential appointments to active list.
10 USC 5573a note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 5573a of title 10, United States Code, or any other law, the President may make appointments to the active list of the Navy in permanent grades not above captain, and to the active list of the Marine Corps in permanent grades not above colonel from officers of the following who were in a missing status as defined in section 551(2) of title 37, United States Code, during the Vietnam conflict as a result of that conflict:

(1) The Naval Reserve or the Marine Corps Reserve.

(2) The Regular Navy or Marine Corps who do not hold permanent commission appointments therein.

Vietnam conflict.
10 USC 5573a note.

SEC. 2. For the purposes of this Act, the Vietnam conflict—

(1) begins on February 28, 1961;

(2) ends on the date designated by the President by Executive order as the date of the termination of combatant activities in Vietnam; and

(3) includes activities in Vietnam, Laos, Cambodia and Thailand.

10 USC 5573a note.

SEC. 3. The authority to make appointments under this Act shall expire two years from the date of enactment.

Approved January 2, 1975.

Public Law 93-599

January 2, 1975
[H. R. 8958]

AN ACT

To amend the Federal Property and Administrative Services Act of 1949 to provide for the disposal of certain excess and surplus Federal property to the Secretary of the Interior for the benefit of any group, band, or tribe of Indians.

Indian reservations.
Excess property, disposal.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 202(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(a)) is amended as follows:

(1) The first sentence of such subsection is amended by striking out "In" at the beginning of such sentence and inserting in lieu thereof: "(1) Subject to the provisions of paragraph (2) of this subsection, in".

(2) Such subsection is amended by adding at the end thereof the following new paragraph:

"(2) The Administrator shall prescribe such procedures as may be necessary in order to transfer without compensation to the Secretary of the Interior excess real property located within the reservation of any group, band, or tribe of Indians which is recognized as eligible for services by the Bureau of Indian Affairs. Such excess real property shall be held in trust by the Secretary for the benefit and use of the group, band, or tribe of Indians, within whose reservation such excess real property is located: *Provided*, That such transfers of real property within the State of Oklahoma shall be made to the Secretary of the Interior to be held in trust for Oklahoma Indian tribes recognized by the Secretary of the Interior when such real property (1) is located within boundaries of former reservations in Oklahoma as defined by the Secretary of Interior and when such real property was held in trust by the United States for an Indian tribe at the time of

acquisition by the United States, or (2) is contiguous to real property presently held in trust by the United States for an Oklahoma Indian tribe and was at any time held in trust by the United States for an Indian tribe.”

Approved January 2, 1975.

Public Law 93-600

AN ACT

January 2, 1975
[H. R. 8981]

To amend the Trademark Act to extend the time for filing oppositions, to eliminate the requirement for filing reasons of appeal in the Patent Office, and to provide for awarding attorney fees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Trademarks.
Extension for
filing oppositions.
15 USC 1063.

SECTION 1. Section 13 of the Trademark Act of 1946 (60 Stat. 427), as amended, is amended by deleting the second sentence and substituting therefor: “Upon written request prior to the expiration of the thirty-day period, the time for filing opposition shall be extended for an additional thirty days, and further extensions of time for filing opposition may be granted by the Commissioner for good cause. The Commissioner shall notify the applicant of each extension of the time for filing opposition.”

SEC. 2. Section 21 of the Trademark Act of 1946 (60 Stat. 427), as amended, is amended by deleting subsections (2), (3), and (4) from paragraph (a) and substituting therefor:

15 USC 1071.

“(2) Such an appeal to the United States Court of Customs and Patent Appeals shall be taken by filing a notice of appeal with the Commissioner, within sixty days after the date of the decision appealed from or such longer time after said date as the Commissioner appoints. The notice of such appeal shall specify the party or parties taking the appeal, shall designate the decision or part thereof appealed from, and shall state that the appeal is taken to said court.

Notice of
appeal.

“(3) The court shall, before hearing such appeal, give notice of the time and place of the hearing to the Commissioner and the parties thereto. The Commissioner shall transmit to the court certified copies of all the necessary original papers and evidence in the case specified by the appellant and any additional papers and evidence specified by the appellee, and in an ex parte case the Commissioner shall furnish the court with a brief explaining the grounds of the decision of the Patent Office, touching all the points involved in the appeal.

Hearing, notice.

“(4) The court shall decide such appeal on the evidence produced before the Patent Office. The court shall return to the Commissioner a certificate of its proceedings and decision, which shall be entered of record in the Patent Office and govern further proceedings in the case.”

SEC. 3. Section 35 of the Trademark Act of 1946 (60 Stat. 427), as amended, is amended by adding the following sentence at the end thereof: “The court in exceptional cases may award reasonable attorney fees to the prevailing party.”

Attorney fees.
15 USC 1117.

SEC. 4. This Act shall become effective upon enactment, but shall not affect any suit, proceeding, or appeal then pending.

Effective date.
15 USC 1063
note.

Approved January 2, 1975.

Public Law 93-601

AN ACT

January 2, 1975
[H. R. 9199]

To amend title 35, United States Code, "Patents", and for other purposes.

Patents.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3, title 35, of the United States Code is amended to read as follows:

35 USC 3.

§ 3. Officers and employees

"(a) There shall be in the Patent Office a Commissioner of Patents, a Deputy Commissioner, two Assistant Commissioners, and not more than fifteen examiners-in-chief. The Deputy Commissioner, or, in the event of a vacancy in that office, the Assistant Commissioner senior in date of appointment shall fill the office of Commissioner during a vacancy in that office until the Commissioner is appointed and takes office. The Commissioner of Patents, the Deputy Commissioner, and the Assistant Commissioners shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary of Commerce, upon the nomination of the Commissioner, in accordance with law, shall appoint all other officers and employees.

"(b) The Secretary of Commerce may vest in himself the functions of the Patent Office and its officers and employees specified in this title and may from time to time authorize their performance by any other officer or employee.

"(c) The Secretary of Commerce is authorized to fix the per annum rate of basic compensation of each examiner-in-chief in the Patent Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended."

5 USC 5332
note.
Board of Ap-
peals.

SEC. 2. The first paragraph of section 7 of title 35 of the United States Code is amended to read as follows:

"The examiners-in-chief shall be persons of competent legal knowledge and scientific ability, who shall be appointed under the classified civil service. The Commissioner, the deputy commissioner, the assistant commissioners, and the examiners-in-chief shall constitute a Board of Appeals, which on written appeal of the applicant, shall review adverse decisions of examiners upon applications for patents. Each appeal shall be heard by at least three members of the Board of Appeals, the members hearing such appeal to be designated by the Commissioner. The Board of Appeals has sole power to grant rehearings."

Review.

Delayed pay-
ment.

SEC. 3. The last sentence of section 151 of title 35 of the United States Code is amended to read as follows: "If any payment required by this section is not timely made, but is submitted with the fee for delayed payment and the delay in payment is shown to have been unavoidable, it may be accepted by the Commissioner as though no abandonment or lapse had ever occurred."

Issue fees, late
payment.
35 USC 151
note.
35 USC 41.

SEC. 4. (a) The Commissioner of Patents may, in accordance with Section 3 of this Act, accept late payment of issue fees, the payment of which was governed by the provisions of Public Law 89-93; *Provided:* the term of the patent for which late payment of such an issue fee is accepted shall expire earlier than the time specified in Section 154 of Title 35, United States Code, by a period equal to the delay between the time the application became abandoned or the patent lapsed for failure to pay the issue fee and the time the late payment is accepted after enactment of this Act; *Further Provided:* no patent with respect to which the payment of the issue fee was governed by the provisions of PL 89-83 and for which a late payment of the issue fee is accepted under the authority created by Section 3

of this Act, shall abridge or affect the right of any person or his successors in business who made, purchased or used anything covered by the patent, after the date of the application became abandoned or patent lapsed for failure to pay the issue fee but prior to the grant or restoration of the patent, to continue the use of or to sell to others to be used or sold, the specific thing so made, purchased, or used. A court before which such matter is in question may provide for the continued manufacture, use or sale of the thing made, purchased or used as specified, or for the manufacture, use or sale of which substantial preparation was made after the date the application became abandoned or patent lapsed for failure to pay the fee but prior to the grant or restoration of the patent, and it may also provide for the continued practice of any process covered by the patent, practiced, or for the practice of which substantial preparation was made, after the date the application became abandoned or patent lapsed for failure to pay the issue fee but prior to the grant or restoration of the patent, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant or restoration of the patent.

(b) This Act shall be effective upon enactment. Examiners-in-chief in office on the date of enactment shall continue in office under and in accordance with their then existing appointments.

Approved January 2, 1975.

Effective date.
35 USC 3 note.

Public Law 93-602

AN ACT

To designate the Veterans' Administration hospital in Columbia, Missouri, as the "Harry S. Truman Memorial Veterans' Hospital"; to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to certain eligible veterans and persons; and for other purposes.

January 2, 1975
[H. R. 10212]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—DESIGNATING THE VETERANS' ADMINISTRATION HOSPITAL AT COLUMBIA, MISSOURI, AS THE "HARRY S. TRUMAN MEMORIAL VETERANS' HOSPITAL"

SEC. 101. The Veterans' Administration hospital at Columbia, Missouri, shall hereafter be known and designated as the "Harry S. Truman Memorial Veterans' Hospital". Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the Harry S. Truman Memorial Veterans' Hospital.

SEC. 102. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late Harry S. Truman.

Veterans.
Hospital designation, education and rehabilitation assistance.

Harry S. Truman Memorial Veterans' Hospital.

“(a) Whenever the head of any department or agency of the Government or the Commissioner of the District of Columbia determines that economies will result therefrom, such agency head or the Commissioner may prescribe the use of adequate and effective statistical sampling procedures in the examination of disbursement vouchers not exceeding such amounts as may from time to time be prescribed by the Comptroller General of the United States; and no certifying or disbursing officer acting in good faith and in conformity with such procedures shall be held liable with respect to any certification or payment made by him on a voucher which was not subject to specific examination because of the prescribed statistical sampling procedure: *Provided*, That such officer and his department or agency have diligently pursued collection action to recover the illegal, improper, or incorrect payment in accordance with procedures prescribed by the Comptroller General. The Comptroller General shall include in his reviews of accounting systems an evaluation of the adequacy and effectiveness of procedures established under the authority of this Act.”

TITLE II—AUDIT OF TRANSPORTATION PAYMENTS

Sec. 201. Section 322 of the Transportation Act of 1940, as amended (49 U.S.C. 66), is further amended:

(1) By deleting from subsection (a) the first sentence thereof and substituting therefor the following:

“Payment for transportation of persons or property for or on behalf of the United States by any carrier or forwarder shall be made upon presentation of bills therefor prior to audit by the General Services Administration, or his designee. The right is reserved to the United States Government to deduct the amount of any overcharge by any carrier or forwarder from any amount subsequently found to be due such carrier or forwarder. This does not affect the authority of the General Accounting Office to make audits in accordance with the Budget and Accounting Act, 1921, as amended (31 U.S.C. 41), and the Accounting and Auditing Act of 1950, as amended (31 U.S.C. 65).”

(2) In the second proviso of subsection (a), by striking out “cognizable by the General Accounting Office” and by striking out “received in the General Accounting Office” and inserting in lieu of the latter “received in the General Services Administration, or by his designee”; and

(3) By redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting the following new subsection (b):

“(b) Nothing in subsection (a) hereof shall be deemed to prevent any carrier or forwarder from requesting the Comptroller General to review the action on his claim by the General Services Administration, or his designee. Such request shall be forever barred unless received in the General Accounting Office within six months (not including in time of war) from the date the action was taken or within the periods of limitation specified in the second proviso in subsection (a) of this section, whichever is later.”

Sec. 202. (a) Incident to the transfer of functions pursuant to the amendments made by section 201 of this Act, there shall be transferred to the General Services Administration such records, property, personnel, appropriations, and other funds of the General Accounting Office as the Comptroller General and the Director of the Office of Management and Budget shall jointly determine after consultation with the Administrator of General Services and, with respect to personnel, with the Chairman of the United States Civil Service Commission.

Transfer of
functions.

Transfer of
records, property,
personnel, and
funds.
49 USC 66 note.

(b) Personnel transferred pursuant to subsection (a) of this section shall not be reduced in classification or compensation for two years after such transfer, except for cause. After such two-year period, each person transferred pursuant to subsection (a) shall be subject to the provisions of section 5337 of title 5, United States Code, as if such person had continued to be an employee of the General Accounting Office.

SEC. 203. (a) The transfer of functions and personnel under this title shall be effective on such date as is mutually determined by the Comptroller General of the United States and the Administrator of General Services, but not earlier than October 1, 1975, and not later than September 30, 1976.

Effective date.
49 USC 66 note.

(b) Upon the enactment of this Act the Comptroller General of the United States shall establish and carry out a continuing program of personnel development and improvement applicable to the personnel who will be transferred under this title. Such program shall include provisions for training, career development and counseling services, a review of equal employment opportunity problems and the taking of corrective action, where appropriate, and any restructuring, reclassification, and redesigning of positions necessary to effectuate a full and adequate transfer of the functions as provided for under this title.

Personnel
development pro-
gram.

(c) At least sixty days prior to the effective date determined under subsection (a), the Administrator of General Services shall establish a detailed plan for the transfer of functions and personnel under this title and shall publish such plan in the Federal Register. Such plan shall be based on a thorough survey of the availability of transportation to any new location for functions and personnel transferred and of the availability of parking facilities and food, health, and other services for personnel transferred, and shall include a detailed description of a personnel development program to be conducted by the Administrator of General Services to assure the establishment and maintenance of procedures which guarantee equal employment opportunities, promotion opportunities, employment and career counseling, and training and career development for personnel who are transferred.

Plan; publica-
tion in Federal
Register.

(d) Six months after the date of the transfer of the personnel and functions under this title, the Administrator of the General Services Administration shall make a report to the Congress as to actions which he has taken to implement such plan and the transfer of such personnel and functions thereunder.

Report to
Congress.

TITLE III—AUDIT OF NONAPPROPRIATED FUND ACTIVITIES

SEC. 301. (a) The (1) operations and funds (including central funds) of nonappropriated fund and related activities authorized or operated by an executive agency to sell merchandise or services to military or other Government personnel and their dependents, such as the Army and Air Force Exchange Service, Navy Exchanges, Marine Corps Exchanges, Coast Guard Exchanges, Exchange Councils of the National Aeronautics and Space Administration, commissaries, clubs, and theaters, (2) systems of accounting and internal controls of such funds and activities, and (3) any internal or independent audits or reviews of such funds and activities shall, unless otherwise provided by law, be subject to review by the Comptroller General of the United States in accordance with such principles and procedures and under such rules and regulations as he may prescribe. The Comptroller General and his duly authorized representatives shall have access to those books, accounts, records, documents, reports, files, and other papers, things, or property relevant to funds and activities

31 USC 135.

within this subsection as are deemed necessary by the Comptroller General.

(b) When required by the Comptroller General for such nonappropriated fund and related activities with gross receipts from sales of more than \$100,000 a year as he may designate by class, or upon specific request of the Comptroller General in any other case, each executive agency shall furnish promptly a copy of the annual report of any nonappropriated fund or related activity referred to in subsection (a). If such information is not included in any activity's annual report, such agency shall also furnish a statement showing the yearly financial operations, financial condition, and cash flow, and such other annual information relating to the activity as may be agreed upon by the Comptroller General and the head of the executive agency concerned.

TITLE IV—EMPLOYMENT OF EXPERTS AND CONSULTANTS

31 USC 52c.

SEC. 401. The Comptroller General may employ experts and consultants in accordance with section 3109 of title 5, United States Code, at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for persons in the Government service employed intermittently. Ten such experts or consultants may be employed for periods not in excess of three years.

5 USC 5332
note.

TITLE V—GENERAL ACCOUNTING OFFICE BUILDING

31 USC 51-1.

SEC. 501. (a) The Comptroller General of the United States shall be entitled to the use of such space in the General Accounting Office Building as he determines to be necessary, and the head of any Federal agency which exercises authority over such building shall provide the Comptroller General with such space within the building as the Comptroller General determines to be necessary.

31 USC 51-1
note.

(b) Notwithstanding any other provision of law, during the one-year period beginning on the date of enactment of this Act, the Administrator for General Services may contract for the rent of a building in the District of Columbia to the extent necessary to secure an amount of space equal to the amount of space which the Administrator makes available to the Comptroller General of the United States during such one-year period under the provisions of subsection (a).

TITLE VI—AUDITS OF GOVERNMENT CORPORATIONS

AMENDMENTS TO THE GOVERNMENT CORPORATION CONTROL ACT

SEC. 601. (a) Section 105 of the Government Corporation Control Act (31 U.S.C. 850) is amended by adding thereto the following sentence: "Effective July 1, 1974, each wholly owned Government corporation shall be audited at least once in every three years."

Report to
Congress.

31 USC 850.

(b) The first sentence of section 106 of such Act (31 U.S.C. 851) is amended to read as follows: "A report of each audit conducted under section 105 shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

(c) Section 202 of such Act (31 U.S.C. 857) is amended by adding thereto the following sentence: "Effective July 1, 1974, each mixed-ownership Government corporation shall be audited at least once in every three years."

(d) The first sentence of section 203 of such Act (31 U.S.C. 858) is amended to read as follows: "A report of each audit conducted under section 202 shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

Report to
Congress.
31 USC 857.

AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT

SEC. 602. (a) Section 17(b) of the Federal Deposit Insurance Act (12 U.S.C. 1827(b)) is amended by adding thereto the following sentence: "The Corporation shall be audited at least once in every three years."

(b) The first and second sentences of section 17(c) of such Act (12 U.S.C. 1827(c)) are deleted and the following is inserted in their place: "A report of each audit conducted under subsection (b) of this section shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

Report to
Congress.

AMENDMENT TO FEDERAL CROP INSURANCE ACT

SEC. 603. Section 513 of the Federal Crop Insurance Act (52 Stat. 76; 7 U.S.C. 1513) is amended to read as follows: "The Corporation shall at all times maintain complete and accurate books of accounts and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation."

Report to
Secretary of
Agriculture.

AMENDMENTS TO THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

SEC. 604. Section 107(g) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701y(g)) is amended by:

(1) adding a new sentence at the end of subparagraph (1) thereof as follows: "Such audit shall be made at least once in every three years."

(2) substituting the following sentence in lieu of the first sentence in subparagraph (2) thereof: "A report of each such audit shall be made by the Comptroller General to the Congress not later than six and one-half months following the close of the last year covered by such audit."

Report to
Congress.

AMENDMENT TO DISTRICT OF COLUMBIA REDEVELOPMENT ACT OF 1945

SEC. 605. Section 17 of the District of Columbia Redevelopment Act of 1945 (60 Stat. 801) is amended by deleting the word "annual" from the clause "such books shall be subject to annual audit by the General Accounting Office."

D.C. Code 5-
716.

TITLE VII—REVISION OF ANNUAL AUDIT REQUIREMENTS

AMENDMENT TO FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

SEC. 701. Section 109(e) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 756(e)) is amended to read as follows:

"(e) (1) As of June 30 of each year, there shall be covered into the United States Treasury as miscellaneous receipts any surplus in the General Supply Fund, all assets, liabilities, and prior losses considered, above the amounts transferred or appropriated to establish and maintain said fund.

“(2) The Comptroller General shall make audits of the General Supply Fund in accordance with the provisions of the Accounting and Auditing Act of 1950 and make reports on the results thereof.”.

31 USC 65 note.

AMENDMENT TO THE FEDERAL AVIATION ACT OF 1958

SEC. 702. That part of the second sentence of section 1307(f) of the Federal Aviation Act of 1958 (49 U.S.C. 1537(f)) which precedes the proviso is amended to read as follows: “The Secretary shall maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950.”.

AMENDMENT WITH RESPECT TO THE BUREAU OF ENGRAVING AND PRINTING FUND

SEC. 703. Section 6 of the Act entitled “An Act to provide for financing the operations of the Bureau of Engraving and Printing, Treasury Department, and for other purposes” (31 U.S.C. 181d) is amended to read as follows: “The financial transactions, accounts, and reports of the fund shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950.”.

AMENDMENT WITH RESPECT TO THE VETERANS' CANTEEN SERVICE

SEC. 704. Section 4207 of title 38, United States Code, is amended to read as follows:

“§ 4207. Audit of accounts

“The Service shall maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950.”.

AMENDMENT WITH RESPECT TO THE HIGHER EDUCATION INSURED LOAN PROGRAM

SEC. 705. (a) Paragraph (2) of section 432(b) of the Higher Education Act of 1965 (20 U.S.C. 1082(b)(2)) is amended to read as follows:

“(2) maintain with respect to insurance under this part a set of accounts, which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.”.

20 USC 1078.

(b) Section 402(a)(2) of the Housing Act of 1950 (64 Stat. 78; 12 U.S.C. 1749a(a)(2)) is amended to read as follows:

“(2) maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of the Accounting and Auditing Act of 1950: *Provided*, That such financial transactions of the Administrator as the making of loans and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government.”.

AMENDMENT TO THE FEDERAL CREDIT UNION ACT

SEC. 706. Section 209(b)(2) of the Federal Credit Union Act as added by section 1 of Public Law 91-468 (12 U.S.C. 1789(b)(2)) is

amended by deleting the word “annually” therefrom.

AMENDMENT WITH RESPECT TO AUDIT OF THE GOVERNMENT PRINTING OFFICE

SEC. 707. The third sentence of subsection 309(c) of title 44 of the United States Code is amended to read as follows: “The Comptroller General shall audit the activities of the Government Printing Office at least once in every three years and shall furnish reports of such audits to the Congress and the Public Printer.”.

Reports to Congress and Public Printer.

TITLE VIII—LIMITATION OF TIME ON CLAIMS AND DEMANDS

SEC. 801. Section 1 of the Act of October 9, 1940 (54 Stat. 1061, ch. 788), is amended by deleting the phrase “10 full years” and substituting “6 years” therefor.

31 USC 71a, 237.

SEC. 802. The amendment provided for in section 801 shall go into effect 6 months after the date of enactment and will have no effect on claims received in the General Accounting Office before that time.

Effective date. 31 USC 71a note.

Approved January 2, 1975.

Public Law 93-605

AN ACT

To amend section 510 of the Merchant Marine Act, 1936.

January 2, 1975
[H. R. 12427]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 510 (i) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(i)) is amended to read as follows:

Vessels. Exchange.

“(i) The Secretary of Commerce is authorized, within two years after enactment of this subsection, to acquire mariner class vessels constructed under title VII of this Act and Public Law 911, Eighty-first Congress, in exchange for obsolete vessels in the National Defense Reserve Fleet that are scheduled for scrapping. For purposes of this subsection, the traded-in and traded-out vessels shall be valued at the higher of their scrap value in domestic or foreign markets as of the date of the exchange: *Provided*, That in any exchange transactions the value assigned to the traded-in and traded-out vessels will be determined on the same basis. The value of the traded-out vessel shall be as nearly as possible equal to the value of the traded-in vessel plus the fair value of the cost of towing the traded-out vessel to the place of scrapping. To the extent the value of the traded-out vessel exceeds the value of the traded-in vessel plus the fair value of the cost of towing, the owner of the traded-in vessel shall pay the excess to the Secretary of Commerce in cash at the time of the exchange. This excess shall be deposited into the Vessel Operations Revolving Fund and all costs incident to the lay-up of vessels acquired under this Act may be paid from balances in the Fund. No payments shall be made by the Secretary of Commerce to the owner of any traded-in vessel in connection with any exchange under this subsection. Notwithstanding the provisions of sections 9 and 37 of the Shipping Act, 1961, vessels traded out under this subsection may be scrapped in approved foreign markets. The provision of this subsection (i) as it read prior to this amendment shall govern all transactions made thereunder prior to this amendment.”.

46 USC 1191. 64 Stat. 1223.

Vessel Operations Revolving Fund.

46 USC 808, 835.

46 USC 804.

SEC. 2. (a) The Shipping Act, 1916, as amended (46 U.S.C. 801-842), is amended by inserting a new section 3 to read as follows:

"SEC. 3. Notwithstanding part III of the Interstate Commerce Act, as amended (49 U.S.C. 901 et seq.), or any other provision of law, rates and charges for the barging and affreighting of containers or containerized cargo by barge between points in the United States, shall be filed solely with the Federal Maritime Commission in accordance with rules and regulations promulgated by the Commission where (a) the cargo is moving between a point in a foreign country or a non-contiguous State, territory, or possession and a point in the United States, (b) the transportation by barge between points in the United States is furnished by a terminal operator as a service substitute in lieu of a direct vessel call by the common carrier by water transporting the containers or containerized cargo under a through bill of lading, (c) such terminal operator is a Pacific Slope State, municipality, or other public body or agency subject to the jurisdiction of the Federal Maritime Commission, and the only one furnishing the particular circumscribed barge service in question as of the date of enactment hereof, and (d) such terminal operator is in compliance with the rules and regulations of the Federal Maritime Commission for the operation of such barge service. The terminal operator providing such services shall be subject to the provisions of the Shipping Act, 1916."

46 USC 804
note.
Rules and
regulations.

(b) Within one hundred and twenty days after enactment of this Act, the Federal Maritime Commission shall promulgate rules and regulations for the barge operations described in the amendment made by the first section of this Act. Such rules shall provide that the rates charged shall be based upon factors normally considered by a regular commercial operator in the same service.

Approved January 2, 1975.

Public Law 93-606

January 2, 1975
[H. R. 13022]

AN ACT

To amend the Act of September 2, 1960, as amended, so as to authorize different minimum grade standards for packages of grapes and plums exported to different destinations.

Grapes and
plums.
7 USC 591.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act of September 2, 1960, as amended (74 Stat. 734), is amended by inserting in the first sentence thereof "and destination" immediately following the words "such variety" and "to such destination" at the end of such sentence.

Approved January 2, 1975.

Public Law 93-607

January 2, 1975
[H. R. 14600]

AN ACT

To increase the borrowing authority of the Panama Canal Company and revise the method of computing interest thereon.

Panama Canal
Company.
Borrowing au-
thority, increase.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 71 of title 2 of the Canal Zone Code is amended as follows:

(1) By striking out from the first sentence "\$10,000,000" and inserting in lieu thereof "\$40,000,000".

Interest rate.

(2) By striking out the third sentence and inserting in lieu thereof "Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the

average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations.”.

Approved January 2, 1975.

Public Law 93-608

AN ACT

To discontinue or modify certain reporting requirements of law.

January 2, 1975
[H. R. 14718]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That certain provisions of law, which relate to the submission of reports to Congress or other Government authorities, are repealed as follows:

Reporting requirements of law, modifications and repeals.

REPORTS UNDER MORE THAN ONE AGENCY

(1) Section 3 of the Act entitled “An Act to authorize the expenditure of funds through grants for support of scientific research, and for other purposes”, approved September 6, 1958 (72 Stat. 1793; 42 U.S.C. 1893), is repealed, thereby eliminating the annual report under such Act to the appropriate committees of both Houses of Congress concerning grants for basic scientific research.

Repeal.

(2) Section 7 of the Act entitled “An Act to authorize the Secretary of the Interior to construct facilities to provide water for irrigation, municipal, domestic, military, and other uses from the Santa Margarita River, California, and for other purposes”, approved July 28, 1954 (68 Stat. 578), is repealed, thereby eliminating the report from time to time to the Congress, by the Attorney General, the Secretary of the Interior, and the Secretary of the Navy, concerning the conditions specified in section 1 of such Act involving facilities to provide water for irrigation and other uses from the Santa Margarita River, California.

Repeal.

REPORTS UNDER THE DEPARTMENT OF COMMERCE

(3) Subsection (b) of the first section of the Act entitled “An Act to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes”, approved October 26, 1949 (63 Stat. 908; 15 U.S.C. 1514(b)), is amended by striking out “: *Provided*” and all that follows thereafter to the end of such subsection and inserting in lieu thereof a semicolon, thereby eliminating the annual report to Congress showing total expenditures under such Act for food and other subsistence supplies for resale to employees of the Department of Commerce and other Federal agencies, and their dependents, in Alaska and other points outside of the continental United States, and the proceeds from such resales.

Annual reports to Congress, elimination.

(4) Chapter 256 of the Act entitled “An Act authorizing the Superintendent of the Coast and Geodetic Survey, subject to the approval of the Secretary of Commerce, to consider, ascertain, adjust, and determine claims for damage occasioned by acts for which said survey is responsible in certain cases”, approved June 5, 1920 (41 Stat. 1054; 33 U.S.C. 853), is amended by striking out “, and report the amounts so ascertained and determined to be due the claimants to Congress at each session thereof through the Treasury Department for payment as legal claims out of appropriations that may be made by Congress therefor.” and inserting in lieu thereof a period, thereby eliminating the annual report to Congress, through the Treasury Department, of claims not to exceed \$500 settled under such Act, and

the amounts so ascertained and determined to be due the claimants.

REPORTS UNDER THE DEPARTMENT OF DEFENSE

Reports to Congress, elimination.

(5) Section 8031(c) of title 10, United States Code, is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary of the Air Force on the number of officers in the executive part of the Department of the Air Force and the justification therefor.

(6) Section 3031(c) of title 10, United States Code, is amended by striking out the last sentence thereof, thereby eliminating the quarterly report by the Secretary of the Army to the Congress on the number of officers in the executive part of the Department of the Army, the number of commissioned officers on or with the Army General Staff and the justification therefor.

22 USC 1819.

Repeal.
Reports to Congressional committees, elimination.

(7) Section 108 of the Mutual Security Appropriations Act, 1956 (69 Stat. 439), is amended by striking out "*Provided,*", where it first appears, and all that follows thereafter down to and including "*Provided further,*", where it first appears, and inserting in lieu thereof "*Provided,*", and section 102 of the Mutual Security Appropriations Act, 1957 (70 Stat. 734), is repealed, thereby eliminating the quarterly reports by the Secretary of Defense to the Committees on Appropriations of the Senate and House of Representatives concerning items ordered, but yet to be delivered, against reserves of unobligated amounts of allocations for military assistance and those reports required not less often than each quarter containing a detailed breakdown, on a delivery or service-rendered basis, on all military assistance funds allocated and available to the Department of Defense as of the end of the preceding quarter.

REPORTS UNDER THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Annual report to Congress, elimination.

(8) Section 16(c) of the Vocational Rehabilitation Act (81 Stat. 251; 29 U.S.C. 42a(c)), is amended by striking out paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, thereby eliminating the annual report of the National Center for Deaf-Blind Youths and Adults, through the Secretary of the Department of Health, Education, and Welfare, to the Congress with comments and recommendations as the Secretary deems appropriate.

REPORTS UNDER THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Repeal.
Reports to congressional committees, elimination.

(9) Section 5 of the Housing and Urban Development Act of 1968 (82 Stat. 477; 12 U.S.C. 1701c note) is repealed, thereby eliminating the annual report by the Secretary to the Committee on Banking and Currency of the House of Representatives and the Committee on Banking, Housing and Urban Affairs of the Senate, identifying specific areas of program administration and management which require improvement, describing actions taken and proposed for the purpose of making such improvements, and recommending such legislation as may be necessary to accomplish such improvements.

REPORTS UNDER THE DEPARTMENT OF THE INTERIOR

(10) Section 3 of the Act entitled "An Act to direct the Secretary of Interior to cooperate with the States of New York and New Jersey on a program to develop, preserve, and restore the resources of the Hudson River and its shores and to authorize certain necessary steps to be taken to protect those resources from adverse Federal actions until the States and Congress shall have had an opportunity to act on that program", approved September 26, 1966 (80 Stat. 848), is

amended by striking out the second, third, and fourth sentences and inserting in lieu thereof "The Secretary of the Interior shall serve as the representative of the United States in such negotiations and shall consult with the heads of other Federal agencies concerned.", thereby eliminating the annual report by the Secretary to the President, and transmitted by the President to the Congress, relating to a program to develop, preserve, and restore the resources of the Hudson River, as required by such section.

Annual report to the President and Congress, elimination.

(11) The Act entitled "An Act to provide for the protection and preservation of the Antietam Battlefield in the State of Maryland", approved April 22, 1960 (74 Stat. 80; 16 U.S.C. 430oo), is amended by striking out the last sentence thereof, thereby eliminating the annual report to the Congress by the Secretary on acquisitions of land and interests in land, or agreements entered into with respect to land, necessary to preserve, protect, and improve Antietam Battlefield, Maryland.

Annual report to Congress, elimination.

(12) Section 3 of the Act entitled "An Act to provide for the establishment and operation of a research laboratory in the North Dakota lignite-consuming region for investigation of the mining, preparation, and utilization of lignite, for the development of new uses and markets, for improvement of health and safety in mining; and for a comprehensive study of the possibilities for increased utilization of the lignite resources of the region to aid in the solution of its economic problems and to make its natural and human resources of maximum usefulness in the reconversion period and time of peace", approved March 25, 1948 (62 Stat. 85; 30 U.S.C. 403), is repealed, thereby eliminating the annual report to the Congress by the Secretary, acting through the Bureau of Mines, on the activities of, expenditures by, and donations to, the research laboratory in the lignite-consuming region of North Dakota.

Repeal.

(13) Section 5 of the Act entitled "An Act to provide a program for the discovery of the mineral reserves of the United States, its territories, and possessions by encouraging exploration for minerals, and for other purposes", approved August 21, 1958 (72 Stat. 701; 79 Stat. 1312; 30 U.S.C. 645), is repealed, thereby eliminating the annual report to the Congress by the Secretary on the operations of programs to stimulate exploration for minerals within the United States, its territories and possessions together with his recommendations regarding the need for such programs.

Repeal.

(14) Section 19 of the Organic Act of Guam (64 Stat. 389; 82 Stat. 847; 48 U.S.C. 1423i) is amended in the last sentence thereof by striking out "Act, and by him to the Congress of the United States, which" and inserting in lieu thereof "Act. The Congress of the United States", thereby eliminating the reports to the Congress by the Secretary of all laws passed by the Legislature of Guam as reported to the Secretary by the Governor of Guam.

Reports to Congress, elimination.

(15) Section 24 of the Act entitled "An Act to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; and for the termination of Federal supervision over the property of the mixed-blood members of said tribe; to provide a development program for the full-blood members of said tribe; and for other purposes", approved August 27, 1954 (68 Stat. 877; 25 U.S.C. 677w), is amended by striking out the last sentence thereof, thereby eliminating the annual progress report, through the Secretary, by the tribal business committee representing the full-blood group of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah, of its activities and the expenditures authorized under such Act.

Annual progress reports, elimination.

Repeal.

(16) Section 3 of the Act entitled "An Act to establish a revolving fund from which the Secretary of the Interior may make loans to finance the procurement of expert assistance by Indian tribes in cases before the Indian Claims Commission", approved November 4, 1963 (77 Stat. 301; 25 U.S.C. 70n-3), is repealed, thereby eliminating the report to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, on every loan made under such Act.

Submission to Congress of grants and contracts, elimination.

(17) Section 200 of the Water Resources Research Act of 1964 (80 Stat. 130; 42 U.S.C. 1961b) is amended by striking out "(a)" immediately after "Sec. 200." and by striking out subsection (b) thereof, thereby eliminating the requirement of the submission to the President of the Senate and the Speaker of the House of Representatives of a copy of each grant, contract, and matching or other arrangement, sixty days prior to the award of any such grant, contract, or other arrangement under subsection (a) of such section.

Reports to Congress, elimination.

(18) Section 8 of the Reclamation Project Act of 1939 (53 Stat. 1193; 43 U.S.C. 485g) is amended by striking out subsection (f) and redesignating subsections (g), (h), and (i) as subsections (f), (g), and (h), respectively, thereby eliminating the report to Congress by the Secretary, from time to time, on classifications and reclassifications of reclamation project lands.

(19) Section 9(e) of the Boulder City Act of 1958 (72 Stat. 1734) is amended by striking out "and shall report his findings and recommendations to the Congress as soon thereafter as practicable," and inserting in lieu thereof a period, thereby eliminating the report to the Congress by the Secretary, at the end of each five-year period after incorporation of Boulder City concerning the need for assistance to the municipality for its water supply.

REPORTS UNDER THE DEPARTMENT OF TRANSPORTATION

Semiannual report to congressional committees, elimination.

(20) Section 302(c) of the Federal Aviation Act of 1958 (72 Stat. 745; 49 U.S.C. 1343(a)) is amended by striking out paragraph (3) thereof, thereby eliminating the semiannual report to appropriate committees of the Congress by the Secretary on agreements providing for the detail of members of the armed services to the Federal Aviation Administration.

Biennial authorization requests, elimination.
49 USC 1603.

(21) Section 4(d) of the Urban Mass Transportation Act of 1964 (84 Stat. 965; U.S.C. 1603(d)) is amended by striking out the second sentence and all that follows to the end of the subsection, thereby eliminating the biennial authorization requests under such section to the Congress by the Secretary together with his recommendations regarding adjustments in the schedule for liquidation of obligations.

REPORTS UNDER THE ATOMIC ENERGY COMMISSION

Repeal.

(22) Section 102 of the Atomic Energy Community Act of 1955 (69 Stat. 483; 42 U.S.C. 2314) is repealed, thereby eliminating the triennial report to the Joint Committee on Atomic Energy by the Commission on a full review of its activities under such Act.

REPORTS UNDER THE OFFICE OF ECONOMIC OPPORTUNITY

Annual report, elimination.

(23) Section 610-1 of the Economic Opportunity Act of 1964 (80 Stat. 1470; 42 U.S.C. 2951) is amended by striking out subsection (b), and by redesignating subsection (c) as subsection (b), thereby eliminating the annual report to the Congress submitted by the Director through the President concerning officers or employees whose compensation is subject to the limitation set forth in subsection (a) of

such Act and who were receiving at the end of the fiscal year a salary of \$10,000 or more per year.

SEC. 2. The frequency of submission of certain reports to the Congress or other Government authorities is modified as follows:

(1) Section 10 of the Export Administration Act of 1969 (83 Stat. 846; 50 U.S.C. App. 2409) is amended by striking out "quarterly report, within 45 days after each quarter," and inserting in lieu thereof "semiannual report", thereby changing the frequency of submission of the report to the President and Congress by the Secretary of Commerce of his operations under such Act.

(2) Section 2455 of title 10, United States Code, is amended in subsections (a) and (b) thereof by striking out "and July 31", by striking out "six-month period", and inserting in lieu thereof "yearly period", by striking out "June 30 or", and by striking out "whichever was later." and inserting in lieu thereof a period, thereby changing the requirements under such section of a semiannual to an annual submission to the Committees on Armed Services of the Senate and the House of Representatives by the Secretary of Defense of a progress report on the cataloging program and a report on the progress of the standardization program.

(3) The report on contributions to the States for civil defense purposes required of the Secretary of Defense as a result of section 1 of the Reorganization Plan Numbered 1 of 1958 (72 Stat. 1799) and section 1 of Executive Order Number 10952 (26 F.R. 6577), pursuant to section 201(i) of the Federal Civil Defense Act of 1950 (64 Stat. 1251), shall be submitted to Congress annually, in lieu of quarterly as previously required by such section 201(i).

(4) Section 409 of the Act entitled "An Act to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and research, development, test, and evaluation for the Armed Forces, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes", approved November 19, 1969 (83 Stat. 209; 50 U.S.C. 1511) is amended by striking out the first sentence thereof and inserting in lieu thereof "The Secretary of Defense shall submit an annual report to Congress on or before January 31 setting forth the amounts spent during the preceding year for research, development, test, and evaluation of all lethal and nonlethal chemical and biological agents.", thereby changing the requirement for submission of the report under such section from semiannual to annual.

(5) Section 1120(b) of the Social Security Act (81 Stat. 920; 42 U.S.C. 1320(b)) is amended by striking out all that follows "(b)" and inserting in lieu thereof "The Secretary shall submit an annual report to Congress setting forth a description of each project approved under subsection (a) during the year preceding such report, including a statement of the purpose, probable cost, and expected duration of each such project.", thereby changing the requirement of submission of such report from as soon as possible after the approval of any project to an annual submission to the Congress by the Secretary of the Department of Health, Education, and Welfare on each project approved under subsection (a) of such section.

(6) Section 2 of the Act entitled "An Act to extend certain authority of the Secretary of the Interior exercised through the Geological Survey of the Department of the Interior, to areas outside the national domain", approved September 5, 1962 (76 Stat. 427; 43 U.S.C. 31 (c)), is amended by striking out "and July 31", by striking out "six months" and inserting in lieu thereof "year", and by striking out

Modifications.

Semiannual report to President and Congress.

Annual report to congressional committees.

50 USC app. 2281 note.

5 USC app. 50 USC app. 2271 note.

Annual report to Congress.

Annual report to Congress.

Annual report to Congress.

Annual report to Congress.

“and June 30”, thereby changing the requirement under such section from a semiannual to an annual submission to the Speaker of the House of Representatives and the President of the Senate, by the Secretary of the Interior, of a report on all actions taken pursuant to such Act.

SEC. 3. To modify substantive aspects of certain requirements to report to Congress or other Government authority, the following provisions of law are hereby amended as follows:

(1) Section 705(e) of the Civil Rights Act of 1964 (78 Stat. 258; 42 U.S.C. 2000e-4(d)) is hereby amended to read as follows:

Report to Congress and the President.

“(e) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken and the moneys it has disbursed. It shall make such further reports on the cause of and means of eliminating discrimination and such recommendations for further legislation as may appear desirable.”

(2) Section 8 of the Fair Packaging and Labeling Act (80 Stat. 1300; 15 U.S.C. 1457) is hereby amended to read as follows:

Annual reports to Congress.

15 USC 1454.

“SEC. 8. Each officer or agency required or authorized by this Act to promulgate regulations for the packaging or labeling of any consumer commodity, or to participate in the development of voluntary product standards with respect to any consumer commodity under procedures referred to in section 5(d) of this Act, shall transmit to the Congress each year a report containing a full and complete description of the activities of that officer or agency for the administration and enforcement of this Act during the preceding fiscal year. All agencies except the Federal Trade Commission shall submit their report in January of each year. The Federal Trade Commission shall include this report in the Commission’s annual report to Congress.”

Reports to Congress and the President.

(3) Section 3(c) of the National Labor Relations Act (49 Stat. 451; 29 U.S.C. 153(c)) is hereby amended to read as follows:

“(c) The Board shall at the close of each fiscal year make a report in writing to Congress and to the President stating in detail the cases it has heard, the decisions it has rendered, and an account of all moneys it has disbursed.”

(4) Subsection (a) of section 10 of the Small Business Act (75 Stat. 666; 15 U.S.C. 639(a)) is amended by striking out “calendar” in the first and second sentences and inserting in lieu thereof “fiscal”, and by striking out the comma after “involved” in the fourth sentence and all that follows to the end of the subsection and inserting in lieu thereof a period.

(5) Subsection (b) of section 10 of the Small Business Act (75 Stat. 666; 15 U.S.C. 639(b)) is amended by striking out “on December 31 of each year” and inserting in lieu thereof “as soon as practicable each fiscal year”.

Approved January 2, 1975.

Public Law 93-609

AN ACT

January 2, 1975
[H. R. 15173]

To extend until January 31, 1976 the authority of the National Commission for the Review of Federal and State Laws on Wiretapping and Electronic Surveillance, and for other purposes.

Omnibus Crime Control and Safe Streets Act of 1968, amendments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 804(h) of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (82 Stat. 197; 18 U.S.C. 2510 note), is further amended by striking out “within the two-year period following the effective date of this subsection.” and inserting in lieu thereof “on or before January 31, 1976.”

SEC. 2. Section 804(g) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by adding at the end thereof the following new paragraph:

18 USC 2510
note.

“(5) Whenever the Commission or any subcommittee determines by majority vote to meet in a closed session, sections 10(a) (1) and (3) and 10(b) of the Federal Advisory Committee Act (86 Stat. 770; 5 U.S.C. Appendix) shall not apply with respect to such meeting, and section 552 of title 5, United States Code, shall not apply to the records, reports, and transcripts of any such meeting.”.

SEC. 3. The first sentence of paragraph (1) of section 804(g) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by striking out “The Commission or any duly authorized subcommittee” and inserting in lieu thereof: “Notwithstanding section 2515 of title 18, United States Code, the Commission or any duly authorized subcommittee”.

SEC. 4. For purposes of section 108 of title 1, United States Code, section 20(c) of the Omnibus Crime Control Act of 1970 shall be deemed to provide expressly for the revival of section 804 of the Omnibus Crime Control and Safe Streets Act of 1968.

18 USC 2510
note.
84 Stat. 1892.

Approved January 2, 1975.

Public Law 93-610

AN ACT

To expand the authority of the Canal Zone Government to settle claims not cognizable under the Tort Claims Act.

January 2, 1975
[H. R. 15229]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the title of section 271 in the list of sections of chapter 11, title 2, Canal Zone Code, is amended to read as follows:

Canal Zone
Government.
Claims settle-
ment.

“271. Claims arising from civil government.”.

SEC. 2. Section 271 of title 2, Canal Zone Code (76A Stat. 22), is amended to read as follows:

“§ 271. Claims arising from civil government

“(a) The Governor, or his designee, may adjust and pay claims for injury to, or loss of, property or personal injury or death arising from the activities of the Canal Zone Government.

“(b) An award made to a claimant pursuant to this section shall be payable out of any moneys appropriated for or made available to the Canal Zone Government. The acceptance by the claimant of the award shall be final and conclusive on the claimant, and shall constitute a complete release by him of his claim against the United States and against any employee of the United States acting in the course of his employment who is involved in the matter giving rise to the claim, except that the Governor may make an interim partial award for humanitarian or compassionate reasons in a sum not exceeding \$1,000.

“(c) This section does not apply to tort claims cognizable under section 1346(b) or 2672 of title 28, United States Code.”

Approved January 2, 1975.

Public Law 93-611

January 2, 1975
[H. R. 16045]

AN ACT

To amend the Solid Waste Disposal Act to authorize appropriations for fiscal year 1975.

Solid Waste
Disposal Act,
appropriations.
42 USC 3259.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (2) of subsection (a) of section 216 of the Solid Waste Disposal Act, as amended (87 Stat. 11), is amended by striking “and not to exceed \$76,000,000 for the fiscal year ending June 30, 1974.” and inserting in lieu thereof “, not to exceed \$76,000,000 for the fiscal year ending June 30, 1974, and not to exceed \$76,000,000 for the fiscal year ending June 30, 1975.”.

Approved January 2, 1975.

Public Law 93-612

January 2, 1975
[H. R. 16215]

AN ACT

To amend the Coastal Zone Management Act of 1972, to provide more flexibility in the allocation of administrative grants to coastal States, and for other purposes.

Coastal States,
Administrative
grants.
16 USC 1451
note.
16 USC 1454.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Coastal Zone Management Act of 1972 (86 Stat. 1280) is amended as follows:

(1) Subsection (e) of section 305 is amended by changing the period at the end of the subsection to a colon and by adding immediately thereafter the following: “*And provided further,* That the Secretary shall waive the application of the 1 per centum minimum requirement as to any grant under this section, when the coastal State involved requests such a waiver.”.

16 USC 1455.

(2) Subsection (b) of section 306 is amended by deleting all after “relevant factors:”, and by inserting in lieu thereof “*Provided,* That no annual grant made under this section shall be in excess of \$2,000,000 for fiscal year 1975, in excess of \$2,500,000 for fiscal year 1976, nor in excess of \$3,000,000 for fiscal year 1977: *Provided further,* That no annual grant made under this section shall be less than 1 per centum of the total amount appropriated to carry out the purposes of this section: *And provided further,* That the Secretary shall waive the application of the 1 per centum minimum requirement as to any grant under this section, when the coastal State involved requests such a waiver.”.

Appropriation.
16 USC 1464.

(3) Subsection (a) of section 315 is amended—

(A) by amending item (1) to read as follows:

“(1) the sum of \$9,000,000 for each of the fiscal years ending June 30, 1973, and June 30, 1974, and the sum of \$12,000,000 for each of the three succeeding fiscal years, for grants under section 305, to remain available until expended;”
and

(B) by inserting, in item (3), after “fiscal year ending June 30, 1974,” the following: “and for each of the three succeeding fiscal years.”.

Approved January 2, 1975.

Public Law 93-613

AN ACT

To establish a working capital fund in the Department of Justice.

January 2, 1975
[H. R. 17010]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 31 of title 28, United States Code, is amended by inserting the following new section at the end thereof:

Department of
Justice.
Working capital
fund, establish-
ment.
28 USC 527.

“§ 527. Establishment of working capital fund

“There is hereby authorized to be established a working capital fund for the Department of Justice, which shall be available, without fiscal year limitation, for expenses and equipment necessary for maintenance and operations of such administrative services as the Attorney General, with the approval of the Office of Management and Budget, determines may be performed more advantageously as central services. The capital of the fund shall consist of the amount of the fair and reasonable value of such inventories, equipment, and other assets and inventories on order pertaining to the services to be carried on by the fund as the Attorney General may transfer to the fund less related liabilities and unpaid obligations together with any appropriations made for the purpose of providing capital. The fund shall be reimbursed or credited with advance payments from applicable appropriations and funds of the Department of Justice, other Federal agencies, and other sources authorized by law for supplies, materials, and services at rates which will recover the expenses of operations including accrual of annual leave and depreciation of plant and equipment of the fund. The fund shall also be credited with other receipts from sale or exchange of property or in payment for loss or damage to property held by the fund. There shall be transferred into the Treasury as miscellaneous receipts, as of the close of each fiscal year, any net income after making provisions for prior year losses, if any.

(2) The section analysis of chapter 31 of title 28, United States Code, is amended by inserting the following item at the end thereof:

“527. Establishment of working capital fund.”.

Approved January 2, 1975.

Public Law 93-614

AN ACT

To provide a People's Counsel for the Public Service Commission in the District of Columbia, and for other purposes.

January 2, 1975
[H. R. 17450]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established within the Public Service Commission of the District of Columbia, established by section 8 of the Act of March 4, 1913, as amended (D.C. Code, sec. 43-201), an office to be known as the “Office of the People's Counsel”.

D.C.
Office of the
People's Counsel,
establishment.
D.C. Code 43-
205.

(b) There shall be at the head of such office the People's Counsel who shall be appointed by the Commissioner of the District of Columbia, by and with the advice and consent of the District of Columbia Council, and who shall serve for a term of three years. Appointments to the position of People's Counsel shall be made without regard to the provisions of title 5 of the United States Code, governing appointments in the competitive service. The People's Counsel shall be entitled

Membership.

5 USC 5332
note.

to receive compensation at the maximum rate as may be established from time to time for GS-16 of the General Schedule under section 5332 of title 5 of the United States Code. No person shall be appointed to the position of People's Counsel unless that person is admitted to practice before the District of Columbia Court of Appeals. Before entering upon the duties of such office, the People's Counsel shall take and subscribe the same oaths as that required by the Commissioners of the Commission, including an oath or affirmation before the Clerk of the Superior Court of the District of Columbia that he is not pecuniarily interested, voluntarily or involuntarily, directly or indirectly, in any public utility in the District of Columbia.

Compensation.

(c) The People's Counsel is authorized to employ and fix the compensation of such employees, including attorneys, as are necessary to perform the functions vested in him by this Act, and prescribe their authority and duties.

Duties.

(d) The People's Counsel—

(1) shall represent and appeal for the people of the District of Columbia at hearings of the Commission and in judicial proceedings involving the interests of users of the products of or services furnished by public utilities under the jurisdiction of the Commission;

(2) may represent and appear for petitioners appearing before the Commission for the purpose of complaining in matters of rates or services;

(3) may investigate the services given by, the rates charged by, and the valuation of the properties of, the public utilities under the jurisdiction of the Commission; and

(4) is authorized to develop means to otherwise assure that the interests of users of the products of or services furnished by public utilities under the jurisdiction of the Commission are adequately represented in the course of proceedings before the Commission, including public information dissemination, consultative services, and technical assistance.

SEC. 2. Paragraph 42 of section 8 of the Act of March 4, 1913 (making appropriations for the government of the District of Columbia) (D.C. Code, sec. 43-412), is amended as follows:

Expenses.

(a) The first sentence of such paragraph 42 is amended to read as follows: "The expenses, including the expenses of the Office of the People's Counsel, of any investigation, valuation, revaluation, or proceeding of any nature by the Public Service Commission of or concerning any public utility operating in the District of Columbia, and all expenses of any litigation, including appeals, arising from any such investigation, valuation, revaluation, or proceeding, or from any order or action of the Commission, shall be borne by the public utility investigated, valued, revalued, or otherwise affected as a special franchise tax in addition to all other taxes imposed by law, and such expenses with interest at 6 per centum per annum may be charged to operating expenses and amortized over such period as the Commission shall deem proper and be allowed for in the rates to be charged by such utility."

(b) The second sentence of such paragraph 42 is amended by inserting "; or certified by the People's Counsel with respect to his expenses" immediately before the period at the end of that sentence.

(c) The third sentence of such paragraph 42 is amended by inserting "and the People's Counsel, combined" immediately after "Commission".

SEC. 3. For the fiscal year ending June 30, 1975, there is authorized to be appropriated such sum, not to exceed \$50,000, as may be necessary to carry out the purposes of this Act. For the fiscal year ending June 30, 1976, and each fiscal year thereafter, there are authorized to be appropriated such sums, not to exceed \$100,000 in any one fiscal year, as may be necessary to carry out the purposes of this Act.

Approved January 2, 1975.

Appropriation.
D.C. Code 43-
205a.

Public Law 93-615

AN ACT

To amend the Act of May 13, 1954, relating to the Saint Lawrence Seaway Development Corporation to provide for a seven-year term of office for the Administrator, and for other purposes.

January 2, 1975
[H. R. 17558]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsections (a) and (b) of section 2 of the Act of May 13, 1954, referred to as the Saint Lawrence Seaway Act (33 U.S.C. 982), are amended to read as follows:

Saint Lawrence
Seaway Develop-
ment Corporation.
Administrator,
term of office.

"MANAGEMENT OF CORPORATION

"SEC. 2. (a) The management of the corporation shall be vested in an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of seven years. Any Administrator appointed to fill a vacancy in that position prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term."

(b) Subsection (c) of section 2 of such Act of May 13, 1954, is relettered as subsection (b), including any references thereto.

SEC. 2. The amendments made to section 2 of the Act of May 13, 1954, by the first section of this Act shall (1) take effect upon the first appointment of an Administrator of the Saint Lawrence Seaway Development Corporation which is made after the date of enactment of this Act, and (2) be applicable to such first appointment and to each subsequent appointment to such position.

Effective date.
33 USC 982
note.

Approved January 2, 1975.

Public Law 93-616

AN ACT

To designate a national laboratory as the "Holifield National Laboratory".

January 2, 1975
[H. R. 17628]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Oak Ridge National Laboratory at Oak Ridge, Tennessee, shall hereafter be known and designated as the "Holifield National Laboratory". Any reference in any law, map, regulation, document, record, or other paper of the United States to the Oak Ridge National Laboratory shall be held to be reference to the Holifield National Laboratory.

Approved January 2, 1975.

Oak Ridge Na-
tional Laboratory,
Tenn.
Name change.

Public Law 93-617

AN ACT

January 2, 1975
[H. R. 17655]

To extend for two years the authorizations for the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco and in commemoration of Jim Thorpe, and for other purposes.

Commemorative
medals.

87 Stat. 417.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of the first section of the Act entitled, "An Act to authorize the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco" (Public Law 93-114), approved October 1, 1973, is amended by striking out "December 31, 1974" and inserting in lieu thereof "December 31, 1976".

87 Stat. 461.

SEC. 2. Section 4 of the Act entitled "An Act to provide for the striking of medals in commemoration of Jim Thorpe" (Public Law 93-132), approved October 19, 1973, is amended by striking out "December 31, 1974" and inserting in lieu thereof "December 31, 1976".

87 Stat. 913.

SEC. 3. The last sentence of the first section of the Act entitled "An Act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Washington, in 1974", approved December 29, 1973 (Public Law 93-221), is amended by striking out "December 31, 1974" and inserting in lieu thereof "March 31, 1975".

Gold use, re-
striction.

86 Stat. 37.

SEC. 4. (a) Except with respect to medals in commemoration of the bicentennial of the American Revolution authorized to be struck by Public Law 92-228 (approved February 15, 1972), no national medals made for public sale under authority of any law of the United States shall contain any gold without the express, prior approval, by law, of the Congress of the United States.

Penalty.

(b) Any person who violates this section shall be fined not more than \$10,000 or imprisoned for not more than one year, or both.

Approved January 2, 1975.

Public Law 93-618

AN ACT

January 3, 1975
[H. R. 10710]

To promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate fair and free competition between the United States and foreign nations, to foster the economic growth of, and full employment in, the United States, and for other purposes.

Trade Act of
1974.
19 USC 2101.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Trade Act of 1974".

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SEC. 2. STATEMENT OF PURPOSES.

19 USC 2102.

The purposes of this Act are, through trade agreements affording mutual benefits—

(1) to foster the economic growth of and full employment in the United States and to strengthen economic relations between the United States and foreign countries through open and nondiscriminatory world trade;

(2) to harmonize, reduce, and eliminate barriers to trade on a basis which assures substantially equivalent competitive opportunities for the commerce of the United States;

(3) to establish fairness and equity in international trading relations, including reform of the General Agreement on Tariffs and Trade;

(4) to provide adequate procedures to safeguard American industry and labor against unfair or injurious import competition, and to assist industries, firm, workers, and communities to adjust to changes in international trade flows;

(5) to open up market opportunities for United States commerce in nonmarket economies; and

(6) to provide fair and reasonable access to products of less developed countries in the United States market.

TITLE I—NEGOTIATING AND OTHER AUTHORITY

CHAPTER 1—RATES OF DUTY AND OTHER TRADE BARRIERS

19 USC 2111.

SEC. 101. BASIC AUTHORITY FOR TRADE AGREEMENTS.

(a) Whenever the President determines that any existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes of this Act will be promoted thereby, the President—

(1) during the 5-year period beginning on the date of the enactment of this Act, may enter into trade agreements with foreign countries or instrumentalities thereof; and

(2) may proclaim such modification or continuance of any existing duty, such continuance of existing duty-free or excise treatment, or such additional duties, as he determines to be required or appropriate to carry out any such trade agreement.

(b) (1) Except as provided in paragraph (2), no proclamation pursuant to subsection (a) (2) shall be made decreasing a rate of duty to a rate below 40 percent of the rate existing on January 1, 1975.

(2) Paragraph (1) shall not apply in the case of any article for which the rate of duty existing on January 1, 1975, is not more than 5 percent ad valorem.

(c) No proclamation shall be made pursuant to subsection (a) (2) increasing any rate of duty to, or imposing a rate above, the higher of the following:

(1) the rate which is 50 percent above the rate set forth in rate column numbered 2 of the Tariff Schedules of the United States as in effect on January 1, 1975, or

(2) the rate which is 20 percent ad valorem above the rate existing on January 1, 1975.

19 USC 1202.

19 USC 2112.

SEC. 102. NONTARIFF BARRIERS TO AND OTHER DISTORTIONS OF TRADE.

(a) The Congress finds that barriers to (and other distortions of) international trade are reducing the growth of foreign markets for the products of United States agriculture, industry, mining, and commerce, diminishing the intended mutual benefits of reciprocal trade concessions, adversely affecting the United States economy, preventing fair and equitable access to supplies, and preventing the development of open and nondiscriminatory trade among nations. The President is urged to take all appropriate and feasible steps within his power (including the full exercise of the rights of the United States under international agreements) to harmonize, reduce, or eliminate such barriers to (and other distortions of) international trade. The President is further urged to utilize the authority granted by subsection (b) to negotiate trade agreements with other countries and instrumentalities providing on a basis of mutuality for the harmonization, reduction, or elimination of such barriers to (and other distortions of) international trade. Nothing in this subsection shall be construed as prior approval of any legislation which may be necessary to implement an agreement concerning barriers to (or other distortions of) international trade.

(b) Whenever the President determines that any barriers to (or other distortions of) international trade of any foreign country or the United States unduly burden and restrict the foreign trade of the

United States or adversely affect the United States economy, or that the imposition of such barriers is likely to result in such a burden, restriction, or effect, and that the purposes of this Act will be promoted thereby, the President, during the 5-year period beginning on the date of the enactment of this Act, may enter into trade agreements with foreign countries or instrumentalities providing for the harmonization, reduction, or elimination of such barriers (or other distortions) or providing for the prohibition of or limitations on the imposition of such barriers (or other distortions).

Trade agreements with foreign countries.

(c) Before the President enters into any trade agreement under this section providing for the harmonization, reduction, or elimination of a barrier to (or other distortion of) international trade, he shall consult with the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and with each committee of the House and the Senate and each joint committee of the Congress which has jurisdiction over legislation involving subject matters which would be affected by such trade agreement. Such consultation shall include all matters relating to the implementation of such trade agreement as provided in subsections (d) and (e). If it is proposed to implement such trade agreement, together with one or more other trade agreements entered into under this section, in a single implementing bill, such consultation shall include the desirability and feasibility of such proposed implementation.

Consultation with congressional committees.

(d) Whenever the President enters into a trade agreement under this section providing for the harmonization, reduction, or elimination of a barrier to (or other distortion of) international trade, he shall submit such agreement, together with a draft of an implementing bill (described in section 151(b)) and a statement of any administrative action proposed to implement such agreement, to the Congress as provided in subsection (e), and such agreement shall enter into force with respect to the United States only if the provisions of subsection (e) are complied with and the implementing bill submitted by the President is enacted into law.

Agreement, bill draft, and statement, submittal to Congress.

(e) Each trade agreement submitted to the Congress under this subsection shall enter into force with respect to the United States if (and only if)—

Conditions.

(1) the President, not less than 90 days before the day on which he enters into such trade agreement, notifies the House of Representatives and the Senate of his intention to enter into such an agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

Notice to Congress; publication in Federal Register.

(2) after entering into the agreement, the President transmits a document to the House of Representatives and to the Senate containing a copy of such agreement together with—

Copy, transmittal to Congress.

(A) a draft of an implementing bill and a statement of any administrative action proposed to implement such agreement, and an explanation as to how the implementing bill and proposed administrative action change or affect existing law, and

(B) a statement of his reasons as to how the agreement serves the interests of United States commerce and as to why the implementing bill and proposed administrative action is required or appropriate to carry out the agreement; and

(3) the implementing bill is enacted into law.

Recommendations to Congress.

(f) To insure that a foreign country or instrumentality which receives benefits under a trade agreement entered into under this section is subject to the obligations imposed by such agreement, the President may recommend to Congress in the implementing bill and statement of administrative action submitted with respect to such

agreement that the benefits and obligations of such agreement apply solely to the parties to such agreement, if such application is consistent with the terms of such agreement. The President may also recommend with respect to any such agreement that the benefits and obligations of such agreement not apply uniformly to all parties to such agreement, if such application is consistent with the terms of such agreement.

Definitions.

(g) For purposes of this section—

19 USC 1401a,
1402.

(1) the term “barrier” includes the American selling price basis of customs evaluation as defined in section 402 or 402a of the Tariff Act of 1930, as appropriate;

(2) the term “distortion” includes a subsidy; and

(3) the term “international trade” includes trade in both goods and services.

19 USC 2113.

SEC. 103. OVERALL NEGOTIATING OBJECTIVE.

The overall United States negotiating objective under sections 101 and 102 shall be to obtain more open and equitable market access and the harmonization, reduction, or elimination of devices which distort trade or commerce. To the maximum extent feasible, the harmonization, reduction, or elimination of agricultural trade barriers and distortions shall be undertaken in conjunction with the harmonization, reduction, or elimination of industrial trade barriers and distortions.

19 USC 2114.

SEC. 104. SECTOR NEGOTIATING OBJECTIVE.

(a) A principal United States negotiating objective under sections 101 and 102 shall be to obtain, to the maximum extent feasible, with respect to appropriate product sectors of manufacturing, and with respect to the agricultural sector, competitive opportunities for United States exports to the developed countries of the world equivalent to the competitive opportunities afforded in United States markets to the importation of like or similar products, taking into account all barriers (including tariffs) to and other distortions of international trade affecting that sector.

(b) As a means of achieving the negotiating objective set forth in subsection (a), to the extent consistent with the objective of maximizing overall economic benefit to the United States (through maintaining and enlarging foreign markets for products of United States agriculture, industry, mining, and commerce, through the development of fair and equitable market opportunities, and through open and nondiscriminatory world trade), negotiations shall, to the extent feasible be conducted on the basis of appropriate product sectors of manufacturing.

(c) For the purposes of this section and section 135, the Special Representative for Trade Negotiations together with the Secretary of Commerce, Agriculture, or Labor, as appropriate, shall, after consultation with the Advisory Committee for Trade Negotiations established under section 135 and after consultation with interested private organizations, identify appropriate product sectors of manufacturing.

Analysis, sub-
mittal to Congress.

(d) If the President determines that competitive opportunities in one or more product sectors will be significantly affected by a trade agreement concluded under section 101 or 102, he shall submit to the Congress with each such agreement an analysis of the extent to which the negotiating objective set forth in subsection (a) is achieved by such agreement in each product sector or product sectors.

19 USC 2115.

SEC. 105. BILATERAL TRADE AGREEMENTS.

If the President determines that bilateral trade agreements will more effectively promote the economic growth of, and full employment in, the United States, then, in such cases, a negotiating objective under sections 101 and 102 shall be to enter into bilateral trade agreements. Each such trade agreement shall provide for mutually advantageous economic benefits.

SEC. 106. AGREEMENTS WITH DEVELOPING COUNTRIES.

19 USC 2116.

A United States negotiating objective under sections 101 and 102 shall be to enter into trade agreements which promote the economic growth of both developing countries and the United States and the mutual expansion of market opportunities.

SEC. 107. INTERNATIONAL SAFEGUARD PROCEDURES.

19 USC 2117.

(a) A principal United States negotiating objective under section 102 shall be to obtain internationally agreed upon rules and procedures, in the context of the harmonization, reduction, or elimination of barriers to, and other distortions of, international trade, which permit the use of temporary measures to ease adjustment to changes occurring in competitive conditions in the domestic markets of the parties to an agreement resulting from such negotiations due to the expansion of international trade.

(b) Any agreement entered into under section 102 may include provisions establishing procedures for—

- (1) notification of affected exporting countries,
- (2) international consultations,
- (3) international review of changes in trade flows,
- (4) making adjustments in trade flows as the result of such changes, and
- (5) international mediation.

Such agreements may also include provisions which—

- (A) exclude, under specified conditions, the parties thereto from compensation obligations and retaliation, and
- (B) permit domestic public procedures through which interested parties have the right to participate.

SEC. 108. ACCESS TO SUPPLIES.

19 USC 2118.

(a) A principal United States negotiating objective under section 102 shall be to enter into trade agreements with foreign countries and instrumentalities to assure the United States of fair and equitable access at reasonable prices to supplies of articles of commerce which are important to the economic requirements of the United States and for which the United States does not have, or cannot easily develop, the necessary domestic productive capacity to supply its own requirements.

(b) Any agreement entered into under section 102 may include provisions which—

- (1) assure to the United States the continued availability of important articles at reasonable prices, and
- (2) provide reciprocal concessions or comparable trade obligations, or both, by the United States.

SEC. 109. STAGING REQUIREMENTS AND ROUNDING AUTHORITY.

19 USC 2119.

(a) Except as otherwise provided in this section, the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement under section 101 shall not exceed the aggregate reduction which would have been in effect on such day if—

- (1) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed pursuant to section 101(a)(2) to carry out such agreement with respect to such article, and

- (2) a reduction equal to the amount applicable under paragraph (1) had taken effect at 1-year intervals after the effective date of such first reduction.

This subsection shall not apply in any case where the total reduction in the rate of duty does not exceed 10 percent of the rate before the reduction.

(b) If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitation provided by section 101(b) or subsection (a) of this section by not more than whichever of the following is lesser:

(1) the difference between the limitation and the next lower whole number, or

(2) one-half of 1 percent ad valorem.

Duty rate reduction, effective date.

(c) (1) No reduction in the rate of duty on any article pursuant to a trade agreement under section 101 shall take effect more than 10 years after the effective date of the first reduction proclaimed to carry out such trade agreement with respect to such article.

(2) If any part of a reduction takes effect, then any time thereafter during which such part of the reduction is not in effect by reason of legislation of the United States or action thereunder, the effect of which is to maintain or increase the rate of duty on an article, shall be excluded in determining—

(A) the 1-year intervals referred to in subsection (a) (2), and

(B) the expiration of the 10-year period referred to in paragraph (1) of this subsection.

CHAPTER 2—OTHER AUTHORITY

19 USC 2131.

SEC. 121. STEPS TO BE TAKEN TOWARD GATT REVISION; AUTHORIZATION OF APPROPRIATIONS FOR GATT.

(a) The President shall, as soon as practicable, take such action as may be necessary to bring trade agreements heretofore entered into, and the application thereof, into conformity with principles promoting the development of an open, nondiscriminatory, and fair world economic system. The action and principles referred to in the preceding sentence include, but are not limited to, the following—

8 UST 1767.

(1) the revision of decisionmaking procedures in the General Agreement on Tariffs and Trade (hereinafter in this subsection referred to as "GATT") to more nearly reflect the balance of economic interests,

8 UST 1786.

(2) the revision of article XIX of the GATT into a truly international safeguard procedure which takes into account all forms of import restraints countries use in response to injurious competition or threat of such competition,

(3) the extension of GATT articles to conditions of trade not presently covered in order to move toward more fair trade practices,

(4) the adoption of international fair labor standards and of public petition and confrontation procedures in the GATT,

(5) the revision of GATT articles with respect to the treatment of border adjustments for internal taxes to redress the disadvantage to countries relying primarily on direct rather than indirect taxes for revenue needs,

(6) the revision of the balance-of-payments provision in the GATT articles so as to recognize import surcharges as the preferred means by which industrial countries may handle balance-of-payments deficits insofar as import restraint measures are required,

(7) the improvement and strengthening of the provisions of GATT and other international agreements governing access to supplies of food, raw materials, and manufactured or semi-manufactured products, including rules and procedures governing the imposition of export controls, the denial of fair and equitable access to such supplies, and effective consultative procedures on problems of supply shortages,

(8) the extension of the provisions of GATT or other international agreements to authorize multilateral procedures by contracting parties with respect to member or nonmember countries which deny fair and equitable access to supplies of food, raw materials, and manufactured or semi-manufactured products, and thereby substantially injure the international community,

(9) any revisions necessary to establish procedures for regular consultation among countries and instrumentalities with respect to international trade and procedures to adjudicate commercial disputes among such countries or instrumentalities,

(10) any revisions necessary to apply the principles of reciprocity and nondiscrimination, including the elimination of special preferences and reverse preferences, to all aspects of international trade,

(11) any revisions necessary to define the forms of subsidy to industries producing products for export and the forms of subsidy to attract foreign investment which are consistent with an open, nondiscriminatory, and fair system of international trade, and

(12) consistent with the provisions of section 107, any revisions necessary to establish within the GATT an international agreements on articles (including footwear), including the creation of regular and institutionalized mechanisms for the settlement of disputes, and of a surveillance body to monitor all international shipments in such articles.

Ante, p. 1985.
8 UST 1767.

(b) The President shall, to the extent feasible, enter into agreements with foreign countries or instrumentalities to establish the principles described in subsection (a) with respect to international trade between the United States and such countries or instrumentalities.

(c) If the President enters into a trade agreement which establishes rules or procedures, including those set forth in subsection (a), promoting the development of an open, nondiscriminatory, and fair world economic system and if the implementation of such agreement will change any provision of Federal law (including a material change in an administrative rule), such agreement shall take effect with respect to the United States only if the appropriate implementing legislation is enacted by the Congress unless implementation of such agreement is effected pursuant to authority delegated by Congress. Such trade agreement may be submitted to the Congress for approval in accordance with the procedures of section 151. Nothing in this section shall be construed as prior approval of any legislation necessary to implement a trade agreement entered into under this section.

Trade agreement
establishing rules
or procedures.

Submission to
Congress.
Post, p. 2001.

(d) There are authorized to be appropriated annually such sums as may be necessary for the payment by the United States of its share of the expenses of the Contracting Parties to the General Agreement on Tariffs and Trade. This authorization does not imply approval or disapproval by the Congress of all articles of the General Agreement on Tariffs and Trade.

Appropriation.

SEC. 122. BALANCE-OF-PAYMENTS AUTHORITY.

(a) Whenever fundamental international payments problems require special import measures to restrict imports—

19 USC 2132.
Import restric-
tions.

(1) to deal with large and serious United States balance-of-payments deficits,

(2) to prevent an imminent and significant depreciation of the dollar in foreign exchange markets, or

(3) to cooperate with other countries in correcting an international balance-of-payments disequilibrium,

the President shall proclaim, for a period not exceeding 150 days (unless such period is extended by Act of Congress)—

(A) a temporary import surcharge, not to exceed 15 percent ad valorem, in the form of duties (in addition to those already imposed, if any) on articles imported into the United States;

(B) temporary limitations through the use of quotas on the importation of articles into the United States; or

(C) both a temporary import surcharge described in subparagraph (A) and temporary limitations described in subparagraph (B).

The authority delegated under subparagraph (B) (and so much of subparagraph (C) as relates to subparagraph (B)) may be exercised (i) only if international trade or monetary agreements to which the United States is a party permit the imposition of quotas as a balance-of-payments measure, and (ii) only to the extent that the fundamental imbalance cannot be dealt with effectively by a surcharge proclaimed pursuant to subparagraph (A) or (C). Any temporary import surcharge proclaimed pursuant to subparagraph (A) or (C) shall be treated as a regular customs duty.

(b) If the President determines that the imposition of import restrictions under subsection (a) will be contrary to the national interest of the United States, then he may refrain from proclaiming such restrictions and he shall—

(1) immediately inform Congress of his determination, and

(2) immediately convene the group of congressional official advisers designated under section 161(a) and consult with them as to the reasons for such determination.

(c) Whenever the President determines that fundamental international payments problems require special import measures to increase imports—

(1) to deal with large and persistent United States balance-of-trade surpluses, as determined on the basis of the cost-insurance-freight value of imports, as reported by the Bureau of the Census, or

(2) to prevent significant appreciation of the dollar in foreign exchange markets.

the President is authorized to proclaim, for a period of 150 days (unless such period is extended by Act of Congress)—

(A) a temporary reduction (of not more than 5 percent ad valorem) in the rate of duty on any article; and

(B) a temporary increase in the value or quantity of articles which may be imported under any import restriction, or a temporary suspension of any import restriction.

Import liberalizing actions proclaimed pursuant to this subsection shall be of broad and uniform application with respect to product coverage except that the President shall not proclaim measures under this subsection with respect to those articles where in his judgment such action will cause or contribute to material injury to firms or workers in any domestic industry, including agriculture, mining, fishing, or commerce, or to impairment of the national security, or will otherwise be contrary to the national interest.

(d) (1) Import restricting actions proclaimed pursuant to subsection (a) shall be applied consistently with the principle of nondiscriminatory treatment. In addition, any quota proclaimed pursuant to subparagraph (B) of subsection (a) shall be applied on a basis which aims at a distribution of trade with the United States approaching as closely as possible that which various foreign countries might have expected to obtain in the absence of such restrictions.

Import increases.

(2) Notwithstanding paragraph (1), if the President determines that the purposes of this section will best be served by action against one or more countries having large or persistent balance-of-payments surpluses, he may exempt all other countries from such action.

(3) After such time when there enters into force for the United States new rules regarding the application of surcharges as part of a reform of internationally agreed balance-of-payments adjustment procedures, the exemption authority contained in paragraph (2) shall be applied consistently with such new international rules.

(4) It is the sense of Congress that the President seek modifications in international agreements aimed at allowing the use of surcharges in place of quantitative restrictions (and providing rules to govern the use of such surcharges) as a balance-of-payments adjustment measure within the context of arrangements for an equitable sharing of balance-of-payments adjustment responsibility among deficit and surplus countries.

(e) Import restricting actions proclaimed pursuant to subsection (a) shall be of broad and uniform application with respect to product coverage except where the President determines, consistently with the purposes of this section, that certain articles should not be subject to import restricting actions because of the needs of the United States economy. Such exceptions shall be limited to the unavailability of domestic supply at reasonable prices, the necessary importation of raw materials, avoiding serious dislocations in the supply of imported goods, and other similar factors. In addition, uniform exceptions may be made where import restricting actions will be unnecessary or ineffective in carrying out the purposes of this section, such as with respect to articles already subject to import restrictions, goods in transit, or goods under binding contract. Neither the authorization of import restricting actions nor the determination of exceptions with respect to product coverage shall be made for the purpose of protecting individual domestic industries from import competition.

(f) Any quantitative limitation proclaimed pursuant to subparagraph (B) or (C) of subsection (a) on the quantity or value, or both, of an article—

Quantitative
limitation require-
ments.

(1) shall permit the importation of a quantity or value which is not less than the quantity or value of such article imported into the United States from the foreign countries to which such limitation applies during the most recent period which the President determines is representative of imports of such article, and

(2) shall take into account any increase since the end of such representative period in domestic consumption of such article and like or similar articles of domestic manufacture or production.

(g) The President may at any time, consistent with the provisions of this section, suspend, modify, or terminate, in whole or in part, any proclamation under this section either during the initial 150-day period of effectiveness or as extended by subsequent Act of Congress.

(h) No provision of law authorizing the termination of tariff concessions shall be used to impose a surcharge on imports into the United States.

SEC. 123. COMPENSATION AUTHORITY.

(a) Whenever any action has been taken under section 203 to increase or impose any duty or other import restriction, the President—

(1) may enter into trade agreements with foreign countries or instrumentalities for the purpose of granting new concessions as

19 USC 2133.

Post, p. 2015.

compensation in order to maintain the general level of reciprocal and mutually advantageous concessions; and

(2) may proclaim such modification or continuance of any existing duty, or such continuance of existing duty-free or excise treatment, as he determines to be required or appropriate to carry out any such agreement.

(b)(1) No proclamation shall be made pursuant to subsection (a) decreasing any rate of duty to a rate which is less than 70 percent of the existing rate of duty.

(2) Where the rate of duty in effect at any time is an intermediate stage under section 109, the proclamation made pursuant to subsection (a) may provide for the reduction of each rate of duty at each such stage proclaimed under section 101 by not more than 30 percent of such rate of duty, and may provide for a final rate of duty which is not less than 70 percent of the rate of duty proclaimed as the final stage under section 101.

(3) If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitations provided by paragraphs (1) and (2) of this subsection by not more than the lesser of—

(A) the difference between such limitation and the next lower whole number, or

(B) one-half of 1 percent ad valorem.

(4) Any concessions granted under subsection (a)(1) shall be reduced and terminated according to substantially the same time schedule for reduction applicable to the relevant import relief under section 203(h).

Post, p. 2015.

(c) Before entering into any trade agreement under this section with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(d) Notwithstanding the provisions of subsection (a), the authority delegated under section 101 shall be used for the purpose of granting new concessions as compensation within the meaning of this section until such authority terminates.

19 USC 2134.

SEC. 124. TWO-YEAR RESIDUAL AUTHORITY TO NEGOTIATE DUTIES.

(a) Whenever the President determines that any existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes of this Act will be promoted thereby, the President—

(1) may enter into trade agreements with foreign countries or instrumentalities thereof, and

(2) may proclaim such modification or continuance of any existing duty, such continuance of existing duty-free or excise treatment, or such additional duties, as he determines to be required or appropriate to carry out any such trade agreement.

(b) Agreements entered into under this section in any 1-year period shall not provide for the reduction of duties, or the continuance of duty-free or excise treatment, for articles which account for more than 2 percent of the value of United States imports for the most recent 12-month period for which import statistics are available.

(c)(1) No proclamation shall be made pursuant to subsection (a) decreasing any rate of duty to a rate which is less than 80 percent of the existing rate of duty.

(2) No proclamation shall be made pursuant to subsection (a) decreasing or increasing any rate of duty to a rate which is lower or higher than the corresponding rate which would have resulted if the maximum authority granted by section 101 with respect to such article had been exercised.

(3) Where the rate of duty in effect at any time is an intermediate stage under section 109, the proclamation made pursuant to subsection (a) may provide for the reduction of each rate of duty at each such stage proclaimed under section 101 by not more than 20 percent of such rate of duty, and, subject to the limitation in paragraph (2), may provide for a final rate of duty which is not less than 80 percent of the rate of duty proclaimed as the final stage under section 101.

(4) If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitations provided by paragraphs (1) and (2) of this subsection by not more than the lesser of—

(A) the difference between such limitation and the next lower whole number, or

(B) one-half of 1 percent ad valorem.

(d) Agreements may be entered into under this section only during the 2-year period which immediately follows the close of the period during which agreements may be entered into under section 101.

SEC. 125. TERMINATION AND WITHDRAWAL AUTHORITY.

19 USC 2135.

(a) Every trade agreement entered into under this Act shall be subject to termination, in whole or in part, or withdrawal, upon due notice, at the end of a period specified in the agreement. Such period shall be not more than 3 years from the date on which the agreement becomes effective. If the agreement is not terminated or withdrawn from at the end of the period so specified, it shall be subject to termination or withdrawal thereafter upon not more than 6 months' notice.

(b) The President may at any time terminate, in whole or in part, any proclamation made under this Act.

(c) Whenever the United States, acting in pursuance of any of its rights or obligations under any trade agreement entered into pursuant to this Act, section 201 of the Trade Expansion Act of 1962, or section 350 of the Tariff Act of 1930, withdraws, suspends, or modifies any obligation with respect to the trade of any foreign country or instrumentality thereof, the President is authorized to proclaim increased duties or other import restrictions, to the extent, at such times, and for such periods as he deems necessary or appropriate, in order to exercise the rights or fulfill the obligations of the United States. No proclamation shall be made under this subsection increasing any existing duty to a rate more than 50 percent above the rate set forth in rate column numbered 2 of the Tariff Schedules of the United States, as in effect on January 1, 1975, or 20 percent ad valorem above the rate existing on January 1, 1975, whichever is higher.

19 USC 1821.

19 USC 1351.

19 USC 1202.

(d) Whenever any foreign country or instrumentality withdraws, suspends, or modifies the application of trade agreement obligations of benefit to the United States without granting adequate compensation therefor, the President, in pursuance of rights granted to the United States under any trade agreement and to the extent necessary to protect United States economic interests (including United States balance of payments), may—

(1) withdraw, suspend, or modify the application of substantially equivalent trade agreement obligations of benefit to such foreign country or instrumentality, and

(2) proclaim under subsection (c) such increased duties or other import restrictions as are appropriate to effect adequate compensation from such foreign country or instrumentality.

19 USC 1821.

19 USC 1351.

Presidential
recommendations,
transmittal to Congress.

Hearing.

(e) Duties or other import restrictions required or appropriate to carry out any trade agreement entered into pursuant to this Act, section 201 of the Trade Expansion Act of 1962, or section 350 of the Tariff Act of 1930 shall not be affected by any termination, in whole or in part, of such agreement or by the withdrawal of the United States from such agreement and shall remain in effect after the date of such termination or withdrawal for 1 year, unless the President by proclamation provides that such rates shall be restored to the level at which they would be but for the agreement. Within 60 days after the date of any such termination or withdrawal, the President shall transmit to the Congress his recommendations as to the appropriate rates of duty for all articles which were affected by the termination or withdrawal or would have been so affected but for the preceding sentence.

(f) Before taking any action pursuant to subsection (b), (c), or (d), the President shall provide for a public hearing during the course of which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard, unless he determines that such prior hearings will be contrary to the national interest because of the need for expeditious action, in which case he shall provide for a public hearing promptly after such action.

19 USC 2136.

SEC. 126. RECIPROCAL NONDISCRIMINATORY TREATMENT.

(a) Except as otherwise provided in this Act or in any other provision of law, any duty or other import restriction or duty-free treatment proclaimed in carrying out any trade agreement under this title shall apply to products of all foreign countries, whether imported directly or indirectly.

(b) The President shall determine, after the conclusion of all negotiations entered into under this Act or at the end of the 5-year period beginning on the date of enactment of this Act, whichever is earlier, whether any major industrial country has failed to make concessions under trade agreements entered into under this Act which provide competitive opportunities for the commerce of the United States in such country substantially equivalent to the competitive opportunities, provided by concessions made by the United States under trade agreements entered into under this Act, for the commerce of such country in the United States.

Recommendations to Congress.

(c) If the President determines under subsection (b) that a major industrial country has not made concessions under trade agreements entered into under this Act which provide substantially equivalent competitive opportunities for the commerce of the United States, he shall, either generally with respect to such country or by article produced by such country, in order to restore equivalence of competitive opportunities, recommend to the Congress—

(1) legislation providing for the termination or denial of the benefits of concessions of trade agreements entered into under this Act made with respect to rates of duty or other import restrictions by the United States; and

(2) that any legislation necessary to carry out any trade agreement under section 102 shall not apply to such country.

(d) For purposes of this section, "major industrial country" means Canada, the European Economic Community, the individual member countries of such Community, Japan, and any other foreign country designated by the President for purposes of this subsection.

"Major industrial country."

SEC. 127. RESERVATION OF ARTICLES FOR NATIONAL SECURITY OR OTHER REASONS.

(a) No proclamation shall be made pursuant to the provisions of this Act reducing or eliminating the duty or other import restriction on any article if the President determines that such reduction or elimination would threaten to impair the national security.

19 USC 2137.

(b) While there is in effect with respect to any article any action taken under section 203 of this Act, or section 232 or 351 of the Trade Expansion Act of 1962 (19 U.S.C. 1862 or 1981), the President shall reserve such article from negotiations under this title (and from any action under section 122(c)) contemplating reduction or elimination of—

19 USC 2137.

Post, p. 2015.

Ante, p. 1987.

(A) any duty on such article,

(B) any import restriction imposed under such section, or

(C) any other import restriction, the removal of which will be likely to undermine the effect of the import restrictions referred to in subparagraph (B).

In addition, the President shall also so reserve any other article which he determines to be appropriate, taking into consideration information and advice available pursuant to and with respect to the matters covered by sections 131, 132, and 133, where applicable.

(c) The President shall submit to the Congress an annual report on section 232 of the Trade Expansion Act of 1962. Within 60 days after he takes any action under such section 232, the President shall report to the Congress the action taken and the reasons therefor.

Presidential report to Congress.
19 USC 1863.
19 USC 1862.

(d) Section 232 of the Trade Expansion Act of 1962 is amended—

19 USC 1862.

(1) by striking out "Director of the Office of Emergency Planning (hereinafter in this section referred to as the 'Director')" in the first sentence of subsection (b) and inserting in lieu thereof "Secretary of the Treasury (hereinafter referred to as the 'Secretary')";

(2) by striking out "advice from other appropriate departments and agencies" in the first sentence of subsection (b) and inserting in lieu thereof "advice from, and shall consult with, the Secretary of Defense, the Secretary of Commerce, and other appropriate officers of the United States";

(3) by striking out the last sentence of subsection (b) and inserting in lieu thereof the following: "The Secretary shall, if it is appropriate and after reasonable notice, hold public hearings or otherwise afford interested parties an opportunity to present information and advice relevant to such investigation. The Secretary shall report the findings of his investigation under this subsection with respect to the effect of the importation of such article in such quantities or under such circumstances upon the national security and, based on such findings, his recommendation for action or inaction under this section to the President within one year after receiving an application from an interested party or otherwise beginning an investigation under this subsection. If the Secretary finds that such article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, he shall so advise the President and the President shall take such action, and for

Hearings.

Report to President.

Import adjust-
ment.

such time, as he deems necessary to adjust the imports of such article and its derivatives so that such imports will not threaten to impair the national security, unless the President determines that the article is not being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.”; and

(4) by striking out “Director” each place it appears in subsections (c) and (d) and inserting in lieu thereof “Secretary”.

CHAPTER 3—HEARINGS AND ADVICE CONCERNING NEGOTIATIONS

19 USC 2151.

Lists of articles
for modification
of U.S. duties.

SEC. 131. INTERNATIONAL TRADE COMMISSION ADVICE.

(a) In connection with any proposed trade agreement under chapter 1 or section 123 or 124, the President shall from time to time publish and furnish the International Trade Commission (hereafter in this section referred to as the “Commission”) with lists of articles which may be considered for modification or continuance of United States duties, continuance of United States duty-free or excise treatment, or additional duties. In the case of any article with respect to which consideration may be given to reducing or increasing the rate of duty, the list shall specify the provision of this title pursuant to which such consideration may be given.

(b) Within 6 months after receipt of such a list or, in the case of a list submitted in connection with a trade agreement authorized under section 123, within 90 days after receipt of such list, the Commission shall advise the President with respect to each article of its judgment as to the probable economic effect of modifications of duties on industries producing like or directly competitive articles and on consumers, so as to assist the President in making an informed judgment as to the impact which might be caused by such modifications on United States manufacturing, agriculture, mining, fishing, labor, and consumers. Such advice may include in the case of any article the advice of the Commission as to whether any reduction in the rate of duty should take place over a longer period than the minimum periods provided by section 109(a).

Investigations
and reports.

(c) In addition, in order to assist the President in his determination of whether to enter into any agreement under section 102, the Commission shall make such investigations and reports as may be requested by the President, including, where feasible, advice as to the probable economic effects of modifications of any barrier to (or other distortion of) international trade on domestic industries and purchasers and on prices and quantities of articles in the United States.

Functions.

(d) In preparing its advice to the President under this section, the Commission shall, to the extent practicable—

(1) investigate conditions, causes, and effects relating to competition between the foreign industries producing the articles in question and the domestic industries producing the like or directly competitive articles;

(2) analyze the production, trade, and consumption of each like or directly competitive article, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital

investment, obsolescence of equipment, and diversification of production;

(3) describe the probable nature and extent of any significant change in employment, profit levels, and use of productive facilities, and such other conditions as it deems relevant in the domestic industries concerned which it believes such modifications would cause; and

(4) make special studies (including studies of real wages paid in foreign supplying countries), whenever deemed to be warranted, of particular proposed modifications affecting United States manufacturing, agriculture, mining, fishing, labor, and consumers, utilizing to the fullest extent practicable United States Government facilities abroad and appropriate personnel of the United States.

(e) In preparing its advice to the President under this section, the Commission shall, after reasonable notice, hold public hearings.

Hearings.

SEC. 132. ADVICE FROM DEPARTMENTS AND OTHER SOURCES.

19 USC 2152.

Before any trade agreement is entered into under chapter 1 or section 123 or 124, the President shall seek information and advice with respect to such agreement from the Departments of Agriculture, Commerce, Defense, Interior, Labor, State and the Treasury, from the Special Representative for Trade Negotiations, and from such other sources as he may deem appropriate.

SEC. 133. PUBLIC HEARINGS.

19 USC 2153.

(a) In connection with any proposed trade agreement under chapter 1 or section 123 or 124, the President shall afford an opportunity for any interested person to present his views concerning any article on a list published pursuant to section 131, any article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to such proposed trade agreement. For this purpose, the President shall designate an agency or an interagency committee which shall, after reasonable notice, hold public hearings and prescribe regulations governing the conduct of such hearings.

(b) The organization holding such hearings shall furnish the President with a summary thereof.

Summary to President.

SEC. 134. PREREQUISITES FOR OFFERS.

19 USC 2154.

In any negotiations seeking an agreement under chapter 1 or section 123 or 124, the President may make an offer for the modification or continuance of any United States duty, import restrictions, or barriers to (or other distortions of) international trade, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, import restriction, or other barrier to (or other distortion of) international trade, with respect to any article only after he has received a summary of the hearings at which an opportunity to be heard with respect to such article has been afforded under section 133. In addition, the President may make an offer for the modification or continuance of any United States duty, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, with respect to any article included in a list published and furnished under section 131(a), only after he has received advice concerning such article from the International Trade Commission under section 131(b), or after the expiration of the 6-month or 90-day period provided for in that section, as appropriate, whichever first occurs.

19 USC 2155.

SEC. 135. ADVICE FROM PRIVATE SECTOR.

(a) The President, in accordance with the provisions of this section, shall seek information and advice from representative elements of the private sector with respect to negotiating objectives and bargaining positions before entering into a trade agreement referred to in section 101 or 102.

Advisory Committee for Trade Negotiations.
Establishment; membership.

(b) (1) The President shall establish an Advisory Committee for Trade Negotiations to provide overall policy advice on any trade agreement referred to in section 101 or 102. The Committee shall be composed of not more than 45 individuals, and shall include representatives of government, labor, industry, agriculture, small business, service industries, retailers, consumer interests, and the general public.

Termination.

(2) The Committee shall meet at the call of the Special Representative for Trade Negotiations, who shall be the Chairman. The Committee shall terminate upon submission of its report required under subsection (e) (2). Members of the Committee shall be appointed by the President for a period of 2 years and may be reappointed for one or more additional periods.

(3) The Special Representative for Trade Negotiations shall make available to the Committee such staff, information, personnel, and administrative services and assistance as it may reasonably require to carry out its activities.

General policy advisory committees.
Establishment.

(c) (1) The President may, on his own initiative or at the request of organizations representing industry, labor, or agriculture, establish general policy advisory committees for industry, labor, and agriculture, respectively, to provide general policy advice on any trade agreement referred to in section 101 or 102. Such committees shall, insofar as practicable, be representative of all industry, labor, or agricultural interests (including small business interests), respectively, and shall be organized by the President acting through the Special Representative for Trade Negotiations and the Secretaries of Commerce, Labor, and Agriculture, as appropriate.

Sector advisory committees.
Establishment.

(2) The President shall, on his own initiative or at the request of organizations in a particular sector, establish such industry, labor, or agricultural sector advisory committees as he determines to be necessary for any trade negotiations referred to in section 101 or 102. Such committees shall, so far as practicable, be representative of all industry, labor, or agricultural interests including small business interests in the sector concerned. In organizing such committees the President, acting through the Special Representative for Trade Negotiations and the Secretary of Commerce, Labor, or Agriculture, as appropriate, (A) shall consult with interested private organizations, and (B) shall take into account such factors as patterns of actual and potential competition between United States industry and agriculture and foreign enterprise in international trade, the character of the nontariff barriers and other distortions affecting such competition, the necessity for reasonable limits on the number of such product sector advisory committees, the necessity that each committee be reasonably limited in size, and that the product lines covered by each committee be reasonably related.

Meetings.

(d) Committees established pursuant to subsection (c) shall meet at the call of the Special Representative for Trade Negotiations, before and during any trade negotiations, to provide the following:

(1) policy advice on negotiations;

(2) technical advice and information on negotiations on particular products both domestic and foreign; and

(3) advice on other factors relevant to positions of the United States in trade negotiations.

(e)(1) The Advisory Committee for Trade Negotiations, each appropriate policy advisory committee, and each sector advisory committee, if the sector which such committee represents is affected, shall meet at the conclusion of negotiations for each trade agreement entered into under this Act, to provide to the President, to Congress, and to the Special Representative for Trade Negotiations a report on such agreement. The report of the Advisory Committee for Trade Negotiations and each appropriate policy advisory committee shall include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and the report of the appropriate sector committee shall include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sector.

Reports to President, Congress, and Special Representative for Trade Negotiations.

(2) The Advisory Committee for Trade Negotiations, each policy advisory committee, and each sector advisory committee shall issue a report to the Congress as soon as is practical after the end of the period which ends 5 years after the date of enactment of this Act. The report of the Advisory Committee for Trade Negotiations and each policy advisory committee shall include an advisory opinion as to whether and to what extent trade agreements entered into under this Act, taken as a whole, serve the economic interests of the United States. The report of each sector advisory committee shall include an advisory opinion on the degree to which trade agreements entered into under this Act which affect the sector represented by each such committee, taken as a whole, provide for equity and reciprocity within that sector.

Report to Congress.

(f) The provisions of the Federal Advisory Committee Act (Public Law 92-463) shall apply—

5 USC app. 1.

(1) to the Advisory Committee for Trade Negotiations established pursuant to subsection (b); and

(2) to all other advisory committees which may be established pursuant to subsection (c); except that the meetings of advisory groups established under subsection (c) shall be exempt from the requirements of subsections (a) and (b) of section 10 and section 11 of the Federal Advisory Committee Act (relating to open meetings, public notice, public participation, and public availability of documents), whenever and to the extent it is determined by the President or his designee that such meetings will be concerned with matters the disclosure of which would seriously compromise the Government's negotiating objectives or bargaining positions on the negotiation of any trade agreement.

(g)(1)(A) Trade secrets and commercial or financial information which is privileged or confidential, submitted in confidence by the private sector to officers or employees of the United States in connection with trade negotiations, shall not be disclosed to any person other than to—

Privileged or confidential information.

(i) officers and employees of the United States designated by the Special Representative for Trade Negotiations, and

(ii) members of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate who are accredited as official advisers under section 161 (a) or are designated by the chairman of either such committee under section 161(b)(2), and members of the staff of either such committee designated by the chairman under section 161(b)(2),

Post, p. 2008.

for use in connection with negotiation of a trade agreement referred to in section 101 or 102.

Other confidential information and advice.

(B) Information, other than that described in paragraph (A), and advice submitted in confidence by the private sector to officers or employees of the United States, to the Advisory Committee for Trade Negotiations or to any advisory committee established under subsection (c), in connection with trade negotiations, shall not be disclosed to any person other than—

- (i) the individuals described in subparagraph (A), and
- (ii) the appropriate advisory committees established under this section.

Rules governing information disclosure.

(2) Information submitted in confidence by officers or employees of the United States to the Advisory Committee for Trade Negotiations, or to any advisory committee established under subsection (c), shall not be disclosed other than in accordance with rules issued by the Special Representative for Trade Negotiations and the Secretary of Commerce, Labor or Agriculture, as appropriate, after consultation with the relevant advisory committees established under subsection (c). Such rules shall define the categories of information which require restricted or confidential handling by such committee considering the extent to which public disclosure of such information can reasonably be expected to prejudice United States negotiating objectives. Such rules shall, to the maximum extent feasible, permit meaningful consultations by advisory committee members with persons affected by proposed trade agreements.

Staff, information, personnel, services and assistance to advisory committees.

(h) The Special Representative for Trade Negotiations, and the Secretary of Commerce, Labor, or Agriculture, as appropriate, shall provide such staff, information, personnel, and administrative services and assistance to advisory committees established pursuant to subsection (c) as such committees may reasonably require to carry out their activities.

Procedures for consultation.

(i) It shall be the responsibility of the Special Representative for Trade Negotiations, in conjunction with the Secretary of Commerce, Labor, or Agriculture, as appropriate, to adopt procedures for consultation with and obtaining information and advice from the advisory committees established pursuant to subsection (c) on a continuing and timely basis, both during preparation for negotiations and actual negotiations. Such consultation shall include the provision of information to each advisory committee as to (1) significant issues and developments arising in preparation for or in the course of such negotiations, and (2) overall negotiating objectives and positions of the United States and other parties to the negotiations. The Special Representative for Trade Negotiations shall not be bound by the advice or recommendations of such advisory committees but the Special Representative for Trade Negotiations shall inform the advisory committees of failures to accept such advice or recommendations, and the President shall include in his statement to the Congress, required by section 163, a report by the Special Representative for Trade Negotiations on consultation with such committees, issues involved in such consultation, and the reasons for not accepting advice or recommendations.

Post, p. 2009. Report.

(j) In addition to any advisory committee established pursuant to this section, the President shall provide adequate, timely and continuing opportunity for the submission on an informal and, if such information is submitted under the provisions of subsection (g), confidential basis by private organizations or groups, representing labor, industry, agriculture, small business, service industries, consumer interests, and others, of statistics, data, and other trade information, as well as policy recommendations, pertinent to the negotiation of any trade agreement referred to in section 101 or 102.

(k) Nothing contained in this section shall be construed to authorize or permit any individual to participate directly in any negotiation of any trade agreement referred to in section 101 or 102.

CHAPTER 4—OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

SEC. 141. OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS.

(a) There is established within the Executive Office of the President the Office of the Special Representative for Trade Negotiations (hereinafter in this section referred to as the "Office").

Establishment.
19 USC 2171.

(b) (1) The Office shall be headed by the Special Representative for Trade Negotiations who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of the Special Representative for Trade Negotiations submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. The Special Representative for Trade Negotiations shall hold office at the pleasure of the President, shall be entitled to receive the same allowances as a chief of mission, and shall have the rank of Ambassador Extraordinary and Plenipotentiary.

Special Representative for Trade Negotiations.
19 USC 2171.

(2) There shall be in the Office two Deputy Special Representatives for Trade Negotiations who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of a Deputy Special Representative submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. Each Deputy Special Representative for Trade Negotiations shall hold office at the pleasure of the President and shall have the rank of Ambassador.

Deputy Special Representatives for Trade Negotiations.

(3) (A) Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(13) Special Representative for Trade Negotiations."

(B) Section 5314 of such title is amended by adding at the end thereof the following new paragraph:

5 USC 5314.

"(60) Deputy Special Representatives for Trade Negotiations (2)."

(c) (1) The Special Representative for Trade Negotiations shall—

Functions.
19 USC 2171.

(A) be the chief representative of the United States for each trade negotiation under this title or section 301;

Post, p. 2041.

(B) report directly to the President and the Congress, and be responsible to the President and the Congress for the administration of trade agreements programs under this Act, the Trade Expansion Act of 1962, and section 350 of the Tariff Act of 1930;

Report to President and Congress

(C) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs;

19 USC 1801 note, 1351.

(D) be responsible for making reports to Congress with respect to the matter set forth in subparagraphs (A) and (B);

Reports to Congress.

(E) be chairman of the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962; and

19 USC 1872.

(F) be responsible for such other functions as the President may direct.

(2) Each Deputy Special Representative for Trade Negotiation shall have as his principal function the conduct of trade negotiations under this Act and shall have such other functions as the Special Representative for Trade Negotiations may direct.

(d) The Special Representative for Trade Negotiations may, for the purpose of carrying out his functions under this section—

(1) subject to the civil service and classification laws, select, appoint, employ, and fix the compensation of such officers and employees as are necessary and prescribe their authority and duties;

Experts and consultants.

5 USC 5332 note.

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including traveltime) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code, and while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

Rules and regulations.

(3) promulgate such rules and regulations as may be necessary to carry out the functions vested in him;

(4) utilize, with their consent, the services, personnel, and facilities of other Federal agencies;

Contracts, leases, or cooperative agreements.

(5) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the work of the Office and on such terms as the Special Representative for Trade Negotiations may deem appropriate, with any agency or instrumentality of the United States, or with any public or private person, firm, association, corporation, or institution;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)); and

Official seal.

(7) adopt an official seal, which shall be judicially noticed.

Consultation with Federal agencies.

(e) The Special Representative for Trade Negotiations shall, to the extent he deems it necessary for the proper administration and execution of the trade agreements programs of the United States, draw upon the resources of, and consult with, Federal agencies in connection with the performance of his functions.

Appropriation.

(f) There are authorized to be appropriated to the Office of Special Representative for Trade Negotiations such amounts as may be necessary for the purpose of carrying out its functions for fiscal year 1976 and each fiscal year thereafter any part of which is within the 5-year period beginning on the date of the enactment of this Act.

Office of Special Representatives for Trade Negotiations, abolishment.
19 USC 1801 note.

(g)(1) The Office of Special Representative for Trade Negotiations established under Executive Order No. 11075 of January 15, 1963, as amended, is abolished.

Transfer of funds.

(2) The assets, liabilities, contracts, property, and records and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to such Office are transferred to the Office of Special Representative for Trade Negotiations established under subsection (a) of this section.

(h)(1) Any individual who holds the position of Special Representative for Trade Negotiations or a position as Deputy Special Representative for Trade Negotiations on the day before the date of

enactment of this Act and who has been appointed by and with the advice and consent of the Senate may continue to hold such position without regard to the first sentence of paragraph (1) of subsection (b), or the first sentence of paragraph (2) of subsection (b), as the case may be.

(2) All personnel who on the day before the date of the enactment of this Act are employed by the Office of the Special Representative for Trade Negotiations established by Executive Order No. 11075 of January 15, 1963, as amended, are hereby transferred to the Office.

Transfer of personnel.

19 USC 1801 note.

CHAPTER 5—CONGRESSIONAL PROCEDURES WITH RESPECT TO PRESIDENTIAL ACTIONS

SEC. 151. BILLS IMPLEMENTING TRADE AGREEMENTS ON NONTARIFF BARRIERS AND RESOLUTIONS APPROVING COMMERCIAL AGREEMENTS WITH COMMUNIST COUNTRIES.

19 USC 2191.

(a) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section and sections 152 and 153 are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of implementing bills described in subsection (b)(1), implementing revenue bills described in subsection (b)(2), approval resolutions described in subsection (b)(3), and resolutions described in subsections 152(a) and 153(a); and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) DEFINITIONS.—For purposes of this section—

(1) The term “implementing bill” means only a bill of either House of Congress which is introduced as provided in subsection (c) with respect to one or more trade agreements submitted to the House of Representatives and the Senate under section 102 and which contains—

(A) a provision approving such trade agreement or agreements,

(B) a provision approving the statement of administrative action (if any) proposed to implement such trade agreement or agreements, and

(C) if changes in existing laws or new statutory authority is required to implement such trade agreement or agreements, provisions, necessary or appropriate to implement such trade agreement or agreements, either repealing or amending existing laws or providing new statutory authority.

(2) The term “implementing revenue bill” means an implementing bill which contains one or more revenue measures by reason of which it must originate in the House of Representatives.

(3) The term “approval resolution” means only a concurrent resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: “That the Congress

approves the extension of nondiscriminatory treatment with respect to the products of _____ transmitted by the President to the Congress on _____.”, the first blank space being filled with the name of the country involved and the second blank space being filled with the appropriate date.

(c) INTRODUCTION AND REFERRAL.—

Trade agree-
ment.
Ante, p. 1982.

(1) On the day on which a trade agreement is submitted to the House of Representatives and the Senate under section 102, the implementing bill submitted by the President with respect to such trade agreement shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a trade agreement is submitted, the implementing bill shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. Such bills shall be referred by the Presiding Officers of the respective Houses to the appropriate committee, or, in the case of a bill containing provisions within the jurisdiction of two or more committees, jointly to such committees for consideration of those provisions within their respective jurisdictions.

Bilateral com-
mercial agree-
ment.
Post, p. 2056.

(2) On the day on which a bilateral commercial agreement, entered into under title IV of this Act after the date of the enactment of this Act, is transmitted to the House of Representatives and the Senate, an approval resolution with respect to such agreement shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement is transmitted, the approval resolution with respect to such agreement shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. The approval resolution introduced in the House shall be referred to the Committee on Ways and Means and the approval resolution introduced in the Senate shall be referred to the Committee on Finance.

(d) AMENDMENTS PROHIBITED.—No amendment to an implementing bill or approval resolution shall be in order in either the House of Representatives or the Senate; and no motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(e) PERIOD FOR COMMITTEE AND FLOOR CONSIDERATION.—

(1) Except as provided in paragraph (2), if the committee or committees of either House to which an implementing bill or approval resolution has been referred have not reported it at the

close of the 45th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the bill or resolution and it shall be placed on the appropriate calendar. A vote on final passage of the bill or resolution shall be taken in each House on or before the close of the 15th day after the bill or resolution is reported by the committee or committees of that House to which it was referred, or after such committee or committees have been discharged from further consideration of the bill or resolution. If prior to the passage by one House of an implementing bill or approval resolution of that House, that House receives the same implementing bill or approval resolution from the other House, then—

(A) the procedure in that House shall be the same as if no implementing bill or approval resolution had been received from the other House; but

(B) the vote on final passage shall be on the implementing bill or approval resolution of the other House.

(2) The provisions of paragraph (1) shall not apply in the Senate to an implementing revenue bill. An implementing revenue bill received from the House shall be referred to the appropriate committee or committees of the Senate. If such committee or committees have not reported such bill at the close of the 15th day after its receipt by the Senate (or, if later, before the close of the 45th day after the corresponding implementing revenue bill was introduced in the Senate), such committee or committees shall be automatically discharged from further consideration of such bill and it shall be placed on the calendar. A vote on final passage of such bill shall be taken in the Senate on or before the close of the 15th day after such bill is reported by the committee or committees of the Senate to which it was referred, or after such committee or committees have been discharged from further consideration of such bill.

Implementing
revenue bills.

(3) For purposes of paragraphs (1) and (2), in computing a number of days in either House, there shall be excluded any day on which that House is not in session.

(f) FLOOR CONSIDERATION IN THE HOUSE.—

(1) A motion in the House of Representatives to proceed to the consideration of an implementing bill or approval resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the House of Representatives on an implementing bill or approval resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the bill or resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit an implementing bill or approval resolution or to move to reconsider the vote by which an implementing bill or approval resolution is agreed to or disagreed to.

(3) Motions to postpone, made in the House of Representatives with respect to the consideration of an implementing bill or approval resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the

procedure relating to an implementing bill or approval resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of an implementing bill or approval resolution shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions in similar circumstances.

(g) FLOOR CONSIDERATION IN THE SENATE.—

(1) A motion in the Senate to proceed to the consideration of an implementing bill or approval resolution shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on an implementing bill or approval resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with an implementing bill or approval resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or resolution, except that in the event the manager of the bill or resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of an implementing bill or approval resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate is not debatable. A motion to recommit an implementing bill or approval resolution is not in order.

19 USC 2192.

SEC. 152. RESOLUTIONS DISAPPROVING CERTAIN ACTIONS.

(a) CONTENTS OF RESOLUTIONS.—

“Resolution.”

(1) For purposes of this section, the term “resolution” means only—

(A) a concurrent resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: “That the Congress does not approve _____ transmitted to the Congress on _____.”, the first blank space being filled in accordance with paragraph (2) and the second blank space being filled with the appropriate date; and

(B) a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: “That the _____ does not approve _____ transmitted to the Congress on _____.”, with the first blank space being filled with the name of the resolving House, the second blank space being filled in accordance with paragraph (3), and the third blank space being filled with the appropriate date.

(2) The first blank space referred to in paragraph (1)(A) shall be filled as follows:

(A) in the case of a resolution referred to in section 203(c), with the phrase “the action taken by, or the determination of, the President under section 203 of the Trade Act of 1974”; and

Post, p. 2015.

(B) in the case of a resolution referred to in section 302(b), with the phrase “the action taken by the President under section 301 of the Trade Act of 1974”.

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(3) The second blank space referred to in paragraph (1)(B) shall be filled as follows:

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(A) in the case of a resolution referred to in section 303(e) of the Tariff Act of 1930, with the phrase “the determination of the Secretary of the Treasury under section 303(d) of the Tariff Act of 1930”;

19 USC 1303.

(B) in the case of a resolution referred to in section 407(c)(2), with the phrase “the extension of nondiscriminatory treatment with respect to the products of _____” (with this blank space being filled with the name of the country involved); and

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(C) in the case of a resolution referred to in section 407(c)(3), with the phrase “the report of the President submitted under section _____ of the Trade Act of 1974 with respect to _____” (with the first blank space being filled with “402(b)” or “409(b)”, as appropriate, and the second blank space being filled with the name of the country involved).

(b) **REFERENCE TO COMMITTEES.**—All resolutions introduced in the House of Representatives shall be referred to the Committee on Ways and Means and all resolutions introduced in the Senate shall be referred to the Committee on Finance.

(c) **DISCHARGE OF COMMITTEES.**—

(1) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction, not counting any day which is excluded under section 153(b), it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same matter, except no motion to discharge shall be in order after the committee has reported a resolution with respect to the same matter.

(2) A motion to discharge under paragraph (1) may be made only by an individual favoring the resolution, and is highly privileged in the House and privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(d) **FLOOR CONSIDERATION IN THE HOUSE.**—

(1) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No

amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

(3) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

(e) **FLOOR CONSIDERATION IN THE SENATE.—**

(1) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

(f) **SPECIAL RULE FOR CONCURRENT RESOLUTIONS.—**In the case of a resolution described in subsection (a) (1), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

(1) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(2) the vote on final passage shall be on the resolution of the other House.

19 USC 2193.

SEC. 153. RESOLUTIONS RELATING TO EXTENSION OF WAIVER AUTHORITY UNDER SECTION 402.

(a) **CONTENTS OF RESOLUTIONS.—**For purposes of this section, the term “resolution” means only—

(1) a concurrent resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: “That the Congress approves the extension of the authority contained in section 402(c) (1) of the Trade Act of 1974 recommended

Post, p. 2056.

by the President to the Congress on ———, except with respect to ———.”, with the first blank space being filled with the appropriate date and the second blank space being filled with the names of those countries, if any, with respect to which such extension of authority is not approved, and with the except clause being omitted if there is no such country; and

(2) a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: “That the ——— does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on ——— with respect to ———.”, with the first blank space being filled with the name of the resolving House, the second blank space being filled with the appropriate date, and the third blank space being filled with the names of those countries, if any, with respect to which such extension of authority is not approved, and with the with-respect-to clause being omitted if the extension of the authority is not approved with respect to any country.

Post, p. 2056.

(b) APPLICATION OF RULES OF SECTION 152; EXCEPTIONS.—

(1) Except as provided in this section, the provisions of section 152 shall apply to resolutions described in subsection (a).

(2) In applying section 152(c)(1), all calendar days shall be counted, and, in the case of a resolution related to section 402(d)(4), 20 calendar days shall be substituted for 30 days.

(3) That part of section 152(d)(2) which provides that no amendment is in order shall not apply to any amendment to a resolution which is limited to striking out or inserting the names of one or more countries or to striking out or inserting an except clause, in the case of a resolution described in subsection (a)(1), or a with-respect-to clause, in the case of a resolution described in subsection (a)(2). Debate in the House of Representatives on any amendment to a resolution shall be limited to not more than 1 hour which shall be equally divided between those favoring and those opposing the amendment. A motion in the House to further limit debate on an amendment to a resolution is not debatable.

(4) That part of section 152(e)(4) which provides that no amendment is in order shall not apply to any amendment to a resolution which is limited to striking out or inserting the names of one or more countries or to striking out or inserting an except clause, in the case of a resolution described in subsection (a)(1), or a with-respect-to clause, in the case of a resolution described in subsection (a)(2). The time limit on a debate on a resolution in the Senate under section 152(e)(2) shall include all amendments to a resolution. Debate in the Senate on any amendment to a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such amendment, the time in opposition thereto shall be controlled by the minority leader or his designee. The majority leader and minority leader may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any amendment. A motion in the Senate to further limit debate on an amendment to a resolution is not debatable.

(c) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate

Post, p. 2056.

to consider a resolution with respect to a recommendation of the President under section 402(d) (other than a resolution described in subsection (a)(1) received from the other House), if that House has adopted a resolution with respect to the same recommendation.

19 USC 2194.

SEC. 154. SPECIAL RULES RELATING TO CONGRESSIONAL PROCEDURES.

Ante, p. 1982;
Post, pp. 2015,
2043, 2063, 2049.

(a) Whenever, pursuant to section 102(e), 203(b), 302(a), 402(d), or 407 (a) or (b), or section 303(e) of the Tariff Act of 1930, a document is required to be transmitted to the Congress, copies of such document shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(b) For purposes of sections 203(c), 302(b), 407(c)(2), and 407(c)(3), the 90-day period referred to in such sections shall be computed by excluding—

(1) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(2) any Saturday and Sunday, not excluded under paragraph (1), when either House is not in session.

CHAPTER 6—CONGRESSIONAL LIAISON AND REPORTS

19 USC 2211.

SEC. 161. CONGRESSIONAL DELEGATES TO NEGOTIATIONS.

(a) At the beginning of each regular session of Congress, the Speaker of the House of Representatives, upon the recommendation of the chairman of the Committee on Ways and Means, shall select five members (not more than three of whom are members of the same political party) of such committee, and the President pro tempore of the Senate, upon the recommendation of the chairman of the Committee on Finance, shall select five members (not more than three of whom are members of the same political party) of such committee, who shall be accredited by the President as official advisers to the United States delegations to international conferences, meetings, and negotiation sessions relating to trade agreements.

(b) (1) The Special Representative for Trade Negotiation shall keep each official adviser currently informed on United States negotiating objectives, the status of negotiations in progress, and the nature of any changes in domestic law or the administration thereof which may be recommended to Congress to carry out any trade agreement.

(2) The chairmen of the Committee on Ways and Means and the Committee on Finance may designate members (in addition to the official advisers under subsection (a)) and staff members of their respective committees who shall have access to the information provided to official advisers under paragraph (1).

19 USC 2212.

SEC. 162. TRANSMISSION OF AGREEMENTS TO CONGRESS.

(a) As soon as practicable after a trade agreement entered into under chapter 1 or section 123 or 124 has entered into force with respect to the United States, the President shall, if he has not previously done so, transmit a copy of such trade agreement to each House of the Congress together with a statement, in the light of the advice of the International Trade Commission under section 131(b), if any,

and of other relevant considerations, of his reasons for entering into the agreement.

(b) The President shall transmit to each Member of the Congress a summary of the information required to be transmitted to each House under subsection (a). For purposes of this subsection, the term "Member" includes any Delegate or Resident Commissioner.

Summary of information.

"Member."

19 USC 2213.

Presidential report to Congress.

SEC. 163. REPORTS.

(a) The President shall submit to the Congress an annual report on the trade agreements program and on import relief and adjustment assistance for workers, firms, and communities under this Act. Such report shall include information regarding new negotiations; changes made in duties and nontariff barriers and other distortions of trade of the United States; reciprocal concessions obtained; changes in trade agreements (including the incorporation therein of actions taken for import relief and compensation provided therefor); extension or withdrawal of nondiscriminatory treatment by the United States with respect to the products of a foreign country; extension, modification, withdrawal, suspension, or limitation of preferential treatment to exports of developing countries; the results of action taken to obtain removal of foreign trade restrictions (including discriminatory restrictions) against United States exports and the removal of foreign practices which discriminate against United States service industries (including transportation and tourism) and investment; and the measures being taken to seek the removal of other significant foreign import restrictions; and other information relating to the trade agreements program and to the agreements entered into thereunder. Such report shall also include information regarding the number of applications filed for adjustment assistance for workers, firms, and communities, the number of such applications which were approved, and the extent to which adjustment assistance has been provided under such approved applications.

(b) The International Trade Commission shall submit to the Congress, at least once a year, a factual report on the operation of the trade agreements program.

ITC report to Congress.

CHAPTER 7—UNITED STATES INTERNATIONAL TRADE COMMISSION

SEC. 171. CHANGE OF NAME OF TARIFF COMMISSION.

19 USC 2231.

(a) The United States Tariff Commission (established by section 330 of the Tariff Act of 1930) is renamed as the United States International Trade Commission.

19 USC 1330.

(b) Any reference in any law of the United States, or in any order, rule, regulation, or other document, to the United States Tariff Commission (or the Tariff Commission) shall be considered to refer to the United States International Trade Commission.

SEC. 172. ORGANIZATION OF THE COMMISSION.

(a) Subsections (a) and (b) of section 330 of the Tariff Act of 1930 (19 U.S.C. 1330) are amended to read as follows:

"(a) **MEMBERSHIP.**—The United States International Trade Commission (referred to in this title as the "Commission") shall be composed of six commissioners who shall be appointed by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed

of qualifications requisite for developing expert knowledge of international trade problems and efficiency in administering the duties and functions of the Commission. A person who has served as a commissioner for more than 5 years (excluding service as a commissioner before the date of the enactment of the Trade Act of 1974) shall not be eligible for reappointment as a commissioner. Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

“(b) **TERMS OF OFFICE.**—The terms of office of the commissioners holding office on the date of the enactment of the Trade Act of 1974 which (but for this sentence) would expire on June 16, 1975, June 16, 1976, June 16, 1977, June 16, 1978, June 16, 1979, and June 16, 1980, shall expire on December 16, 1976, June 16, 1978, December 16, 1979, June 16, 1981, December 16, 1982, and June 16, 1984, respectively. The term of office of each commissioner appointed after such date shall expire 9 years from the date of the expiration of the term for which his predecessor was appointed, except that any commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.”

(b) Subsection (c) of such section is amended—

(1) by striking out “The” in the first sentence and inserting in lieu thereof “(1) Except as provided in paragraph (2), the”; and

(2) by adding at the end thereof the following new paragraph:

“(2) Effective on and after June 17, 1975, the commissioner whose term is first to expire and who has at least 18 months remaining in his term shall serve as chairman during the last 18 months of his term (or, in the case of a commissioner appointed to fill a vacancy occurring during such 18-month period, during the remainder of his term), and the commissioner whose term is second to expire and who has at least 36 months remaining in his term shall serve as vice chairman during the same 18-month period (or, in the case of a commissioner appointed to fill a vacancy occurring during such 18-month period, during the remainder of such 18-month period).”

(c) (1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

“(61) Chairman, United States International Trade Commission.”

5 USC 5315.

(2) Section 5315 of such title is amended by striking out paragraph (24) and inserting in lieu thereof the following:

“(24) Members, United States International Trade Commission.”

5 USC 5316.

(3) Section 5316 of such title is amended by striking out paragraph (93).

SEC. 173. VOTING RECORD OF COMMISSIONERS.

19 USC 1332.

Section 332(g) of the Tariff Act of 1930 (31 U.S.C. 1332(g)) is amended—

(1) by striking out “and” before “a summary”, and

(2) by inserting before the period at the end “, and a list of all votes taken by the commission during the year, showing those commissioners voting in the affirmative and the negative on each vote and those commissioners not voting on each vote and the reasons for not voting”.

SEC. 174. REPRESENTATION IN COURT PROCEEDINGS.

Section 333(c) of the Tariff Act of 1930 (19 U.S.C. 1333(c)) is amended—

(1) by striking out “Upon application of the Attorney General of the United States, at” in subsection (c) and inserting in lieu thereof “At”, and

(2) by adding at the end thereof the following new subsection:

“(g) REPRESENTATION IN COURT PROCEEDINGS.—The Commission shall be represented in all judicial proceedings by attorneys who are employees of the commission or, at the request of the commission, by the Attorney General of the United States.”

SEC. 175. INDEPENDENT BUDGET AND AUTHORIZATION OF APPROPRIATIONS.

(a)(1) Effective with respect to the fiscal year beginning October 1, 1976, for purposes of the Budget and Accounting Act, 1921 (31 U.S.C. 1 et seq.), estimated expenditures and proposed appropriations for the United States International Trade Commission shall be transmitted to the President on or before October 15 of the year preceding the beginning of each fiscal year and shall be included by him in the Budget without revision, and the Commission shall not be considered to be a department or establishment for purposes of such Act.

Estimated expenditures and proposed appropriations, transmitted to President.
19 USC 2232.

(2) Section 3679 of the Revised Statutes (31 U.S.C. 665) is amended by inserting “the United States International Trade Commission,” before “, or the District of Columbia” each place it appears in subsections (d) and (g).

(b) Section 330 of the Tariff Act of 1930 (19 U.S.C. 1330) is amended by adding at the end thereof the following new subsection:

“(e) AUTHORIZATION OF APPROPRIATIONS.—For the fiscal year beginning October 1, 1976, and each fiscal year thereafter, there are authorized to be appropriated to the Commission only such sums as may hereafter be provided by law.”

(c)(1) Paragraph (2) is enacted as an exercise of the rulemaking power of the Senate and with full recognition of the constitutional right of the Senate to change its rules at any time.

(2) Paragraph 6(a) of rule XVI of the Standing Rules of the Senate is amended by adding at the end of the table contained therein the following:

“Committee on Finance ----- For the International Trade Commission.”.

TITLE II—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

CHAPTER 1—IMPORT RELIEF

SEC. 201. INVESTIGATION BY INTERNATIONAL TRADE COMMISSION.

(a)(1) A petition for eligibility for import relief for the purpose of facilitating orderly adjustment to import competition may be filed with the International Trade Commission (hereinafter in this chapter referred to as the “Commission”) by an entity, including a trade association, firm, certified or recognized union, or group of workers, which is representative of an industry. The petition shall include a statement describing the specific purposes for which import relief is being sought, which may include such objectives as facilitating the orderly transfer

19 USC 2251.
Filing of petition with ITC.

of resources to alternative uses and other means of adjustment to new conditions of competition.

(2) Whenever a petition is filed under this subsection, the Commission shall transmit a copy thereof to the Special Representative for Trade Negotiations and the agencies directly concerned.

Investigation.

(b) (1) Upon the request of the President or the Special Representative for Trade Negotiations, upon resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, upon its own motion, or upon the filing of a petition under subsection (a) (1), the Commission shall promptly make an investigation to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

Economic factors.

(2) In making its determinations under paragraph (1), the Commission shall take into account all economic factors which it considers relevant, including (but not limited to)—

(A) with respect to serious injury, the significant idling of productive facilities in the industry, the inability of a significant number of firms to operate at a reasonable level of profit, and significant unemployment or underemployment within the industry;

(B) with respect to threat of serious injury, a decline in sales, a higher and growing inventory, and a downward trend in production, profits, wages, or employment (or increasing underemployment) in the domestic industry concerned; and

(C) with respect to substantial cause, an increase in imports (either actual or relative to domestic production) and a decline in the proportion of the domestic market supplied by domestic producers.

(3) For purposes of paragraph (1), in determining the domestic industry producing an article like or directly competitive with an imported article, the Commission—

(A) may, in the case of a domestic producer which also imports, treat as part of such domestic industry only its domestic production,

(B) may, in the case of a domestic producer which produces more than one article, treat as part of such domestic industry only that portion or subdivision of the producer which produces the like or directly competitive article, and

(C) may, in the case of one or more domestic producers, who produce a like or directly competitive article in a major geographic area of the United States and whose production facilities in such area for such article constitute a substantial portion of the domestic industry in the United States and primarily serve the market in such area, and where the imports are concentrated in such area, treat as such domestic industry only that segment of the production located in such area.

"Substantial cause."

(4) For purposes of this section, the term "substantial cause" means a cause which is important and not less than any other cause.

(5) In the course of any proceeding under this subsection, the Commission shall, for the purpose of assisting the President in making his determinations under sections 202 and 203, investigate and report on efforts made by firms and workers in the industry to compete more effectively with imports.

(6) In the course of any proceeding under this subsection, the Commission shall investigate any factors which in its judgment may be contributing to increased imports of the article under investigation; and, whenever in the course of its investigation the Commission has reason to believe that the increased imports are attributable in part to circumstances which come within the purview of the Antidumping Act, 1921, section 303 or 337 of the Tariff Act of 1930, or other remedial provisions of law, the Commission shall promptly notify the appropriate agency so that such action may be taken as is otherwise authorized by such provisions of law.

Increased imports.

19 USC 160-171.
19 USC 1303,
1337.
Notification.

(c) In the course of any proceeding under subsection (b), the Commission shall, after reasonable notice, hold public hearings and shall afford interested parties an opportunity to be present, to present evidence, and to be heard at such hearings.

Hearings.

(d)(1) The Commission shall report to the President its findings under subsection (b), and the basis therefor and shall include in each report any dissenting or separate views. If the Commission finds with respect to any article, as a result of its investigation, the serious injury or threat thereof described in subsection (b), it shall—

Report to President.

(A) find the amount of the increase in, or imposition of, any duty or import restriction on such article which is necessary to prevent or remedy such injury, or

(B) if it determines that adjustment assistance under chapters 2, 3, and 4 can effectively remedy such injury, recommend the provision of such assistance,

and shall include such findings or recommendation in its report to the President. The Commission shall furnish to the President a transcript of the hearings and any briefs which were submitted in connection with each investigation.

Transcript of hearings and briefs, transmittal to President.

(2) The report of the Commission of its determination under subsection (b) shall be made at the earliest practicable time, but not later than 6 months after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be). Upon making such report to the President, the Commission shall also promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

Publication in Federal Register.

(e) Except for good cause determined by the Commission to exist, no investigation for the purposes of this section shall be made with respect to the same subject matter as a previous investigation under this section, unless 1 year has elapsed since the Commission made its report to the President of the results of such previous investigation.

(f)(1) Any investigation by the Commission under section 301(b) of the Trade Expansion Act of 1962 (as in effect before the date of the enactment of this Act) which is in progress immediately before such date of enactment shall be continued under this section in the same manner as if the investigation had been instituted originally under the provisions of this section. For purposes of subsection (d)(2), the petition for any investigation to which the preceding sentence applies shall be treated as having been filed, or the request or resolution as having been received or the motion having been adopted, as the case may be, on the date of the enactment of this Act.

Investigations, continuation.
19 USC 1901.

(2) If, on the date of the enactment of this Act, the President has not taken any action with respect to any report of the Commission containing an affirmative determination resulting from an investiga-

19 USC 1901. tion under section 301(b) of the Trade Expansion Act of 1962 (as in effect before the date of the enactment of this Act), such report shall be treated by the President as a report received by him under this section on the date of the enactment of this Act.

19 USC 2252. **SEC. 202. PRESIDENTIAL ACTION AFTER INVESTIGATIONS.**

(a) After receiving a report from the Commission containing an affirmative finding under section 201(b) that increased imports have been a substantial cause of serious injury or the threat thereof with respect to an industry, the President—

(1) (A) shall provide import relief for such industry pursuant to section 203, unless he determines that provision of such relief is not in the national economic interest of the United States, and

(B) shall evaluate the extent to which adjustment assistance has been made available (or can be made available) under chapters 2, 3, and 4 of this title to the workers and firms in such industry and to the communities in which such workers and firms are located, and, after such evaluation, may direct the Secretary of Labor and the Secretary of Commerce that expeditious consideration be given to the petitions for adjustment assistance; or

(2) if the Commission, under section 201(d), recommends the provision of adjustment assistance, shall direct the Secretaries of Labor and Commerce as described in paragraph (1) (B).

(b) Within 60 days (30 days in the case of a supplemental report under subsection (d)) after receiving a report from the Commission containing an affirmative finding under section 201(b) (or a finding under section 201(b) which he considers to be an affirmative finding, by reason of section 330(d) of the Tariff Act of 1930, within such 60-day (or 30-day) period), the President shall—

(1) determine what method and amount of import relief he will provide, or determine that the provision of such relief is not in the national economic interest of the United States, and whether he will direct expeditious consideration of adjustment assistance petitions, and publish in the Federal Register that he has made such determination; or

(2) if such report recommends the provision of adjustment assistance, publish in the Federal Register his order to the Secretary of Labor and Secretary of Commerce for expeditious consideration of petitions.

(c) In determining whether to provide import relief and what method and amount of import relief he will provide pursuant to section 203, the President shall take into account, in addition to such other considerations as he may deem relevant—

(1) information and advice from the Secretary of Labor on the extent to which workers in the industry have applied for, are receiving, or are likely to receive adjustment assistance under chapter 2 or benefits from other manpower programs;

(2) information and advice from the Secretary of Commerce on the extent to which firms in the industry have applied for, are receiving, or are likely to receive adjustment assistance under chapters 3 and 4;

(3) the probable effectiveness of import relief as a means to promote adjustment, the efforts being made or to be implemented by the industry concerned to adjust to import competition, and other considerations relative to the position of the industry in the Nation's economy;

Ante, pp. 1986,
1994, 1999.

19 USC 1330.

Publication in
Federal Register.

Publication in
Federal Register.

Additional con-
siderations.

(4) the effect of import relief on consumers (including the price and availability of the imported article and the like or directly competitive article produced in the United States) and on competition in the domestic markets for such articles;

(5) the effect of import relief on the international economic interests of the United States;

(6) the impact on United States industries and firms as a consequence of any possible modification of duties or other import restrictions which may result from international obligations with respect to compensation;

(7) the geographic concentration of imported products marketed in the United States;

(8) the extent to which the United States market is the focal point for exports of such article by reason of restraints on exports of such article to, or on imports of such article into, third country markets; and

(9) the economic and social costs which would be incurred by taxpayers, communities, and workers, if import relief were or were not provided.

(d) The President may, within 15 days after the date on which he receives an affirmative finding of the Commission under section 201(b) with respect to an industry, request additional information from the Commission. The Commission shall, as soon as practicable but in no event more than 30 days after the date on which it receives the President's request, furnish additional information with respect to such industry in a supplemental report.

Request for additional information.

SEC. 203. IMPORT RELIEF.

19 USC 2253.

(a) If the President determines to provide import relief under section 202(a) (1), he shall, to the extent that and for such time (not to exceed 5 years) as he determines necessary taking into account the considerations specified in section 202(c) to prevent or remedy serious injury or the threat thereof to the industry in question and to facilitate the orderly adjustment to new competitive conditions by the industry in question—

(1) proclaim an increase in, or imposition of, any duty on the article causing or threatening to cause serious injury to such industry;

(2) proclaim a tariff-rate quota on such article;

(3) proclaim a modification of, or imposition of, any quantitative restriction on the import into the United States of such article;

(4) negotiate orderly marketing agreements with foreign countries limiting the export from foreign countries and the import into the United States of such articles; or

(5) take any combination of such actions.

(b) (1) On the day on which the President proclaims import relief under this section or announces his intention to negotiate one or more orderly marketing agreements, the President shall transmit to Congress a document setting forth the action he is taking under this section. If the action taken by the President differs from the action recommended to him by the Commission under section 201(b) (1) (A), he shall state the reason for such difference.

Documents, transmittal to Congress.

(2) On the day on which the President determines that the provision of import relief is not in the national economic interest of the United States, the President shall transmit to Congress a document setting forth such determination and the reasons why, in terms of the

national economic interest, he is not providing import relief and also what other steps he is taking, beyond adjustment assistance programs immediately available to help the industry to overcome serious injury and the workers to find productive employment.

(c) (1) If the President reports under subsection (b) that he is taking action which differs from the action recommended by the Commission under section 201 (b) (1) (A), or that he will not provide import relief, the action recommended by the Commission shall take effect (as provided in paragraph (2)) upon the adoption by both Houses of Congress (within the 90-day period following the date on which the document referred to in subsection (b) is transmitted to the Congress), by an affirmative vote of a majority of the Members of each House present and voting, of a concurrent resolution disapproving the action taken by the President or his determination not to provide import relief under section 202 (a) (1) (A).

(2) If the contingency set forth in paragraph (1) occurs, the President shall (within 30 days after the adoption of such resolution) proclaim the increase in, or imposition of, any duty or other import restriction on the article which was recommended by the Commission under section 201 (b).

(d) (1) No proclamation pursuant to subsection (a) or (c) shall be made increasing a rate of duty to (or imposing) a rate which is more than 50 percent ad valorem above the rate (if any) existing at the time of the proclamation.

Quantitative
restriction.

(2) Any quantitative restriction proclaimed pursuant to subsection (a) or (c) and any orderly marketing agreement negotiated pursuant to subsection (a) shall permit the importation of a quantity or value of the article which is not less than the quantity or value of such article imported into the United States during the most recent period which the President determines is representative of imports of such article.

(e) (1) Import relief under this section shall be proclaimed and take effect within 15 days after the import relief determination date unless the President announces on such date his intention to negotiate one or more orderly marketing agreements under subsection (a) (4) or (5) in which case import relief shall be proclaimed and take effect within 90 days after the import relief determination date.

Marketing
agreements.

(2) If the President provides import relief under subsection (a) (1), (2), (3), or (5), he may, after such relief takes effect, negotiate orderly marketing agreements with foreign countries, and may, after such agreements take effect, suspend or terminate, in whole or in part, such import relief.

(3) If the President negotiates an orderly marketing agreement under subsection (a) (4) or (5) and such agreement does not continue to be effective, he may, consistent with the limitations contained in subsection (h), provide import relief under subsection (a) (1), (2), (3), or (5).

"Import relief
determination
date."

(4) For purposes of this subsection, the term "import relief determination date" means the date of the President's determination under section 202 (b).

19 USC 1202.

(f) (1) For purposes of subsections (a) and (c), the suspension of item 806.30 or 807.00 of the Tariff Schedules of the United States with respect to an article shall be treated as an increase in duty.

(2) For purposes of subsections (a) and (c), the suspension of the designation of any article as an eligible article for purposes of title V shall be treated as an increase in duty.

Post, p. 2066.

(3) No proclamation providing for a suspension referred to in paragraph (1) with respect to any article shall be made under subsection (a) or (c) unless the Commission, in addition to making an affirmative determination with respect to such article under section 201(b), determines in the course of its investigation under section 201(b) that the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the application of item 806.30 or item 807.00.

(4) No proclamation which provides solely for a suspension referred to in paragraph (2) with respect to any article shall be made under subsection (a) or (c) unless the Commission, in addition to making an affirmative determination with respect to such article under section 201(b), determines in the course of its investigation under section 201(b) that the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the designation of the article as an eligible article for the purposes of title V.

Post, p. 2066.
Regulations.

(g)(1) The President shall by regulations provide for the efficient and fair administration of any quantitative restriction proclaimed pursuant to subsection (a)(3) or (c).

(2) In order to carry out an agreement concluded under subsection (a)(4), (a)(5), or (e)(2), the President is authorized to prescribe regulations governing the entry or withdrawal from warehouse of articles covered by such agreement. In addition, in order to carry out any agreement concluded under subsection (a)(4), (a)(5), or (e)(2) with one or more countries accounting for a major part of United States imports of the article covered by such agreements, including imports into a major geographic area of the United States, the President is authorized to issue regulations governing the entry or withdrawal from warehouse of like articles which are the product of countries not parties to such agreement.

(3) Regulations prescribed under this subsection shall, to the extent practicable and consistent with efficient and fair administration, insure against inequitable sharing of imports by a relatively small number of the larger importers.

(h)(1) Any import relief provided pursuant to this section shall, unless renewed pursuant to paragraph (3), terminate no later than the close of the day which is 5 years after the day on which import relief with respect to the article in question first took effect pursuant to this section.

Import relief,
termination.

(2) To the extent feasible, any import relief provided pursuant to this section for a period of more than 3 years shall be phased down during the period of such relief, with the first reduction of relief taking effect no later than the close of the day which is 3 years after the day on which such relief first took effect.

(3) Any import relief provided pursuant to this section or section 351 or 352 of the Trade Expansion Act of 1962 may be extended by the President, at a level of relief no greater than the level in effect immediately before such extension, for one 3-year period if the President determines, after taking into account the advice received from the Commission under subsection (i)(2) and after taking into account the considerations described in section 202(c), that such extension is in the national interest.

19 USC 1981,
1982.

Ante, p. 2014.

(4) Any import relief provided pursuant to this section may be reduced or terminated by the President when he determines, after taking into account the advice received from the Commission under subsection (i) (2) and after seeking advice of the Secretary of Commerce and the Secretary of Labor, that such reduction or termination is in the national interest.

(5) For purposes of this subsection and subsection (i), the import relief provided in the case of an orderly marketing agreement shall be the level of relief contemplated by such agreement.

(i) (1) So long as any import relief provided pursuant to this section or section 351 or 352 of the Trade Expansion Act of 1962 remains in effect, the Commission shall keep under review developments with respect to the industry concerned (including the progress and specific efforts made by the firms in the industry concerned to adjust to import competition) and upon request of the President shall make reports to the President concerning such developments.

(2) Upon request of the President or upon its own motion, the Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of the extension, reduction, or termination of the import relief provided pursuant to this section.

(3) Upon petition on behalf of the industry concerned, filed with the Commission not earlier than the date which is 9 months, and not later than the date which is 6 months, before the date any import relief provided pursuant to this section or section 351 or 352 of the Trade Expansion Act of 1962 is to terminate by reason of the expiration of the initial period therefor, the Commission shall advise the President of its judgment as to the probable economic effect on such industry of such termination.

(4) In advising the President under paragraph (2) or (3) as to the probable economic effect on the industry concerned, the Commission shall take into account all economic factors which it considers relevant, including the considerations set forth in section 202(c) and the progress and specific efforts made by the industry concerned to adjust to import competition.

(5) Advice by the Commission under paragraph (2) or (3) shall be given on the basis of an investigation during the course of which the Commission shall hold a hearing at which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard.

(j) No investigation for the purposes of section 201 shall be made with respect to an article which has received import relief under this section unless 2 years have elapsed since the last day on which import relief was provided with respect to such article pursuant to this section.

(k) (1) Actions by the President pursuant to this section may be taken without regard to the provisions of section 126(a) of this Act but only after consideration of the relation of such actions to the international obligations of the United States.

(2) If the Commission treats as the domestic industry production located in a major geographic area of the United States under section 201(b) (3) (C), then the President shall take into account the geographic concentration of domestic production and of imports in that area in providing import relief, if any, which may include actions authorized under paragraph (1).

Review of developments, reports to President.
19 USC 1981, 1982.

Hearing.

Ante, p. 1992.

Geographic concentration of domestic production.

CHAPTER 2—ADJUSTMENT ASSISTANCE FOR WORKERS

Subchapter A—Petitions and Determinations

SEC. 221. PETITIONS.

19 USC 2271.

(a) A petition for a certification of eligibility to apply for adjustment assistance under this chapter may be filed with the Secretary of Labor (hereinafter in this chapter referred to as the "Secretary") by a group of workers or by their certified or recognized union or other duly authorized representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

Publication in
Federal Register.

(b) If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

Hearing.

SEC. 222. GROUP ELIGIBILITY REQUIREMENTS.

19 USC 2272.

The Secretary shall certify a group of workers as eligible to apply for adjustment assistance under this chapter if he determines—

(1) that a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated,

(2) that sales or production, or both, of such firm or subdivision have decreased absolutely, and

(3) that increases of imports of articles like or directly competitive with articles produced by such workers' firm or an appropriate subdivision thereof contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

For purposes of paragraph (3), the term "contributed importantly" means a cause which is important but not necessarily more important than any other cause.

"Contributed
importantly."

SEC. 223. DETERMINATIONS BY SECRETARY OF LABOR.

19 USC 2273.

(a) As soon as possible after the date on which a petition is filed under section 221, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning group meets the requirements of section 222 and shall issue a certification of eligibility to apply for assistance under this chapter covering workers in any group which meets such requirements. Each certification shall specify the date on which the total or partial separation began or threatened to begin.

Certification of
eligibility.

(b) A certification under this section shall not apply to any worker whose last total or partial separation from the firm or appropriate subdivision of the firm before his application under section 231 occurred—

(1) more than one year before the date of the petition on which such certification was granted, or

(2) more than 6 months before the effective date of this chapter.

Publication in
Federal Register.

(c) Upon reaching his determination on a petition, the Secretary shall promptly publish a summary of the determination in the Federal Register together with his reasons for making such determination.

Publication in
Federal Register.

(d) Whenever the Secretary determines, with respect to any certification of eligibility of the workers of a firm or subdivision of the firm, that total or partial separations from such firm or subdivision are no longer attributable to the conditions specified in section 222, he shall terminate such certification and promptly have notice of such termination published in the Federal Register together with his reasons for making such determination. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary.

19 USC 2274.

SEC. 224. STUDY BY SECRETARY OF LABOR WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION; ACTION WHERE THERE IS AFFIRMATIVE FINDING.

(a) Whenever the International Trade Commission (hereafter referred to in this chapter as the "Commission") begins an investigation under section 201 with respect to an industry, the Commission shall immediately notify the Secretary of such investigation, and the Secretary shall immediately begin a study of—

(1) the number of workers in the domestic industry producing the like or directly competitive article who have been or are likely to be certified as eligible for adjustment assistance, and

(2) the extent to which the adjustment of such workers to the import competition may be facilitated through the use of existing programs.

Report to Pres-
ident.

(b) The report of the Secretary of the study under subsection (a) shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 201. Upon making his report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

Publication in
Federal Register.

(c) Whenever the Commission makes an affirmative finding under section 201(b) that increased imports are a substantial cause of serious injury or threat thereof with respect to an industry, the Secretary shall make available, to the extent feasible, full information to the workers in such industry about programs which may facilitate the adjustment to import competition of such workers, and he shall provide assistance in the preparation and processing of petitions and applications of such workers for program benefits.

Subchapter B—Program Benefits

PART I—TRADE READJUSTMENT ALLOWANCES

19 USC 2291.

SEC. 231. QUALIFYING REQUIREMENTS FOR WORKERS.

Payment of a trade readjustment allowance shall be made to an adversely affected worker covered by a certification under subchapter A who files an application for such allowance for any week of unemployment which begins after the date specified in such certification pursuant to section 223(a), if the following conditions are met:

(1) Such worker's last total or partial separation before his application under this chapter, occurred—

(A) on or after the date, as specified in the certification under which he is covered, on which total or partial separation began or threatened to begin in the adversely affected employment, and

(B) before the expiration of the 2-year period beginning on the date on which the determination under section 223 was made, and

(C) before the termination date (if any) determined pursuant to section 223(d); and

(2) Such worker had, in the 52 weeks immediately preceding such total or partial separation, at least 26 weeks of employment at wages of \$30 or more a week in adversely affected employment with a single firm or subdivision of a firm, or, if data with respect to weeks of employment are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary.

SEC. 232. WEEKLY AMOUNTS.

19 USC 2292.

(a) Subject to the other provisions of this section, the trade readjustment allowance payable to an adversely affected worker for a week of unemployment shall be—

(1) 70 percent of his average weekly wage (but not in excess of the average weekly manufacturing wage), reduced by

(2) 50 percent of the amount of the remuneration for services performed during such week.

(b) Any adversely affected worker who is entitled to trade readjustment allowances and who is undergoing training approved by the Secretary, including on-the-job training, shall receive for each week in which he is undergoing any such training, a trade readjustment allowance in an amount (computed for such week) equal to the amount computed under subsection (a) or (if greater) the amount of any weekly allowance for such training to which he would be entitled under any other Federal law for the training of workers, if he applied for such allowance. Such trade readjustment allowance shall be paid in lieu of any training allowance to which the worker would be entitled under such other Federal law.

(c) The amount of trade readjustment allowance payable to an adversely affected worker under subsection (a) for any week shall be reduced by any amount of unemployment insurance which he receives, or which he would receive if he applied for such insurance, with respect to such week; but, if the appropriate State or Federal agency finally determines that the worker was not entitled to unemployment insurance with respect to such week, the reduction shall not apply with respect to such week.

(d) If unemployment insurance, or a training allowance under any Federal law, is paid to an adversely affected worker for any week of unemployment with respect to which he would be entitled (determined without regard to subsection (c) or (e) or to any disqualification under section 236(c)) to a trade readjustment allowance if he applied for such allowance, each such week shall be deducted from the total number of weeks of trade readjustment allowance otherwise payable to him under section 233(a) when he applies for a trade readjustment allowance and is determined to be entitled to such allowance. If the unemployment insurance or the training allowance paid to such worker for any week of unemployment is less than the amount of the trade readjustment allowance to which he would be entitled if he applied for such allowance, he shall receive, when he applies for a

trade readjustment allowance and is determined to be entitled to such allowance, a trade readjustment allowance for such week equal to such difference.

(e) Whenever, with respect to any week of unemployment, the total amount payable to an adversely affected worker as remuneration for services performed during such week, as unemployment insurance, as a training allowance referred to in subsection (d), and as a trade readjustment allowance exceeds 80 percent of his average weekly wage (or, if lesser, 130 percent of the average weekly manufacturing wage), then his trade readjustment allowance for such week shall be reduced by the amount of such excess.

(f) The amount of any weekly payment to be made under this section which is not a whole dollar amount shall be rounded upward to the next higher whole dollar amount.

19 USC 2293.

SEC. 233. TIME LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

(a) Payment of trade readjustment allowances shall not be made to an adversely affected worker for more than 52 weeks, except that, in accordance with regulations prescribed by the Secretary—

(1) such payments may be made for not more than 26 additional weeks to an adversely affected worker to assist him to complete training approved by the Secretary, or

(2) such payments shall be made for not more than 26 additional weeks to an adversely affected worker who had reached his 60th birthday on or before the date of total or partial separation. In no case may an adversely affected worker be paid trade readjustment allowances for more than 78 weeks.

(b) (1) Except for a payment made for an additional week under subsection (a) (1) or (a) (2), a trade readjustment allowance may not be paid for a week of unemployment beginning more than 2 years after the beginning of the appropriate week.

(2) A trade readjustment allowance may not be paid for an additional week specified in subsection (a) (1) if the adversely affected worker who would receive such allowance did not make a bona fide application to a training program approved by the Secretary within 180 days after the end of the appropriate week or the date of his first certification of eligibility to apply for adjustment assistance issued by the Secretary, whichever is later.

(3) A trade readjustment allowance may not be paid for an additional week specified in subsection (a) if such additional week begins more than 3 years after the beginning of the appropriate week.

(4) For purposes of this subsection, the appropriate week—

(A) for a totally separated worker is the week of his most recent total separation, and

(B) for a partially separated worker is the first week for which he receives a trade readjustment allowance following his most recent partial separation.

19 USC 2294.

SEC. 234. APPLICATION OF STATE LAWS.

Except where inconsistent with the provisions of this chapter and subject to such regulations as the Secretary may prescribe, the availability and disqualification provisions of the State law—

(1) under which an adversely affected worker is entitled to unemployment insurance (whether or not he has filed a claim for such insurance), or

(2) if he is not so entitled to unemployment insurance, of the State in which he was totally or partially separated, shall apply to any such worker who files a claim for trade readjustment allowances. The State law so determined with respect to a separation of a worker shall remain applicable, for purposes of the preceding sentence, with respect to such separation until such worker becomes entitled to unemployment insurance under another State law (whether or not he has filed a claim for such insurance).

PART II—TRAINING AND RELATED SERVICES

SEC. 235. EMPLOYMENT SERVICES.

The Secretary shall make every reasonable effort to secure for adversely affected workers covered by a certification under subchapter A of this chapter counseling, testing, and placement services, and supportive and other services, provided for under any other Federal law. The Secretary shall, whenever appropriate, procure such services through agreements with cooperating State agencies.

19 USC 2295.

Ante, p. 2019.

SEC. 236. TRAINING.

19 USC 2296.

(a) If the Secretary determines that there is no suitable employment available for an adversely affected worker covered by a certification under subchapter A of this chapter, but that suitable employment (which may include technical and professional employment) would be available if the worker received appropriate training, he may approve such training. Insofar as possible, the Secretary shall provide or assure the provision of such training on the job.

(b) The Secretary may, where appropriate, authorize supplemental assistance necessary to defray transportation and subsistence expenses for separate maintenance when training is provided in facilities which are not within commuting distance of a worker's regular place of residence. The Secretary shall not authorize payments for subsistence exceeding \$15 per day; nor shall he authorize payments for transportation expenses exceeding 12 cents per mile.

Supplemental assistance.

Limitations.

(c) Any adversely affected worker who, without good cause, refuses to accept or continue, or fails to make satisfactory progress in, suitable training to which he has been referred by the Secretary shall not thereafter be entitled to payments under this chapter until he enters or resumes the training to which he has been so referred.

PART III—JOB SEARCH AND RELOCATION ALLOWANCES

SEC. 237. JOB SEARCH ALLOWANCES.

19 USC 2297.

(a) Any adversely affected worker covered by a certification under subchapter A of this chapter who has been totally separated may file an application with the Secretary for a job search allowance. Such allowance, if granted, shall provide reimbursement to the worker of 80 percent of the cost of his necessary job search expenses as prescribed by regulations of the Secretary; except that such reimbursement may not exceed \$500 for any worker.

Limitation.

Conditions.

(b) A job search allowance may be granted only—

(1) to assist an adversely affected worker in securing a job within the United States;

(2) where the Secretary determines that such worker cannot reasonably be expected to secure suitable employment in the commuting area in which he resides; and

(3) where the worker has filed an application for such allowance with the Secretary no later than 1 year after the date of his last total separation before his application under this chapter or (in the case of a worker who has been referred to training by the Secretary) within a reasonable period of time after the conclusion of such training period.

19 USC 2298.

SEC. 238. RELOCATION ALLOWANCES.*Ante*, p. 2019.

(a) Any adversely affected worker covered by a certification under subchapter A of this chapter who has been totally separated may file an application with the Secretary for a relocation allowance, subject to the terms and conditions of this section.

Conditions.

(b) A relocation allowance may be granted only to assist an adversely affected worker in relocating within the United States and only if the Secretary determines that such worker cannot reasonably be expected to secure suitable employment in the commuting area in which he resides and that such worker—

(1) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he wishes to relocate, or

(2) has obtained a bona fide offer of such employment.

(c) A relocation allowance shall not be granted to such worker unless—

(1) for the week in which the application for such allowance is filed, he is entitled to a trade readjustment allowance (determined without regard to section 232 (c) and (e)) or would be so entitled (determined without regard to whether he filed application therefor) but for the fact that he has obtained the employment referred to in subsection (b) (1), and

(2) such relocation occurs within a reasonable period after the filing of such application or (in the case of a worker who has been referred to training by the Secretary) within a reasonable period after the conclusion of such training.

Under regulations prescribed by the Secretary, a relocation allowance shall not be granted to more than one member of the family with respect to the same relocation.

“Relocation allowance.”

(d) For the purposes of this section, the term “relocation allowance” means—

(1) 80 percent of the reasonable and necessary expenses, as specified in regulations prescribed by the Secretary, incurred in transporting a worker and his family, if any, and household effects, and

(2) a lump sum equivalent to three times the worker's average weekly wage, up to a maximum payment of \$500.

Subchapter C—General Provisions

19 USC 2311.

SEC. 239. AGREEMENTS WITH STATES.

(a) The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with any State agency (referred to in this subchapter as “cooperating States” and “cooperating States agencies” respectively). Under such an agreement, the cooperating State agency (1) as agent of the United States, will receive applications for, and will provide, payments on the basis provided in this chapter, (2) where appropriate, will afford adversely affected workers who apply for payments under this chapter testing, counsel-

ing, referral to training, and placement services, and (3) will otherwise cooperate with the Secretary and with other State and Federal agencies in providing payments and services under this chapter.

(b) Each agreement under this subchapter shall provide the terms and conditions upon which the agreement may be amended, suspended, or terminated.

Terms and conditions.

(c) Each agreement under this subchapter shall provide that unemployment insurance otherwise payable to any adversely affected worker will not be denied or reduced for any week by reason of any right to payments under this chapter.

Unemployment insurance.

(d) A determination by a cooperating State agency with respect to entitlement to program benefits under an agreement is subject to review in the same manner and to the same extent as determinations under the applicable State law and only in that manner and to that extent.

Entitlement to benefits, review.

(e) Section 3302(c) of the Internal Revenue Code of 1954 (relating to credits against Federal unemployment tax) is amended by inserting after paragraph (3) the following new paragraph:

26 USC 3302.

“(4) If the Secretary of Labor determines that a State, or State agency, has not—

“(A) entered into the agreement described in section 239 of the Trade Act of 1974, with the Secretary of Labor before July 1, 1975, or

Ante, p. 2024.

“(B) fulfilled its commitments under an agreement with the Secretary of Labor as described in section 239 of the Trade Act of 1974,

then, in the case of a taxpayer subject to the unemployment compensation law of such State, the total credits (after applying subsections (a) and (b) and paragraphs (1), (2), and (3) of this section) otherwise allowable under this section for a year during which such State or agency does not enter into or fulfill such an agreement shall be reduced by 15 percent of the tax imposed with respect to wages paid by such taxpayer during such year which are attributable to such State.”.

SEC. 240. ADMINISTRATION ABSENT STATE AGREEMENT.

19 USC 2312.
Hearing.

(a) In any State where there is no agreement in force between a State or its agency under section 239, the Secretary shall arrange under regulations prescribed by him for performance of all necessary functions under subchapter B of this chapter, including provision for a fair hearing for any worker whose application for payments is denied.

Ante, p. 2020.

(b) A final determination under subsection (a) with respect to entitlement to program benefits under subchapter B of this chapter is subject to review by the courts in the same manner and to the same extent as is provided by section 205(g) of the Social Security Act (42 U.S.C. sec. 405(g)).

Judicial review.

SEC. 241. PAYMENTS TO STATES.

19 USC 2313.

(a) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each cooperating State the sums necessary to enable such State as agent of the United States to make payments provided for by this chapter. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State from the Adjustment Assistance Trust Fund established in section 245 in accordance with such certification.

(b) All money paid a State under this section shall be used solely for the purposes for which it is paid; and money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this subchapter, to the Secretary of the Treasury and credited to Adjustment Assistance Trust Fund.

Surety bond to
U.S.

(c) Any agreement under this subchapter may require any officer or employee of the State certifying payments or disbursing funds under the agreement or otherwise participating in the performance of the agreement, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this chapter.

19 USC 2314.

SEC. 242. LIABILITIES OF CERTIFYING AND DISBURSING OFFICERS.

(a) No person designated by the Secretary, or designated pursuant to an agreement under this subchapter, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this chapter.

(b) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this chapter if it was based upon a voucher signed by a certifying officer designated as provided in subsection (a).

19 USC 2315.

SEC. 243. RECOVERY OF OVERPAYMENTS.

(a) If a cooperating State agency or the Secretary, or a court of competent jurisdiction finds that any person—

(1) has made or has caused to be made by another, a false statement or representation of a material fact knowing it to be false, or has knowingly failed or caused another to fail to disclose a material fact; and

(2) as a result of such action has received any payment under this chapter to which he was not entitled,

such person shall be liable to repay such amount to the State agency or the Secretary as the case may be, or either may recover such amount by deductions from any sums payable to such person under this chapter. Any such finding by a State agency or the Secretary may be made only after an opportunity for a fair hearing.

(b) Any amount repaid to a State agency under this section shall be deposited into the fund from which payment was made. Any amount repaid to the Secretary under this section shall be returned to the Secretary of the Treasury and credited to the Adjustment Assistance Trust Fund.

19 USC 2316.

SEC. 244. PENALTIES.

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this chapter or pursuant to an agreement under section 239 shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

19 USC 2317.

SEC. 245. CREATION OF TRUST FUND; AUTHORIZATION OF APPROPRIATIONS OUT OF CUSTOMS RECEIPTS.

(a) There is hereby established on the books of the Treasury of the United States a trust fund to be known as the "Adjustment Assistance Trust Fund" (referred to in this section as the "Trust Fund").

Adjustment As-
sistance Trust
Fund.
Establishment.

The Trust Fund shall consist of such amounts as may be deposited in it pursuant to the authorization contained in subsection (b). Amounts in the Trust Fund may be used only to carry out the provisions of this chapter (including administrative costs). The Secretary of the Treasury shall be the trustee of the Trust Fund and shall report to the Congress not later than March 1 of each year on the operation and status of the Trust Fund during the preceding fiscal year.

Report to Congress.

(b) (1) There are hereby authorized to be appropriated to the Trust Fund, out of amounts in the general fund of the Treasury attributable to the collections of customs duties not otherwise appropriated, for each fiscal year ending after the date of the enactment of this Act, such sums as may be necessary to carry out the provisions of this chapter (including administrative costs).

Appropriations.

(2) There are authorized to be appropriated to the Trust Fund, for purposes of training (including administrative costs) under section 236 such sums as may be necessary.

SEC. 246. TRANSITIONAL PROVISIONS.

(a) Where a group of workers has been certified as eligible to apply for adjustment assistance under section 302(b) (2) or (c) of the Trade Expansion Act of 1962, any worker who has not had an application for trade readjustment allowances under section 322 of that Act denied before the effective date of this chapter may apply under section 231 of this Act as if the group certification under which he claims coverage had been made under subchapter A of this chapter.

19 USC 2318.

Eligible applicants.

19 USC 1902.

19 USC 1941.

Ante, p. 2020.

(b) In any case where a group of workers or their certified or recognized union or other duly authorized representative has filed a petition under section 301(a) (2) of the Trade Expansion Act of 1962, more than 4 months before the effective date of this chapter and

19 USC 1901.

(1) the Commission has not rejected such petition before the effective date of this chapter, and

(2) the President or his delegate has not issued a certification under section 302(c) of that Act to the petitioning group before the effective date of this chapter,

such group or representative thereof may file a new petition under section 221 of this Act, not later than 90 days after the effective date of this chapter. For purposes of section 223(b) (1), the date on which such group or representative filed the petition under the Trade Expansion Act of 1962 shall apply. Section 223(b) (2) shall not apply to workers covered by a certification issued pursuant to a petition meeting the requirements of this subsection.

19 USC 1801 note.

(c) A group of workers may file a petition under section 221 covering weeks of unemployment (as defined in the Trade Expansion Act of 1962) beginning before the effective date of this chapter, or covering such weeks and also weeks of unemployment beginning on or after the effective date of this chapter.

(d) Any worker receiving payments pursuant to this section shall be entitled—

(1) for weeks of unemployment (as defined in the Trade Expansion Act of 1962) beginning before the effective date of this chapter, to the rights and privileges provided in chapter 3 of title III of such Act, and

19 USC 1931.

(2) for weeks of unemployment beginning on or after the effective date of this chapter, to the rights and privileges provided in this chapter, except that the total number of weeks of unemployment, as defined in the Trade Expansion Act of 1962, for which trade readjustment allowances were payable under that

Act shall be deducted from the total number of weeks of unemployment for which an adversely affected worker is eligible for trade readjustment allowances under this chapter.

Data, availability.

19 USC 1901.

19 USC 1902.

19 USC 2319.

(e) The Commission shall make available to the Secretary on request data it has acquired in investigations under section 301 of the Trade Expansion Act of 1962 concluded within the 2-year period ending on the effective date of this chapter which did not result in Presidential action under section 302(a) (3) or 302(c) of that Act.

SEC. 247. DEFINITIONS.

For purposes of this chapter—

(1) The term “adversely affected employment” means employment in a firm or appropriate subdivision of a firm, if workers of such firm or subdivision are eligible to apply for adjustment assistance under this chapter.

(2) The term “adversely affected worker” means an individual who, because of lack of work in adversely affected employment—

(A) has been totally or partially separated from such employment, or

(B) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists.

(3) The term “average weekly manufacturing wage” means the national gross average weekly earnings of production workers in manufacturing industries for the latest calendar year (as officially published annually by the Bureau of Labor Statistics of the Department of Labor) most recently published before the period for which the assistance under this chapter is furnished.

(4) The term “average weekly wage” means one-thirteenth of the total wages paid to an individual in the high quarter. For purposes of this computation, the high quarter shall be that quarter in which the individual’s total wages were highest among the first 4 of the last 5 completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made. Such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Secretary.

(5) The term “average weekly hours” means the average hours worked by the individual (excluding overtime) in the employment from which he has been or claims to have been separated in the 52 weeks (excluding weeks during which the individual was sick or on vacation) preceding the week specified in the last sentence of paragraph (4).

(6) The term “partial separation” means, with respect to an individual who has not been totally separated, that he has had—

(A) his hours of work reduced to 80 percent or less of his average weekly hours in adversely affected employment, and

(B) his wages reduced to 80 percent or less of his average weekly wage in such adversely affected employment.

(7) The term “remuneration” means wages and net earnings derived from services performed as a self-employed individual.

(8) The term “State” includes the District of Columbia and the Commonwealth of Puerto Rico; and the term “United States” when used in the geographical sense includes such Commonwealth.

(9) The term “State agency” means the agency of the State which administers the State law.

(10) The term "State law" means the unemployment insurance law of the State approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

26 USC 3304.

(11) The term "total separation" means the layoff or severance of an individual from employment with a firm in which, or in a subdivision of which, adversely affected employment exists.

(12) The term "unemployment insurance" means the unemployment insurance payable to an individual under any State law or Federal unemployment insurance law, including chapter 85 of title 5, United States Code, and the Railroad Unemployment Insurance Act.

5 USC 8501.

45 USC 367.

(13) The term "week" means a week as defined in the applicable State law.

(14) The term "week of unemployment" means with respect to an individual any week for which his remuneration for services performed during such week is less than 80 percent of his average weekly wage and in which, because of lack of work—

(A) if he has been totally separated, he worked less than the full-time week (excluding overtime) in his current occupation, or

(B) if he has been partially separated, he worked 80 percent or less of his average weekly hours.

SEC. 248. REGULATIONS.

19 USC 2320.

The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this chapter.

SEC. 249. SUBPENA POWER.

19 USC 2321.

(a) The Secretary may require by subpoena the attendance of witnesses and the production of evidence necessary for him to make a determination under the provisions of this chapter.

(b) If a person refuses to obey a subpoena issued under subsection (a), a United States district court within the jurisdiction of which the relevant proceeding under this chapter is conducted may, upon petition by the Secretary, issue an order requiring compliance with such subpoena.

SEC. 250. JUDICIAL REVIEW.

19 USC 2322.

(a) A worker, group of workers, certified or recognized union, or an authorized representative of such worker or group, aggrieved by a final determination by the Secretary under the provisions of section 223 may, within 60 days after notice of such determination, file a petition for review of such determination with the United States court of appeals for the circuit in which such worker or group is located or in the United States Court of Appeals for the District of Columbia Circuit. The clerk of such court shall send a copy of such petition to the Secretary. Upon receiving such petition, the Secretary shall promptly certify and file in such court the record on which he based such determination.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

CHAPTER 3—ADJUSTMENT ASSISTANCE FOR FIRMS

19 USC 2341.

SEC. 251. PETITIONS AND DETERMINATIONS.

Publication in
Federal Register.

(a) A petition for a certification of eligibility to apply for adjustment assistance under this chapter may be filed with the Secretary of Commerce (hereinafter in this chapter referred to as the "Secretary") by a firm or its representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

(b) If the petitioner, or any other person, organization, or group found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

(c) The Secretary shall certify a firm as eligible to apply for adjustment assistance under this chapter if he determines—

(1) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated,

(2) that sales or production, or both, of such firm have decreased absolutely, and

(3) that increases of imports of articles like or directly competitive with articles produced by such firm contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

"Contributed
importantly."

For purposes of paragraph (3), the term "contributed importantly" means a cause which is important but not necessarily more important than any other cause.

(d) A determination shall be made by the Secretary as soon as possible after the date on which the petition is filed under this section, but in any event not later than 60 days after that date.

19 USC 2342.

SEC. 252. APPROVAL OF ADJUSTMENT PROPOSALS.

Filing of appli-
cation.

(a) A firm certified under section 251 as eligible to apply for adjustment assistance may, at any time within 2 years after the date of such certification, file an application with the Secretary for adjustment assistance under this chapter. Such application shall include a proposal for the economic adjustment of such firm.

(b) (1) Adjustment assistance under this chapter consists of technical assistance and financial assistance, which may be furnished singly or in combination. The Secretary shall approve a firm's application for adjustment assistance only if he determines—

Approval con-
ditions.

(A) that the firm has no reasonable access to financing through the private capital market, and

(B) that the firm's adjustment proposal—

(i) is reasonably calculated materially to contribute to the economic adjustment of the firm,

(ii) gives adequate consideration to the interests of the workers of such firm, and

(iii) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.

(2) The Secretary shall make a determination as soon as possible after the date on which an application is filed under this section, but in no event later than 60 days after such date.

(c) In order to assist a firm which has been certified as eligible to apply for adjustment assistance under this chapter in preparing a viable adjustment proposal, the Secretary may furnish technical assistance to such firm.

Technical assistance.

(d) Whenever the Secretary determines that any firm no longer requires assistance under this chapter, he shall terminate the certification of eligibility of such firm and promptly have notice of such termination published in the Federal Register. Such termination shall take effect on the termination date specified by the Secretary.

Termination; publication in Federal Register.

SEC. 253. TECHNICAL ASSISTANCE.

19 USC 2343.

(a) The technical assistance furnished under this chapter shall consist of—

(1) assistance to the firm in developing a proposal for its economic adjustment,

(2) assistance in the implementation of such a proposal, or

(3) both.

(b) The Secretary may provide to a firm certified under section 251, on such terms and conditions as he determines to be appropriate, such technical assistance as in his judgment will carry out the purposes of this chapter with respect to such firm.

Terms and conditions.

(c) The Secretary shall furnish technical assistance under this chapter through existing agencies and through private individuals, firms, and institutions. In the case of assistance furnished through private individuals, firms, and institutions (including private consulting services), the Secretary may share the cost thereof (but not more than 75 percent of such cost may be borne by the United States).

SEC. 254. FINANCIAL ASSISTANCE.

19 USC 2344.

(a) The Secretary may provide to a firm, on such terms and conditions as he determines to be appropriate, such financial assistance in the form of direct loans or guarantees of loans as in his judgment will materially contribute to the economic adjustment of the firm. The assumption of an outstanding indebtedness of the firm, with or without recourse, shall be considered to be the making of a loan for purposes of this section.

Terms and conditions.

(b) Loans or guarantees of loans shall be made under this chapter only for the purpose of making funds available to the firm—

(1) for acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, or

(2) to supply such working capital as may be necessary to enable the firm to implement its adjustment proposal.

(c) To the extent that loan funds can be obtained from private sources (with or without a guarantee) at the rate provided in the first sentence of section 255(b), no direct loan shall be provided to a firm under this chapter.

Direct loans, restriction.

SEC. 255. CONDITIONS FOR FINANCIAL ASSISTANCE.

19 USC 2345.

(a) No financial assistance shall be provided under this chapter unless the Secretary determines—

(1) that the funds required are not available from the firm's own resources; and

(2) that there is reasonable assurance of repayment of the loan.

Interest rate.

(b) The rate of interest on loans which are guaranteed under this chapter shall be no higher than the maximum interest per annum that a participating financial institution may establish on guaranteed loans made pursuant to section 7(a) of the Small Business Act (15 U.S.C. 636(a)). The rate of interest on direct loans made under this chapter shall be (i) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity that are comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent, plus (ii) an amount adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program.

Maturities, limitation.

(c) The Secretary shall make no loan or guarantee of a loan having a maturity in excess of 25 years, including renewals and extensions. Such limitation on maturities shall not, however, apply—

(1) to securities or obligations received by the Secretary as claimant in bankruptcy or equitable reorganization, or as creditor in other proceedings attendant upon insolvency of the obligor, or

(2) to an extension or renewal for an additional period not exceeding 10 years, if the Secretary determines that such extension or renewal is reasonably necessary for the orderly liquidation of the loan.

Priority.

(d) In making guarantees of loans, and in making direct loans, the Secretary shall give priority to firms which are small within the meaning of the Small Business Act (and regulations promulgated thereunder).

15 USC 631
note.

(e) No loan shall be guaranteed by the Secretary in an amount which exceeds 90 percent of the balance of the loan outstanding.

Operating reserves.

(f) The Secretary shall maintain operating reserves with respect to anticipated claims under guarantees made under this chapter. Such reserves shall be considered to constitute obligations for purposes of section 1311 of the Supplemental Appropriation Act, 1955 (31 U.S.C. 200).

Fee.

(g) The Secretary may charge a fee to a lender which makes a loan guaranteed under this chapter in such amount as is necessary to cover the cost of administration of such guarantee.

Limitations.

(h) (1) The aggregate amount of loans made to any firm which are guaranteed under this chapter and which are outstanding at any time shall not exceed \$3,000,000.

(2) The aggregate amount of direct loans made to any firm under this chapter which are outstanding at any time shall not exceed \$1,000,000.

19 USC 2346.

SEC. 256. DELEGATION OF FUNCTIONS TO SMALL BUSINESS ADMINISTRATION; AUTHORIZATION OF APPROPRIATIONS.

(a) In the case of any firm which is small (within the meaning of the Small Business Act and regulations promulgated thereunder), the Secretary may delegate all of his functions under this chapter (other than the functions under sections 251 and 252(d) with respect to the certification of eligibility and section 264) to the Administrator of the Small Business Administration.

(b) There are hereby authorized to be appropriated to the Secretary such sums as may be necessary from time to time to carry out his

functions under this chapter in connection with furnishing adjustment assistance to firms, which sums are authorized to be appropriated to remain available until expended.

(c) The unexpended balances of appropriations authorized by section 312(d) of the Trade Expansion Act of 1962 are transferred to the Secretary to carry out his functions under this chapter.

19 USC 1912.

SEC. 257. ADMINISTRATION OF FINANCIAL ASSISTANCE.

19 USC 2347.

(a) In making and administering guarantees and loans under section 254, the Secretary may—

(1) require security for any such guarantee or loan, and enforce, waive, or subordinate such security;

(2) assign or sell at public or private sale, or otherwise dispose of, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with such guarantees or loans, and collect, compromise, and obtain deficiency judgments with respect to all obligations assigned to or held by him in connection with such guarantees or loans until such time as such obligations may be referred to the Attorney General for suit or collection;

(3) renovate, improve, modernize, complete, insure, rent, sell, or otherwise deal with, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by him in connection with such guarantees or loans;

(4) acquire, hold, transfer, release, or convey any real or personal property or any interest therein whenever deemed necessary or appropriate, and execute all legal documents for such purposes; and

(5) exercise all such other powers and take all such other acts as may be necessary or incidental to the carrying out of functions pursuant to section 254.

(b) Any mortgage acquired as security under subsection (a) shall be recorded under applicable State law.

(c) All repayments of loans, payments of interest, and other receipts arising out of transactions entered into by the Secretary pursuant to this chapter, shall be available for financing functions performed under this chapter, including administrative expenses in connection with such functions.

SEC. 258. PROTECTIVE PROVISIONS.

19 USC 2348.

(a) Each recipient of adjustment assistance under this chapter shall keep records which fully disclose the amount and disposition by such recipient of the proceeds, if any, of such adjustment assistance, and which will facilitate an effective audit. The recipient shall also keep such other records as the Secretary may prescribe.

Recordkeeping.

(b) The Secretary and the Comptroller General of the United States shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient pertaining to adjustment assistance under this chapter.

GAO audit.

(c) No adjustment assistance under this chapter shall be extended to any firm unless the owners, partners, or officers certify to the Secretary—

(1) the names of any attorneys, agents, and other persons engaged by or on behalf of the firm for the purpose of expediting applications for such adjustment assistance; and

(2) the fees paid or to be paid to any such person.

(d) No financial assistance shall be provided to any firm under this chapter unless the owners, partners, or officers shall execute an agreement binding them and the firm for a period of 2 years after such financial assistance is provided, to refrain from employing, tendering any office or employment to, or retaining for professional services any person who, on the date such assistance or any part thereof was provided, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee occupying a position or engaging in activities which the Secretary shall have determined involve discretion with respect to the provision of such financial assistance.

19 USC 2349.

SEC. 259. PENALTIES.

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, or whoever willfully overvalues any security, for the purpose of influencing in any way a determination under this chapter, or for the purpose of obtaining money, property, or anything of value under this chapter, shall be fined not more than \$5,000 or imprisoned for not more than 2 years, or both.

19 USC 2350.

SEC. 260. SUITS.

In providing technical and financial assistance under this chapter the Secretary may sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against him or his property. Nothing in this section shall be construed to except the activities pursuant to sections 253 and 254 from the application of sections 516, 547, and 2679 of title 28 of the United States Code.

19 USC 2351.

SEC. 261. DEFINITIONS.

For purposes of this chapter, the term "firm" includes an individual proprietorship, partnership, joint venture, association, corporation (including a development corporation), business trust, cooperative, trustee in bankruptcy, and receiver under decree of any court. A firm, together with any predecessor or successor firm, or any affiliated firm controlled or substantially beneficially owned by substantially the same persons, may be considered a single firm where necessary to prevent unjustifiable benefits.

19 USC 2352.

SEC. 262. REGULATIONS.

The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this chapter.

19 USC 2353.

SEC. 263. TRANSITIONAL PROVISIONS.

(a) In any case where a firm or its representative has filed a petition with the International Trade Commission (hereafter in this chapter referred to as the "Commission") under section 301(a)(2) of the Trade Expansion Act of 1962, and the Commission has not made its determination under section 301(c) of that Act before the effective date of this chapter, such firm may reapply under the provisions of section 251 of this Act. In order to assist the Secretary in making his determination under such section 251 with respect to such firm, the Commission shall make available to the Secretary, on request, data it has acquired with respect to its investigation.

19 USC 1901.

(b) If, on the effective date of this chapter, the President (or his delegate) has not taken action under section 302(c) of the Trade Expansion Act of 1962 with respect to a report of the Commission containing an affirmative finding under section 301(c) of that Act or a report with respect to which an equal number of Commissioners are evenly divided, the Secretary may treat such report as a certification of eligibility made under section 251 of this Act on the effective date of this chapter.

19 USC 1902.
19 USC 1901.

(c) Any certification of eligibility of a firm under section 302(c) of the Trade Expansion Act of 1962 made before the effective date of this chapter shall be treated as a certification of eligibility made under section 251 of this Act on the date of the enactment of this Act; except that any firm whose adjustment proposal was certified under section 311 of the Trade Expansion Act of 1962 before the effective date of this chapter may receive adjustment assistance at the level set forth in such certified proposal.

19 USC 1902.

19 USC 1911.

SEC. 264. STUDY BY SECRETARY OF COMMERCE WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION; ACTION WHERE THERE IS AFFIRMATIVE FINDING.

19 USC 2354.

(a) Whenever the Commission begins an investigation under section 201 with respect to an industry, the Commission shall immediately notify the Secretary of such investigation, and the Secretary shall immediately begin a study of—

(1) the number of firms in the domestic industry producing the like or directly competitive article which have been or are likely to be certified as eligible for adjustment assistance, and

(2) the extent to which the orderly adjustment of such firms to the import competition may be facilitated through the use of existing programs.

(b) The report of the Secretary of the study under subsection (a) shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 201. Upon making its report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

Report to President.

Ante, p. 2011.
Publication in Federal Register.

(c) Whenever the Commission makes an affirmative finding under section 201(b) that increased imports are a substantial cause of serious injury or threat thereof with respect to an industry, the Secretary shall make available, to the extent feasible, full information to the firms in such industry about programs which may facilitate the orderly adjustment to import competition of such firms, and he shall provide assistance in the preparation and processing of petitions and applications of such firms for program benefits.

CHAPTER 4—ADJUSTMENT ASSISTANCE FOR COMMUNITIES

SEC. 271. PETITIONS AND DETERMINATIONS.

19 USC 2371.

(a) A petition for certification of eligibility for adjustment assistance under this chapter may be filed with the Secretary of Commerce (hereinafter in this chapter referred to as the "Secretary") by a political subdivision of a State (hereinafter in this chapter referred to as a "community"), by a group of such communities, or by the Governor of a State on behalf of such communities. Upon receipt of the petition, the

Publication in
Federal Register.

Hearing.

Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

(b) If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the Secretary's publication of notice under subsection (a) a request for a hearing the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

(c) The Secretary shall certify a community as eligible for adjustment assistance under this chapter if he determines—

(1) that a significant number or proportion of the workers in the trade impacted area in which such community is located have become totally or partially separated, or are threatened to become totally or partially separated,

(2) that sales or production, or both, of firms, or subdivisions of firms, located in the trade impacted area specified in paragraph (1) have decreased absolutely, and

(3) that increases of imports of articles like or directly competitive with articles produced by firms, or subdivisions of firms, located in the trade impacted area specified in paragraph (1) or that the transfer of firms or subdivisions of firms located in such area to foreign countries have contributed importantly to the total or partial separations, or threats thereof, described in paragraph (1) and to the decline in sales or production described in paragraph (2).

"Contributed
importantly."

For purposes of paragraph (3), the term "contributed importantly" means a cause which is important but not necessarily more important than any other cause.

(d) As soon as possible after the date on which a petition is filed under this section, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning community, or group of communities, meets the requirements of subsection (c) and shall issue a certification of eligibility for assistance under this chapter covering any community located in the same trade impacted area in which the petitioner is located which meets such requirements.

(e) The Secretary, after consulting the Secretary of Labor, shall establish the size and boundaries of each trade impacted area, considering the criteria in subsection (c) and, to the extent they are relevant, the factors specified as criteria for redevelopment areas under section 401 of the Public Works and Economic Development Act of 1965.

(f) If the Secretary determines that a community requires no additional assistance under this chapter, he shall terminate the certification of eligibility of such community and promptly have notice of such termination published in the Federal Register. Such termination shall take effect on the termination date specified by the Secretary.

42 USC 3161.

Certification of
eligibility, termi-
nation; publica-
tion in Federal
Register.

19 USC 2372.

Trade Impacted
Area Council for
Adjustment
Assistance.
Establishment.

SEC. 272. TRADE IMPACTED AREA COUNCILS.

(a) Within 60 days after a community is certified under section 271, the Secretary shall send his representatives to the trade impacted area in which such community is located to inform officials of communities and other residents of such area about benefits available to them under this Act and to assist such officials and residents in establishing a Trade Impacted Area Council for Adjustment Assistance (hereinafter in this chapter referred to as the "Council") for such area.

(b) (1) The Secretary shall establish, subject to the last sentence of

this paragraph, a Council for each trade impacted area in which one or more communities are certified under section 271. Such Council shall—

(A) develop a proposal for an adjustment assistance plan for the economic rejuvenation of certified communities in its trade impacted area, and

(B) coordinate community action under the adjustment assistance plan, as approved by the Secretary.

If an appropriate entity for purposes of performing the functions specified in subparagraphs (A) and (B) already exists in such area, then the Secretary may designate such entity as the Council for such area.

(2) Such Council shall include representatives of certified communities, industry, labor, and the general public located in the trade impacted area covered by the Council.

(c) Upon application by a Council established under subsection (b), the Secretary is authorized to make grants to such Council for maintaining an appropriate professional and clerical staff. No grant shall be made to a Council to maintain staff after the period which ends 2 years after the date on which such Council is established or designated.

(d) A Council established under this section may file an application with the Secretary for adjustment assistance under this chapter. Such application shall include the Council's proposal for an adjustment assistance plan for the communities in its trade impacted area.

SEC. 273. PROGRAM BENEFITS.

19 USC 2373.

(a) Adjustment assistance under this chapter consists of—

(1) all forms of assistance, other than loan guarantees, which are provided to a redevelopment area under the Public Works and Economic Development Act of 1965, and

(2) the loan guarantee program described in subsection (d).

42 USC 3121
note.

(b) No adjustment assistance may be extended to any community or person in a trade impacted area under this chapter unless the Secretary approves the adjustment assistance plan submitted to him under section 272(d).

(c) For purposes of the Public Works and Economic Development Act of 1965—

(1) a trade impacted area for which an adjustment assistance plan has been approved under section 272(d) shall be treated as a redevelopment area, except that—

(A) no loan guarantees may be made to any person under such Act; and

(B) no loan or grant may be made to any recipient in such an area after September 30, 1980, and

(2) approval of an adjustment assistance plan submitted under section 272(d) shall be treated as approval of an overall economic development program under section 202(b)(10) of such Act.

42 USC 3142.

(d) The Secretary is authorized to guarantee loans for—

(1) the acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, and

(2) working capital,

made to private borrowers by private lending institutions in connection with projects in trade impacted areas subject to the same terms and conditions to which loan guarantees are subject under section 202 of the Public Works and Economic Development Act of 1965, including record and audit requirements and penalties, except that—

(1) no new loan guarantee may be made under this subsection after September 30, 1982,

(2) a loan guarantee may be made for the entire amount of the outstanding unpaid balance of such loan, and

(3) no more than 20 percent of the amount of loan guarantees made under this subsection by the United States may be made in one State.

(e) The Governor of the State, the authorized representative of the community, or the Governor of the State and the authorized representative of the community, in which an applicant for a loan guarantee under subsection (b) is located may enter into an agreement with the Secretary which provides that such State or such community, or that such State and such community, will pay not to exceed one-half of the amount of any liability which arises on a loan guarantee made under subsection (d) if the State in which the applicant for such guarantee is located has established by law a program approved by the Secretary for the purposes of this section.

(f) (1) When considering whether to guarantee a loan to a corporation which is otherwise qualified for the purposes of subsection (d), the Secretary shall give preference to a corporation which agrees with respect to such loan to fulfill the following requirements—

(A) 25 percent of the principal amount of the loan is paid by the lender to a qualified trust established under an employee stock ownership plan established and maintained by the recipient corporation, by a parent or subsidiary of such corporation, or by several corporations including the recipient corporation,

(B) the employee stock ownership plan meets the requirements of this subsection, and

(C) the agreement among the recipient corporation, the lender, and the qualified trust relating to the loan meets the requirements of this section.

(2) An employee stock ownership plan does not meet the requirements of this subsection unless the governing instrument of the plan provides that—

(A) the amount of the loan paid under paragraph (1) (A) to the qualified trust will be used to purchase qualified employer securities,

(B) the qualified trust will repay to the lender the amount of such loan, together with the interest thereon, out of amounts contributed to the trust by the recipient corporation, and

(C) from time to time, as the qualified trust repays such amount, the trust will allocate qualified employer securities among the individual accounts of participants and their beneficiaries in accordance with the provisions of paragraph (4).

(3) The agreement among the recipient corporation, the lender, and the qualified trust does not meet the requirements of this subsection unless—

(A) it is unconditionally enforceable by any party against the others, jointly and severally,

(B) it provides that the liability of the qualified trust to repay loan amounts paid to the qualified trust may not, at any time, exceed an amount equal to the amount of contributions required under paragraph (2) (B) which are actually received by such trust,

(C) it provides that amounts received by the recipient corporation from the qualified trust for qualified employer securities purchased for the purpose of this subsection will be used exclu-

sively by the recipient corporation for those purposes for which it may use that portion of the loan paid directly to it by the lender,

(D) it provides that the recipient corporation may not reduce the amount of its equity capital during the one year period beginning on the date on which the qualified trust purchases qualified employer securities for purposes of this subsection, and

(E) it provides that the recipient corporation will make contributions to the qualified trust of not less than such amounts as are necessary for such trust to meet its obligation to make repayments of principal and interest on the amount of the loan received by the trust without regard to whether such contributions are deductible by the corporation under section 404 of the Internal Revenue Code of 1954 and without regard to any other amounts the recipient corporation is obligated under law to contribute to or under the employee stock ownership plan.

26 USC 404.

(4) At the close of each plan year, an employee stock ownership plan shall allocate to the accounts of participating employees that portion of the qualified employer securities the cost of which bears substantially the same ratio to the cost of all the qualified employer securities purchased under paragraph (2)(A) of this subsection as the amount of the loan principal and interest repaid by the qualified trust during that year bears to the total amount of the loan principal and interest payable by such trust during the term of such loan. Qualified employer securities allocated to the individual account of a participant during one plan year must bear substantially the same proportion to the amount of all such securities allocated to all participants in the plan as the amount of compensation paid to such participant bears to the total amount of compensation paid to all such participants during that year.

(5) For purposes of this subsection, the term—

Definitions.

(A) “employee stock ownership plan” means a plan described in section 407(d)(6) of the Employee Retirement Income Security Act of 1974, section 4975(e)(7) of the Internal Revenue Code of 1954, and in section 102(5) of the Regional Rail Reorganization Act of 1973, which meets the requirements of title I of the Employee Retirement Income Security Act of 1974 and of part I of subchapter D of chapter 1 of such Code,

Ante, p. 880.

Ante, p. 971.

45 USC 702.

Ante, p. 832.

26 USC 401.

(B) “qualified trust” means a trust established under an employee stock ownership plan and meeting the requirements of title I of the Employee Retirement Income Security Act of 1974 and of part I of subchapter D of chapter 1 of such Code,

(C) “qualified employer securities” means common stock issued by the recipient corporation or by a parent or subsidiary of such corporation with voting power and dividend rights no less favorable than the voting power and dividend rights on other common stock issued by the issuing corporation and with voting power being exercised by the participants in the employee stock ownership plan after it is allocated to their plan accounts, and

(D) “equity capital” means, with respect to the recipient corporation, the sum of its money and other property (in an amount equal to the adjusted basis of such property but disregarding adjustments made on account of depreciation or amortization made during the period described in paragraph (3)(D)), less the amount of its indebtedness.

(g) The United States share of loan guarantees made under subsection (d) on loans which are outstanding at any time may not exceed \$500,000,000.

Loan guarantees, limitation.

19 USC 2374. **SEC. 274. COMMUNITY ADJUSTMENT ASSISTANCE FUND AND AUTHORIZATION OF APPROPRIATIONS.**

Establishment. (a) There is established on the books of the Treasury of the United States a revolving fund to be known as the Community Adjustment Assistance Fund. The fund shall consist of such amounts as may be deposited in it pursuant to the authorization in subsection (b) and any collections, repayments of loans, or other receipts received under the program established in section 273(a). Amounts in the fund may be used only to carry out the provisions of sections 272 and 273(b), including administrative costs. Amounts appropriated to the fund shall be available to the Secretary without fiscal year limitation. Upon liquidation of all remaining obligations, any balances remaining in the fund after September 30, 1980, shall be transferred to the general fund of the Treasury.

Transfer of funds.

Appropriations. (b) There are authorized to be appropriated to the Community Adjustment Assistance Fund, for the purpose of carrying out the provisions of sections 272 and 273(a), \$100,000,000 for the fiscal year ending June 30, 1975, and such sums as may be necessary for the succeeding 7 fiscal years.

(c) There are authorized to be appropriated to the Secretary such sums as may be necessary for carrying out the loan guarantee program under section 273(d).

CHAPTER 5—MISCELLANEOUS PROVISIONS

19 USC 2391. **SEC. 280. GENERAL ACCOUNTING OFFICE REPORT.**

Study, report to Congress.

Contents.

(a) The Comptroller General of the United States shall conduct a study of the adjustment assistance programs established under chapters 2, 3, and 4 of this title and shall report the results of such study to the Congress no later than January 31, 1980. Such report shall include an evaluation of—

(1) the effectiveness of such programs in aiding workers, firms, and communities to adjust to changed economic conditions resulting from changes in the patterns of international trade; and

(2) the coordination of the administration of such programs and other Government programs which provide unemployment compensation and relief to depressed areas.

(b) In carrying out his responsibilities under this section, the Comptroller General shall, to the extent practical, avail himself of the assistance of the Departments of Labor and Commerce. The Secretaries of Labor and Commerce shall make available to the Comptroller General any assistance necessary for an effective evaluation of the adjustment assistance programs established under this title.

19 USC 2392. **SEC. 281. COORDINATION.**

Adjustment Assistance Coordinating Committee. Establishment.

There is established the Adjustment Assistance Coordinating Committee to consist of a Deputy Special Trade Representative as Chairman, and the officials charged with adjustment assistance responsibilities of the Departments of Labor and Commerce and the Small Business Administration. It shall be the function of the Committee to coordinate the adjustment assistance policies, studies, and programs of the various agencies involved and to promote the efficient and effective delivery of adjustment assistance benefits.

19 USC 2393. **SEC. 282. TRADE MONITORING SYSTEM.**

Establishment.

The Secretary of Commerce and the Secretary of Labor shall establish and maintain a program to monitor imports of articles into the United States which will reflect changes in the volume of such imports, the relation of such imports to changes in domestic production, changes

in employment within domestic industries producing articles like or directly competitive with such imports, and the extent to which such changes in production and employment are concentrated in specific geographic regions of the United States. A summary of the information gathered under this section shall be published regularly and provided to the Adjustment Assistance Coordinating Committee, the International Trade Commission, and to the Congress.

Summary to Adjustment Assistance Coordinating Committee, International Trade Commission, and Congress.
19 USC 2394.

SEC. 283. FIRMS RELOCATING IN FOREIGN COUNTRIES.

Before moving productive facilities from the United States to a foreign country, every firm should—

- (1) provide notice of the move to its employees who are likely to be totally or partially separated as a result of the move at least 60 days before the date of such move, and
 - (2) provide notice of the move to the Secretary of Labor and the Secretary of Commerce on the same day it notifies employees under paragraph (1).
- (b) It is the sense of the Congress that every such firm should—
- (1) apply for and use all adjustment assistance for which it is eligible under this title,
 - (2) offer employment opportunities in the United States, if any exist, to its employees who are totally or partially separated workers as a result of the move, and
 - (3) assist in relocating employees to other locations in the United States where employment opportunities exist.

SEC. 284. EFFECTIVE DATE.

Chapters 2, 3, and 4 of this title shall become effective on the 90th day following the date of enactment of this Act and shall terminate on September 30, 1982.

19 USC 2271
note.
Ante, pp. 2019,
2030, 2035.
Termination
date.

TITLE III—RELIEF FROM UNFAIR TRADE PRACTICES

CHAPTER 1—FOREIGN IMPORT RESTRICTIONS AND EXPORT SUBSIDIES

SEC. 301. RESPONSES TO CERTAIN TRADE PRACTICES OF FOREIGN GOVERNMENTS.

19 USC 2411.

(a) Whenever the President determines that a foreign country or instrumentality—

(1) maintains unjustifiable or unreasonable tariff or other import restrictions which impair the value of trade commitments made to the United States or which burden, restrict, or discriminate against United States commerce,

(2) engages in discriminatory or other acts or policies which are unjustifiable or unreasonable and which burden or restrict United States commerce,

(3) provides subsidies (or other incentives having the effect of subsidies) on its exports of one or more products to the United States or to other foreign markets which have the effect of substantially reducing sales of the competitive United States product or products in the United States or in those other foreign markets, or

(4) imposes unjustifiable or unreasonable restrictions on access to supplies of food, raw materials, or manufactured or semimanufactured products which burden or restrict United States commerce,

the President shall take all appropriate and feasible steps within his power to obtain the elimination of such restrictions or subsidies, and he—

(A) may suspend, withdraw, or prevent the application of, or may refrain from proclaiming, benefits of trade agreement concessions to carry out a trade agreement with such country or instrumentality; and

(B) may impose duties or other import restrictions on the products of such foreign country or instrumentality, and may impose fees or restrictions on the services of such foreign country or instrumentality, for such time as he deems appropriate.

“Commerce.”

For purposes of this subsection, the term “commerce” includes services associated with the international trade.

(b) In determining what action to take under subsection (a), the President shall consider the relationship of such action to the purposes of this Act. Action shall be taken under subsection (a) against the foreign country or instrumentality involved, except that, subject to the provisions of section 302, any such action may be taken on a non-discriminatory treatment basis.

(c) The President in making a determination under this section, may take action under subsection (a) (3) with respect to the exports of a product to the United States by a foreign country or instrumentality if—

(1) the Secretary of the Treasury has found that such country or instrumentality provides subsidies (or other incentives having the effect of subsidies) on such exports;

(2) the International Trade Commission has found that such exports to the United States have the effect of substantially reducing sales of the competitive United States product or products in the United States; and

(3) the President finds that the Antidumping Act, 1921, and section 303 of the Tariff Act of 1930 are inadequate to deter such practices.

(d)(1) The President shall provide an opportunity for the presentation of views concerning the restrictions, acts, policies, or practices referred to in paragraphs (1), (2), (3), and (4) of subsection (a).

(2) Upon complaint filed by any interested party with the Special Representative for Trade Negotiations alleging any such restriction, act, policy, or practice, the Special Representative shall conduct a review of the alleged restriction, act, policy, or practice, and, at the request of the complainant, shall conduct public hearings thereon. The Special Representative shall have a copy of each complaint filed under this paragraph published in the Federal Register. The Special Representative shall issue regulations concerning the filing of complaints and the conduct of reviews and hearings under this paragraph and shall submit a report to the House of Representatives and the Senate semi-annually summarizing the reviews and hearings conducted by it under this paragraph during the preceding 6-month period.

(e) Before the President takes any action under subsection (a) with respect to the import treatment of any product or the treatment of any service—

(1) he shall provide an opportunity for the presentation of views concerning the taking of action with respect to such product or service,

(2) upon request by any interested person, he shall provide for appropriate public hearings with respect to the taking of action with respect to such product or service, and

Complaints,
review.

Hearings.
Publication in
Federal Register.

Regulations.
Report to
Congress.

19 USC 160.

19 USC 1303.

(3) he may request the International Trade Commission for its views as to the probable impact on the economy of the United States of the taking of action with respect to such product or service.

If the President determines that, because of the need for expeditious action under subsection (a), compliance with paragraphs (1) and (2) would be contrary to the national interest, then such paragraphs shall not apply with respect to such action, but he shall thereafter promptly provide an opportunity for the presentation of views concerning the action taken and, upon request by any interested person, shall provide for appropriate public hearings with respect to the action taken. The President shall provide for the issuance of regulations concerning the filing of requests for, and the conduct of, hearings under this subsection.

SEC. 302. PROCEDURE FOR CONGRESSIONAL DISAPPROVAL OF CERTAIN ACTIONS TAKEN UNDER SECTION 301.

19 USC 2412.

(a) Whenever the President takes any action under subparagraph (A) or (B) of section 301(a) with respect to any country or instrumentality other than the country or instrumentality whose restriction, act, policy, or practice was the cause for taking such action, he shall promptly transmit to the House of Representatives and to the Senate a document setting forth the action which he has so taken, together with his reasons therefor.

(b) If, before the close of the 90-day period beginning on the day on which the document referred to in subsection (a) is delivered to the House of Representatives and to the Senate, the two Houses adopt, by an affirmative vote of a majority of those present and voting in each House, a concurrent resolution of disapproval under the procedures set forth in section 152, then such action under section 301(a) shall have no force and effect beginning with the day after the date of the adoption of such concurrent resolution of disapproval, except with respect to the country or instrumentality whose restriction, act, policy, or practice was the cause for taking such action.

Ante, p. 2004.

CHAPTER 2—ANTIDUMPING DUTIES

SEC. 321. AMENDMENTS TO THE ANTIDUMPING ACT OF 1921.

(a) Section 201 of the Antidumping Act, 1921 (19 U.S.C. 160), is amended—

(1) by striking out “United States Tariff Commission” in subsection (a) and inserting in lieu thereof “United States International Trade Commission (hereinafter called the ‘Commission’)”, and by striking out “said” each place it appears in such subsection; and

(2) by striking out subsections (b) and (c) and inserting in lieu thereof the following:

“(b) (1) In the case of any imported merchandise of a class or kind as to which the Secretary has not so made public a finding, he shall, within six months after the publication under subsection (c) (1) of a notice of initiation of an investigation—

“(A) determine whether there is reason to believe or suspect, from the invoice or other papers or from information presented to him or to any other person to whom authority under this section has been delegated, that the purchase price is less, or that the exporter’s sales price is less or likely to be less, than the foreign market value (or, in the absence of such value, than the constructed value); and

Publication in
Federal Register.

“(B) if his determination is affirmative, publish a notice of that fact in the Federal Register, and require, under such regulations as he may prescribe, the withholding of appraisement as to such merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of that notice in the Federal Register (or such earlier date, not more than one hundred and twenty days before the date of publication under subsection (c) (1) of notice of initiation of the investigation, as the Secretary may prescribe), until the further order of the Secretary, or until the Secretary has made public a finding as provided for in subsection (a) in regard to such merchandise; or

Publication in
Federal Register.

“(C) if his determination is negative (or if he tentatively determines that the investigation should be discontinued), publish notice of that fact in the Federal Register.

Publication in
Federal Register.

“(2) If in the course of an investigation under this subsection the Secretary concludes that the determination provided for in paragraph (1) cannot reasonably be made within six months, he shall publish notice of this in the Federal Register, together with a statement of reasons therefor, in which case the determination shall be made within nine months after the publication in the Federal Register of the notice of initiation of the investigation.

“(3) Within three months after publication in the Federal Register of a determination under paragraph (1), the Secretary shall make a final determination whether the foreign merchandise in question is being or is likely to be sold in the United States at less than its fair value (or a final discontinuance of the investigation).

Publication in
Federal Register.

“(c) (1) The Secretary shall, within thirty days of the receipt of information alleging that a particular class or kind of merchandise is being or is likely to be sold in the United States or elsewhere at less than its fair value and that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States, determine whether to initiate an investigation into the question of whether such merchandise in fact is being or is likely to be sold in the United States or elsewhere at less than its fair value. If his determination is affirmative he shall publish notice of the initiation of such an investigation in the Federal Register. If it is negative, the inquiry shall be closed.

“(2) If, in the course of making a determination under paragraph (1), the Secretary concludes, from the information available to him, that there is substantial doubt whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States, he shall forward to the Commission the reasons for such substantial doubt and a preliminary indication, based upon whatever price information is available, concerning possible sales at less than fair value, including possible margins of dumping and the volume of trade. If within thirty days after receipt of such information from the Secretary, the Commission, after conducting such inquiry as it deems appropriate, determines there is no reasonable indication that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States, it shall advise the Secretary of its determination and any investigation under subsection (b) then in progress shall be terminated.

“(d) (1) Before making any determination under subsection (a), the Secretary or the Commission, as the case may be, shall, at the

request of any foreign manufacturer or exporter, or any domestic importer, of the foreign merchandise in question, or of any domestic manufacturer, producer, or wholesaler of merchandise of the same class or kind, conduct a hearing at which—

Hearing.

“(A) any such person shall have the right to appear by counsel or in person; and

“(B) any other person, firm, or corporation may make application and, upon good cause shown, may be allowed by the Secretary or the Commission, as the case may be, to intervene and appear at such hearing by counsel or in person.

“(2) The Secretary, upon determining whether foreign merchandise is being, or is likely to be, sold in the United States at less than its fair value, and the Commission, upon making its determination under subsection (a), shall publish in the Federal Register such determination, whether affirmative or negative, together with a complete statement of findings and conclusions, and the reasons or bases therefor, on all the material issues of fact or law presented (consistent with confidential treatment granted by the Secretary or the Commission, as the case may be, in the course of making its determination).

Publication in
Federal Register.

“(3) The hearings provided for under this section shall be exempt from sections 554, 555, 556, 557, and 702 of title 5 of the United States Code. The transcript of any hearing, together with all information developed in connection with the investigation (other than items to which confidential treatment has been granted by the Secretary or the Commission, as the case may be), shall be made available in the manner and to the extent provided in section 552(b) of such title.”

5 USC 552.

(b) Section 203 of the Antidumping Act, 1921 (19 U.S.C. sec. 162), is amended to read as follows:

“PURCHASE PRICE

“SEC. 203. For the purposes of this title, the purchase price of imported merchandise shall be the price at which such merchandise has been purchased or agreed to be purchased, prior to the time of exportation, by the person by whom or for whose account the merchandise is imported, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States; and less the amount, if included in such price, of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation directly upon the exported merchandise or components thereof, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States, but only to the extent that such taxes are added to or included in the price of such or similar merchandise when sold in the country of exportation; and plus the amount of any taxes rebated or not collected, by reason of the exportation of the merchandise to the United States, which rebate or noncollection has been determined by

19 USC 1303.

the Secretary to be a bounty or grant within the meaning of section 303 of the Tariff Act of 1930.”

(c) Section 204 of the Antidumping Act, 1921 (19 U.S.C. sec. 163), is amended to read as follows:

“EXPORTER’S SALES PRICE

19 USC 166.

“SEC. 204. For the purposes of this title, the exporter’s sale price of imported merchandise shall be the price at which such merchandise is sold or agreed to be sold in the United States, before or after the time of importation, by or for the account of the exporter, plus, when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition, packed ready for shipment to the United States, less (1) the amount, if any, included in such price, attributable to any additional costs, charges, and expenses, and United States import duties, incident to bringing the merchandise from the place of shipment in the country of exportation to the place of delivery in the United States, (2) the amount of the commissions, if any, for selling in the United States the particular merchandise under consideration, (3) an amount equal to the expenses, if any, generally incurred by or for the account of the exporter in the United States in selling identical or substantially identical merchandise, (4) the amount of any export tax imposed by the country of exportation on the exportation of the merchandise to the United States, and (5) the amount of any increased value, including additional material and labor, resulting from a process of manufacture or assembly performed on the imported merchandise after the importation of the merchandise and before its sale to a person who is not the exporter of the merchandise within the meaning of section 207; and plus the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States; and plus the amount of any taxes imposed in the country of exportation directly upon the exported merchandise or components thereof, which have been rebated, or which have not been collected, by reason of the exportation of the merchandise to the United States, but only to the extent that such taxes are added to or included in the price of such or similar merchandise when sold in the country of exportation; and plus the amount of any taxes rebated, or not collected, by reason of the exportation of the merchandise to the United States, which rebate or noncollection has been determined by the Secretary to be a bounty or grant within the meaning of section 303 of the Tariff Act of 1930.”

19 USC 1303.

Foreign market
value.

(d) Section 205 of the Antidumping Act, 1921 (19 U.S.C. sec. 164), is amended by adding “(a)” immediately before the word “For”, and by adding at the end thereof the following new subsections:

“(b) Whenever the Secretary has reasonable grounds to believe or suspect that sales in the home market of the country of exportation, or, as appropriate, to countries other than the United States, have been made at prices which represent less than the cost of producing the merchandise in question, he shall determine whether, in fact, such sales were made at less than the cost of producing the merchandise. If the Secretary determines that sales made at less than cost of production (1) have been made over an extended period of time and in substantial quantities, and (2) are not at prices which permit recovery of all costs within a reasonable period of time in the normal course of trade, such sales shall be disregarded in the determination of foreign market value. Whenever sales are disregarded by virtue of having been

made at less than the cost of production and the remaining sales, made at not less than cost of production, are determined to be inadequate as a basis for the determination of foreign market value, the Secretary shall determine that no foreign market value exists and employ the constructed value of the merchandise in question.

“(c) If available information indicates to the Secretary that the economy of the country from which the merchandise is exported is state-controlled to an extent that sales or offers of sales of such or similar merchandise in that country or to countries other than the United States do not permit a determination of foreign market value under subsection (a), the Secretary shall determine the foreign market value of the merchandise on the basis of the normal costs, expenses, and profits as reflected by either—

“(1) the prices, determined in accordance with subsection (a) and section 202, at which such or similar merchandise of a non-state-controlled-economy country or countries is sold either (A) for consumption in the home market of that country or countries, or (B) to other countries, including the United States; or

19 USC 161.

“(2) the constructed value of such or similar merchandise in a non-state-controlled-economy country or countries as determined under section 206.

19 USC 165.

“(d) Whenever, in the course of an investigation under this Act, the Secretary determines that—

“(1) merchandise exported to the United States is being produced in facilities which are owned or controlled, directly or indirectly, by a person, firm, or corporation which also owns or controls, directly or indirectly, other facilities for the production of such or similar merchandise which are located in another country or countries:

“(2) the sales of such or similar merchandise by the company concerned in the home market of the exporting country are non-existent or inadequate as a basis for comparison with the sales of the merchandise to the United States; and

“(3) the foreign market value of such or similar merchandise produced in one or more of the facilities outside the country of exportation is higher than the foreign market value, or, if there is no foreign market value, the constructed value, of such or similar merchandise produced in the facilities located in the country of exportation,

he shall determine the foreign market value of such merchandise by reference to the foreign market value at which such or similar merchandise is sold in substantial quantities by one or more facilities outside the country of exportation. The Secretary in making any determination under this paragraph, shall make adjustments for the difference between the costs of production (including taxes, labor, materials, and overhead) of such or similar merchandise produced in facilities outside the country of exportation and costs of production of such or similar merchandise produced in the facilities in the country of exportation, if such differences are demonstrated to his satisfaction. For the purpose of this subsection, in determining foreign market value of such or similar merchandise produced in a country outside of the country of exportation, the Secretary shall determine its price at the time of exportation from the country of exportation and shall make any adjustments required by section 205(a) for the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed

19 USC 164.

ready for shipment to the United States by reference to such costs in the country of exportation.”

(e) Section 212(3) of the Antidumping Act, 1921 (19 U.S.C. sec. 170a(3)), is amended by striking out subparagraphs (B), (D), and (F), and by redesignating subparagraphs (C) and (E) as subparagraphs (B) and (C), respectively.

(f)(1) Section 516 of the Tariff Act of 1930 (19 U.S.C. 1516) is amended by redesignating subsections (d), (e), (f), and (g) as subsections (e), (f), (g), and (h), respectively, and by inserting after subsection (c) the following new subsection:

“(d) Within 30 days after a determination by the Secretary—

“(1) under section 201 of the Antidumping Act, 1921 (19 U.S.C. 160), that a class or kind of foreign merchandise is not being, nor likely to be, sold in the United States at less than its fair value, or

19 USC 1303.

(2) under section 303 of this Act that a bounty or grant is not being paid or bestowed,

an American manufacturer, producer, or wholesaler of merchandise of the same class or kind as that described in such determination may file with the Secretary a written notice of a desire to contest such determination. Upon receipt of such notice the Secretary shall cause publication to be made thereof and of such manufacturer's, producer's, or wholesaler's desire to contest the determination. Within 30 days after such publication, such manufacturer, producer, or wholesaler may commence an action in the United States Customs Court contesting such determination.”.

19 USC 1516.

(2) Section 2631(b) of title 28, United States Code, is amended by inserting before the period at the end thereof “, or, in the case of an action under section 516(d) of such Act, after the date of publication of a notice under such section”.

(3) Section 2632 of title 28, United States Code, is amended—

19 USC 1515.

19 USC 1516.

Ante, p. 2043.

19 USC 1303.

(A) by striking out the first sentence of subsection (a) and inserting in lieu thereof the following: “A party may contest

(1) denial of a protest under section 515 of the Tariff Act of 1930, as amended; (2) a decision of the Secretary of the Treasury made under section 516 of the Tariff Act of 1930, as amended; or (3) a determination by the Secretary of the Treasury under section 201 of the Antidumping Act, 1921, as amended, that a class or kind of merchandise is not being, nor likely to be, sold in the United States at less than its fair value, or under section 303 of the Tariff Act of 1930 that a bounty or grant is not being paid or bestowed; by bringing a civil action in the Customs Court.”;

(B) by inserting after “designee” in subsection (f) “in any action brought under subsection (a)(1) or (a)(2)”;

(C) by adding at the end thereof the following new subsection:

“(g) Upon service of the summons on the Secretary of the Treasury or his designee in an action contesting the Secretary's determination under section 201 of the Antidumping Act, 1921, as amended, that a class or kind of foreign merchandise is not being, nor likely to be, sold in the United States at less than its fair value, the Secretary or his designee shall forthwith transmit to the United States Customs Court, as the official record of the civil action, a certified copy of the transcript of any hearing held by the Secretary in the particular antidumping proceeding pursuant to section 201(d)(1) of the Antidumping Act, 1921, as amended, and certified copies of all notices, determinations, or other matters which the Secretary has caused to be published in the

Federal Register in connection with the particular antidumping proceeding. Upon service of the summons on the Secretary of the Treasury or his designee in an action contesting the Secretary's determination under section 303 of the Tariff Act of 1930 that a bounty or grant is not being paid or bestowed, the Secretary or his designee shall forthwith transmit to the United States Customs Court, as the official record of the civil action, a certified copy of the transcript of all hearings held by the Secretary in the proceeding which resulted in such determination and certified copies of all notices, determinations, or other matters which the Secretary has caused to be published in the Federal Register in connection with such proceeding."

Publication in
Federal Register.

Infra.

(g) (1) The amendments made by subsection (a) of this section shall apply with respect to all questions of dumping raised or presented on or after the date of the enactment of this Act.

Applicability.
19 USC 160
note.

(2) The amendments made by subsections (b) through (e) of this section shall apply with respect to all merchandise which is not appraised on or before the date of the enactment of this Act; except that such amendments shall not apply with respect to any merchandise which—

19 USC 162
note.

(A) was exported from the country of exportation before such date of the enactment, and

(B) is subject to a finding under the Antidumping Act, 1921, which (i) is outstanding on such date of enactment, or (ii) was revoked on or before such date of enactment but is still applicable to such merchandise.

19 USC 160.

(3) The amendments made by subsection (f) shall apply with respect to determinations under section 201 of the Antidumping Act, 1921, resulting from questions of dumping raised or presented on or after the date of the enactment of this Act.

19 USC 1516
note.

19 USC 160.

CHAPTER 3—COUNTERVAILING DUTIES

SEC. 331. AMENDMENTS TO SECTIONS 303 AND 516 OF THE TARIFF ACT OF 1930.

(a) Section 303 of the Tariff Act of 1930 (19 U.S.C. sec. 1303) is amended to read as follows:

"SEC. 303. COUNTERVAILING DUTIES.

"(a) **LEVY OF COUNTERVAILING DUTIES.**—(1) Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation, shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, then upon the importation of such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to any duties otherwise imposed, a duty equal to the net amount of such bounty or grant, however the same be paid or bestowed.

"(2) In the case of any imported article or merchandise which is free of duty, duties may be imposed under this section only if there is an affirmative determination by the Commission under subsection (b) (1); except that such a determination shall not be required unless a determination of injury is required by the international obligations of the United States.

“(3) In the case of any imported article or merchandise as to which the Secretary of the Treasury (hereafter in this section referred to as the ‘Secretary’) has not determined whether or not any bounty or grant is being paid or bestowed—

“(A) upon the filing of a petition by any person setting forth his belief that a bounty or grant is being paid or bestowed, and the reasons therefor, or

“(B) whenever the Secretary concludes, from information presented to him or to any person to whom authority under this section has been delegated, that a formal investigation is warranted into the question of whether a bounty or grant is being paid or bestowed,

Publication in
Federal Register.

the Secretary shall initiate a formal investigation to determine whether or not any bounty or grant is being paid or bestowed and shall publish in the Federal Register notice of the initiation of such investigation.

“(4) Within six months from the date on which a petition is filed under paragraph (3) (A) or on which notice is published of an investigation initiated under paragraph (3) (B), the Secretary shall make a preliminary determination, and within twelve months from such date shall make a final determination, as to whether or not any bounty or grant is being paid or bestowed.

Regulations.

“(5) The Secretary shall from time to time ascertain and determine, or estimate, the net amount of each such bounty or grant, and shall declare the net amount so determined or estimated.

Publication in
Federal Register.

“(6) The Secretary shall make all regulations he deems necessary for the identification of articles and merchandise subject to duties under this section and for the assessment and collection of such duties. All determinations by the Secretary under this section, and all determinations by the Commission under subsection (b) (1), (whether affirmative or negative) shall be published in the Federal Register.

“(b) INJURY DETERMINATIONS WITH RESPECT TO DUTY-FREE MERCHANDISE; SUSPENSION OF LIQUIDATION.—(1) Whenever the Secretary makes a final determination under subsection (a) that a bounty or grant is being paid or bestowed with respect to any article or merchandise which is free of duty and a determination by the Commission is required under subsection (a) (2), he shall—

“(A) so advise the Commission, and the Commission shall determine within three months thereafter, and after such investigation as it deems necessary, whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such article or merchandise into the United States; and the Commission shall notify the Secretary of its determination; and

“(B) require, under such regulations as he may prescribe, the suspension of liquidation as to such article or merchandise entered, or withdrawn from warehouse, for consumption on or after the date of the publication in the Federal Register of his final determination under subsection (a), and such suspension of liquidation shall continue until the further order of the Secretary or until he has made public an order as provided for in paragraph (3).

“(2) For the purposes of this subsection, the Commission shall be deemed to have made an affirmative determination if the commissioners voting are evenly divided as to whether its determination should be in the affirmative or in the negative.

“(3) If the determination of the Commission under paragraph (1) (A) is in the affirmative, the Secretary shall make public an order

directing the assessment and collection of duties in the amount of such bounty or grant as is from time to time ascertained and determined, or estimated, under subsection (a).

“(c) APPLICATION OF AFFIRMATIVE DETERMINATION.—An affirmative final determination by the Secretary under subsection (a) with respect to any imported article or merchandise shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the publication in the Federal Register of such determination. In the case of any imported article or merchandise which is free of duty, so long as a finding of injury is required by the international obligations of the United States, the preceding sentence shall apply only if the Commission makes an affirmative determination of injury under subsection (b) (1).

“(d) TEMPORARY PROVISION WHILE NEGOTIATIONS ARE IN PROGRESS.—(1) It is the sense of the Congress that the President, to the extent practicable and consistent with United States interests, seek through negotiations the establishment of internationally agreed rules and procedures governing the use of subsidies (and other export incentives) and the application of countervailing duties.

“(2) If, after seeking information and advice from such agencies as he may deem appropriate, the Secretary of the Treasury determines, at any time during the four-year period beginning on the date of the enactment of the Trade Act of 1974, that—

Ante, p. 1978.

“(A) adequate steps have been taken to reduce substantially or eliminate during such period the adverse effect of a bounty or grant which he has determined is being paid or bestowed with respect to any article or merchandise;

“(B) there is a reasonable prospect that, under section 102 of the Trade Act of 1974, successful trade agreements will be entered into with foreign countries or instrumentalities providing for the reduction or elimination of barriers to or other distortions of international trade; and

Ante, p. 1982.

“(C) the imposition of the additional duty under this section with respect to such article or merchandise would be likely to seriously jeopardize the satisfactory completion of such negotiations;

the imposition of the additional duty under this section with respect to such article or merchandise shall not be required during the remainder of such four-year period. This paragraph shall not apply with respect to any case involving non-rubber footwear pending on the date of the enactment of the Trade Act of 1974 until and unless agreements which temporize imports of non-rubber footwear become effective.

Non-rubber footwear.

“(3) The determination of the Secretary under paragraph (2) may be revoked by him, in his discretion, at any time, and any determination made under such paragraph shall be revoked whenever the basis supporting such determination no longer exists. The additional duty provided under this section shall apply with respect to any affected articles or merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of any revocation under this subsection in the Federal Register.

“(e) REPORTS TO CONGRESS.—(1) Whenever the Secretary makes a determination under subsection (d) (2) with respect to any article or merchandise, he shall promptly transmit to the House of Representatives and the Senate a document setting forth the determination, together with his reasons therefor.

“(2) If, at any time after the document referred to in paragraph (1) is delivered to the House of Representatives and the Senate, either

Ante, p. 2004.

the House or the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution of disapproval under the procedures set forth in section 152, then such determination under subsection (d) (2) with respect to such article or merchandise shall have no force or effect beginning with the day after the date of the adoption of such resolution of disapproval, and the additional duty provided under this section with respect to such article or merchandise shall apply with respect to articles or merchandise entered, or withdrawn from warehouse, for consumption on or after such day.”

(b) So much of section 516 of the Tariff Act of 1930 (19 U.S.C. 1516) as precedes subsection (d) is amended to read as follows:

“SEC. 516. PETITIONS BY AMERICAN MANUFACTURERS, PRODUCERS, OR WHOLESALERS.

Ante, p. 2049.

19 USC 161.

“(a) The Secretary shall, upon written request by an American manufacturer, producer, or wholesaler, furnish the classification, the rate of duty, the additional duty described in section 303 of this Act (hereinafter in this section referred to as ‘countervailing duties’), if any, and the special duty described in section 202 of the Antidumping Act, 1921 (hereinafter in this section referred to as ‘antidumping duties’), if any, imposed upon designated imported merchandise of a class or kind manufactured, produced, or sold at wholesale by him. If such manufacturer, producer, or wholesaler believes that the appraised value is too low, that the classification is not correct, that the proper rate of duty is not being assessed, or that countervailing duties or antidumping duties should be assessed, he may file a petition with the Secretary setting forth (1) a description of the merchandise, (2) the appraised value, the classification, or the rate or rates of duty that he believes proper, and (3) the reasons for his belief including, in appropriate instances, the reasons for his belief that countervailing duties or antidumping duties should be assessed.

Ante, p. 2043.

“(b) If, after receipt and consideration of a petition filed by an American manufacturer, producer, or wholesaler, the Secretary decides that the appraised value of the merchandise is too low, that the classification of the article or rate of duty assessed thereon is not correct, or that countervailing duties or antidumping duties should be assessed, he shall determine the proper appraised value or classification, rate of duty, or countervailing duties, or antidumping duties and shall notify the petitioner of his determination. Except for countervailing duty and antidumping duty purposes, all such merchandise entered for consumption or withdrawn from warehouse for consumption more than thirty days after the date such notice to the petitioner is published in the weekly Customs Bulletin shall be appraised or classified or assessed as to rate of duty in accordance with the Secretary’s determination. For countervailing duty purposes, the procedures set forth in section 303 shall apply. For antidumping duty purposes, the procedures set forth in section 201 of the Antidumping Act, 1921, shall apply.

“(c) If the Secretary decides that the appraised value or classification of the articles or the rate of duty with respect to which a petition was filed pursuant to subsection (a) is correct, or that countervailing duties or antidumping duties should not be assessed, he shall so inform the petitioner. If dissatisfied with the decision of the Secretary, the petitioner may file with the Secretary, not later than thirty days after the date of the decision, notice that he desires to contest the appraised value or classification of, or rate of duty assessed upon or the failure to assess countervailing duties or antidumping duties upon, the merchandise. Upon receipt of notice from the petitioner, the Secretary shall

cause publication to be made of his decision as to the proper appraised value or classification or rate of duty or that countervailing duties or antidumping duties should not be assessed and of the petitioner's desire to contest, and shall thereafter furnish the petitioner with such information as to the entries and consignees of such merchandise, entered after the publication of the decision of the Secretary at such ports of entry designated by the petitioner in his notice of desire to contest, as will enable the petitioner to contest the appraised value or classification of, or rate of duty imposed upon or failure to assess countervailing duties or antidumping duties upon, such merchandise in the liquidation of one such entry at such port. The Secretary shall direct the appropriate Customs officer at such ports to notify the petitioner by mail immediately when the first of such entries is liquidated."

(c) Section 515(d) of the Tariff Act of 1930 (19 U.S.C. 1315(d)) is amended by inserting before the period at the end thereof "or the imposition of countervailing duties under section 303".

(d) (1) The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) For purposes of applying the provisions of section 303(a) (4) of the Tariff Act of 1930 (as amended by subsection (a)) with respect to any investigation which was initiated before the date of the enactment of this Act under section 303 of such Act (as in effect before such date), such investigation shall be treated as having been initiated on the day after such date of enactment under section 303(a) (3) (B) of such Act.

(3) Any article which is entered or withdrawn from warehouse free of duty as a result of action taken under title V of this Act shall be considered a nondutiable article for purposes of section 303 of the Tariff Act of 1930, as amended (19 U.S.C. sec. 1303).

Ante, p. 2049.

Effective date,
19 USC 1303
note.

CHAPTER 4—UNFAIR IMPORT PRACTICES

SEC. 341. AMENDMENT TO SECTION 337 OF THE TARIFF ACT OF 1930.

(a) Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) is amended to read as follows:

"SEC. 337. UNFAIR PRACTICES IN IMPORT TRADE.

"(a) UNFAIR METHODS OF COMPETITION DECLARED UNLAWFUL.—Unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are declared unlawful, and when found by the Commission to exist shall be dealt with, in addition to any other provisions of law, as provided in this section.

"(b) INVESTIGATIONS OF VIOLATIONS BY COMMISSION; TIME LIMITS.—(1) The Commission shall investigate any alleged violation of this section on complaint under oath or upon its initiative. Upon commencing any such investigation, the Commission shall publish notice thereof in the Federal Register. The Commission shall conclude any such investigation, and make its determination under this section, at the earliest practicable time, but not later than one year (18 months in more complicated cases) after the date of publication of notice of such investigation. The Commission shall publish in the Federal Register its reasons for designating any investigation as a more complicated investigation. For purposes of the one-year and 18-month periods prescribed by this subsection, there shall be excluded any

Publication in
Federal Register.

Publication in
Federal Register.

period of time during which such investigation is suspended because of proceedings in a court or agency of the United States involving similar questions concerning the subject matter of such investigation.

“(2) During the course of each investigation under this section, the Commission shall consult with, and seek advice and information from, the Department of Health, Education, and Welfare, the Department of Justice, the Federal Trade Commission, and such other departments and agencies as it considers appropriate.

Ante, p. 2049.

“(3) Whenever, in the course of an investigation under this section, the Commission has reason to believe, based on information before it, that the matter may come within the purview of section 303 or of the Antidumping Act, 1921, it shall promptly notify the Secretary of the Treasury so that such action may be taken as is otherwise authorized by such section and such Act.

Hearing.

5 USC 551.

“(c) DETERMINATIONS; REVIEW.—The Commission shall determine, with respect to each investigation conducted by it under this section, whether or not there is a violation of this section. Each determination under subsection (d) or (e) shall be made on the record after notice and opportunity for a hearing in conformity with the provisions of subchapter II of chapter 5 of title 5, United States Code. All legal and equitable defenses may be presented in all cases. Any person adversely affected by a final determination of the Commission under subsection (d) or (e) may appeal such determination to the United States Court of Customs and Patent Appeals. Such court shall have jurisdiction to review such determination in the same manner and subject to the same limitations and conditions as in the case of appeals from decisions of the United States Customs Court.

“(d) EXCLUSION OF ARTICLES FROM ENTRY.—If the Commission determines, as a result of an investigation under this section, that there is violation of this section, it shall direct that the articles concerned, imported by any person violating the provision of this section, be excluded from entry into the United States, unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such articles should not be excluded from entry. The Commission shall notify the Secretary of the Treasury of its action under this subsection directing such exclusion from entry, and upon receipt of such notice, the Secretary shall, through the proper officers, refuse such entry.

“(e) EXCLUSION OF ARTICLES FROM ENTRY DURING INVESTIGATION EXCEPT UNDER BOND.—If, during the course of an investigation under this section, the Commission determines that there is reason to believe that there is a violation of this section, it may direct that the articles concerned, imported by any person with respect to whom there is reason to believe that such person is violating this section, be excluded from entry into the United States, unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such articles should not be excluded from entry. The Commission shall notify the Secretary of the Treasury of its action under this subsection directing such exclusion from entry, and upon receipt of such notice, the Secretary shall, through the proper officers, refuse such entry, except that such articles shall be entitled to entry under bond determined by the Commission and prescribed by the Secretary.

“(f) CEASE AND DESIST ORDERS.—In lieu of taking action under subsection (d) or (e), the Commission may issue and cause to be served on any person violating this section, or believed to be violating this section, as the case may be, an order directing such person to cease and desist from engaging in the unfair methods or acts involved, unless after considering the effect of such order upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such order should not be issued. The Commission may at any time, upon such notice and in such manner as it deems proper, modify or revoke any such order, and, in the case of a revocation, may take action under subsection (d) or (e), as the case may be.

“(g) REFERRAL TO THE PRESIDENT.—(1) If the Commission determines that there is a violation of this section, or that, for purposes of subsection (e), there is reason to believe that there is such a violation, it shall—

“(A) publish such determination in the Federal Register, and

Publication in
Federal Register.

“(B) transmit to the President a copy of such determination and the action taken under subsection (d), (e), or (f), with respect thereto, together with the record upon which such determination is based.

“(2) If, before the close of the 60-day period beginning on the day after the day on which he receives a copy of such determination, the President, for policy reasons, disapproves such determination and notifies the Commission of his disapproval, then, effective on the date of such notice, such determination and the action taken under subsection (d), (e), or (f) with respect thereto shall have no force or effect.

“(3) Subject to the provisions of paragraph (2), such determination shall, except for purposes of subsection (c), be effective upon publication thereof in the Federal Register, and the action taken under subsection (d), (e), or (f) with respect thereto shall be effective as provided in such subsections, except that articles directed to be excluded from entry under subsection (d) or subject to a cease and desist order under subsection (f) shall be entitled to entry under bond determined by the Commission and prescribed by the Secretary until such determination becomes final.

“(4) If the President does not disapprove such determination within such 60-day period, or if he notifies the Commission before the close of such period that he approves such determination, then, for purposes of paragraph (3) and subsection (c) such determination shall become final on the day after the close of such period or the day on which the President notifies the Commission of his approval, as the case may be.

“(h) PERIOD OF EFFECTIVENESS.—Except as provided in subsections (f) and (g), any exclusion from entry or order under this section shall continue in effect until the Commission finds, and in the case of exclusion from entry notifies the Secretary of the Treasury, that the conditions which led to such exclusion from entry or order no longer exist.

“(i) IMPORTATIONS BY OR FOR THE UNITED STATES.—Any exclusion from entry or order under subsection (d), (e), or (f), in cases based on claims of United States letters patent, shall not apply to any articles imported by and for the use of the United States, or imported for, and to be used for, the United States with the authorization or consent of the Government. Whenever any article would have been excluded from entry or would not have been entered pursuant to the provisions of such subsections but for the operation of this subsection, a patent owner adversely affected shall be entitled to reasonable and entire

compensation in an action before the Court of Claims pursuant to the procedures of section 1498 of title 28, United States Code.

19 USC 1338,
1340.

“(j) **DEFINITION OF UNITED STATES.**—For purposes of this section and sections 338 and 340, the term ‘United States’ means the customs territory of the United States as defined in general headnote 2 of the Tariff Schedules of the United States.”

Annual report.
Ante, p. 2053.

(b) Section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)) is amended by adding at the end thereof the following new sentence: “Each such annual report shall include a list of all complaints filed under section 337 during the year for which such report is being made, the date on which each such complaint was filed, and the action taken thereon, and the status of all investigations conducted by the commission under such section during such year and the date on which each such investigation was commenced.”

Effective date.
19 USC 1337
note.

(c) The amendments made by this section shall take effect on the 90th day after the date of the enactment of this Act, except that, for purposes of issuing regulations under section 337 of the Tariff Act of 1930, such amendments shall take effect on the date of the enactment of this Act. For purposes of applying section 337(b) of the Tariff Act of 1930 (as amended by subsection (a)) with respect to investigations being conducted by the International Trade Commission under section 337 of the Tariff Act on the day prior to the 90th day after the date of the enactment of this Act, such investigations shall be considered as having been commenced on such 90th day.

TITLE IV—TRADE RELATIONS WITH COUNTRIES NOT CURRENTLY RECEIV- ING NONDISCRIMINATORY TREAT- MENT

19 USC 2431.

SEC. 401. EXCEPTION OF THE PRODUCTS OF CERTAIN COUNTRIES OR AREAS.

Except as otherwise provided in this title, the President shall continue to deny nondiscriminatory treatment to the products of any country, the products of which were not eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on the date of the enactment of this Act.

19 USC 1202.

19 USC 2432.

SEC. 402. FREEDOM OF EMIGRATION IN EAST-WEST TRADE.

(a) To assure the continued dedication of the United States to fundamental human rights, and notwithstanding any other provision of law, on or after the date of the enactment of this Act products from any nonmarket economy country shall not be eligible to receive nondiscriminatory treatment (most-favored-nation treatment), such country shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens the right or opportunity to emigrate;

(2) imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever; or

(3) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice,

and ending on the date on which the President determines that such country is no longer in violation of paragraph (1), (2), or (3).

(b) After the date of the enactment of this Act, (A) products of a nonmarket economy country may be eligible to receive nondiscriminatory treatment (most-favored-nation treatment), (B) such country may participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and (C) the President may conclude a commercial agreement with such country, only after the President has submitted to the Congress a report indicating that such country is not in violation of paragraph (1), (2), or (3) of subsection (a). Such report with respect to such country shall include information as to the nature and implementation of emigration laws and policies and restrictions or discrimination applied to or against persons wishing to emigrate. The report required by this subsection shall be submitted initially as provided herein and, with current information, on or before each June 30 and December 31 thereafter so long as such treatment is received, such credits or guarantees are extended, or such agreement is in effect.

Nonmarket
economy coun-
tries, products,
eligibility.

Report to
Congress.

(c) (1) During the 18-month period beginning on the date of the enactment of this Act, the President is authorized to waive by Executive order the application of subsection (a) and (b) with respect to any country, if he reports to the Congress that—

Waiver.

(A) he has determined that such waiver will substantially promote the objectives of this section; and

(B) he has received assurances that the emigration practices of that country will henceforth lead substantially to the achievement of the objectives of this section.

(2) During any period subsequent to the 18-month period referred to in paragraph (1), the President is authorized to waive by Executive order the application of subsections (a) and (b) with respect to any country, if the waiver authority granted by this subsection continues to apply to such country pursuant to subsection (d), and if he reports to the Congress that—

(A) he has determined that such waiver will substantially promote the objectives of this section; and

(B) he has received assurances that the emigration practices of that country will henceforth lead substantially to the achievement of the objectives of this section.

(3) A waiver with respect to any country shall terminate on the day after the waiver authority granted by this subsection ceases to be effective with respect to such country pursuant to subsection (d). The President may, at any time, terminate by Executive order any waiver granted under this subsection.

Termination.

(d) (1) If the President determines that the extension of the waiver authority granted by subsection (c) (1) will substantially promote the objectives of this section, he may recommend to the Congress that such authority be extended for a period of 12 months. Any such recommendation shall—

Waiver author-
ity, extension.

(A) be made not later than 30 days before the expiration of such authority;

(B) be made in a document transmitted to the House of Representatives and the Senate setting forth his reasons for recommending the extension of such authority; and

(C) include, for each country with respect to which a waiver granted under subsection (c) (1) is in effect, a determination that continuation of the waiver applicable to that country will substantially promote the objectives of this section, and a statement setting forth his reasons for such determination.

Ante, p. 2006.

(2) If the President recommends under paragraph (1) the extension of the waiver authority granted by subsection (c) (1), such authority shall continue in effect with respect to any country for a period of 12 months following the end of the 18-month period referred to in subsection (c) (1), if, before the end of such 18-month period, the House of Representatives and the Senate adopt, by an affirmative vote of a majority of the Members present and voting in each House and under the procedures set forth in section 153, a concurrent resolution approving the extension of such authority, and such resolution does not name such country as being excluded from such authority. Such authority shall cease to be effective with respect to any country named in such concurrent resolution on the date of the adoption of such concurrent resolution. If before the end of such 18-month period, a concurrent resolution approving the extension of such authority is not adopted by the House and the Senate, but both the House and Senate vote on the question of final passage of such a concurrent resolution and—

(A) both the House and the Senate fail to pass such a concurrent resolution, the authority granted by subsection (c) (1) shall cease to be effective with respect to all countries at the end of such 18-month period;

(B) both the House and the Senate pass such a concurrent resolution which names such country as being excluded from such authority, such authority shall cease to be effective with respect to such country at the end of such 18-month period; or

(C) one House fails to pass such a concurrent resolution and the other House passes such a concurrent resolution which names such country as being excluded from such authority, such authority shall cease to be effective with respect to such country at the end of such 18-month period.

(3) If the President recommends under paragraph (1) the extension of the waiver authority granted by subsection (c) (1), and at the end of the 18-month period referred to in subsection (c) (1) the House of Representatives and the Senate have not adopted a concurrent resolution approving the extension of such authority and subparagraph (A) of paragraph (2) does not apply, such authority shall continue in effect for a period of 60 days following the end of such 18-month period with respect to any country (except for any country with respect to which such authority was not extended by reason of the application of subparagraph (B) or (C) of paragraph (2)), and shall continue in effect for a period of 12 months following the end of such 18-month period with respect to any such country if, before the end of such 60-day period, the House of Representatives and the Senate adopt, by an affirmative vote of a majority of the Members present and voting in each House and under the procedures set forth in section 153, a concurrent resolution approving the extension of such authority, and such resolution does not name such country as being excluded from such authority. Such authority shall cease to be effective with respect to any country named in such concurrent resolution on the date of the adoption of such concurrent resolution. If before the end of such 60-day period, a concurrent resolution approving the extension of such authority is not adopted by the House and Senate, but both the House and Senate vote on the question of final passage of such a concurrent resolution and—

(A) both the House and the Senate fail to pass such a concurrent resolution, the authority granted by subsection (c) (1) shall cease to be effective with respect to all countries on the date of the vote on the question of final passage by the House which votes last;

(B) both the House and the Senate pass such a concurrent resolution which names such country as being excluded from such authority, such authority shall cease to be effective with respect to such country at the end of such 60-day period; or

(C) one House fails to pass such a concurrent resolution and the other House passes such a concurrent resolution which names such country as being excluded from such authority, such authority shall cease to be effective with respect to such country at the end of such 60-day period.

(4) If the President recommends under paragraph (1) the extension of the waiver authority granted by subsection (c) (1), and at the end of the 60-day period referred to in paragraph (3) the House of Representatives and the Senate have not adopted a concurrent resolution approving the extension of such authority and subparagraph (A) of paragraph (3) does not apply, such authority shall continue in effect until the end of the 12-month period following the end of the 18-month period referred to in subsection (c) (1) with respect to any country (except for any country with respect to which such authority was not extended by reason of the application of subparagraph (B) or (C) of paragraph (2) or subparagraph (B) or (C) of paragraph (3)), unless before the end of the 45-day period following such 60-day period either the House of Representatives or the Senate adopts, by an affirmative vote of a majority of the Members present and voting in that House and under the procedures set forth in section 153, a resolution disapproving the extension of such authority generally or with respect to such country specifically. Such authority shall cease to be effective with respect to all countries on the date of the adoption by either House before the end of such 45-day period of a resolution disapproving the extension of such authority, and shall cease to be effective with respect to any country on the date of the adoption by either House before the end of such 45-day period of a resolution disapproving the extension of such authority with respect to such country.

(5) If the waiver authority granted by subsection (c) has been extended under paragraph (3) or (4) for any country for the 12-month period referred to in such paragraphs, and the President determines that the further extension of such authority will substantially promote the objectives of this section, he may recommend further extensions of such authority for successive 12-month periods. Any such recommendations shall—

Waiver authority, further extension.

(A) be made not later than 30 days before the expiration of such authority;

(B) be made in a document transmitted to the House of Representatives and the Senate setting forth his reasons for recommending the extension of such authority; and

(C) include, for each country with respect to which a waiver granted under subsection (c) is in effect, a determination that continuation of the waiver applicable to that country will substantially promote the objectives of this section, and a statement setting forth his reasons for such determination.

If the President recommends the further extension of such authority, such authority shall continue in effect until the end of the 12-month period following the end of the previous 12-month extension with respect to any country (except for any country with respect to which such authority has not been extended under this subsection), unless before the end of the 60-day period following such previous 12-month extension, either the House of Representatives or the Senate adopts, by an affirmative vote of a majority of the Members present and voting in that House and under the procedures set forth in section 153, a

Ante, p. 2006.

resolution disapproving the extension of such authority generally or with respect to such country specifically. Such authority shall cease to be effective with respect to all countries on the date of the adoption by either House before the end of such 60-day period of a resolution disapproving the extension of such authority, and shall cease to be effective with respect to any country on the date of the adoption by either House before the end of such 60-day period of a resolution disapproving the extension of such authority with respect to such country.

(e) This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on the date of the enactment of this Act.

19 USC 1202.

19 USC 2433.

SEC. 403. UNITED STATES PERSONNEL MISSING IN ACTION IN SOUTH-EAST ASIA.

(a) Notwithstanding any other provision of law, if the President determines that a nonmarket economy country is not cooperating with the United States—

(1) to achieve a complete accounting of all United States military and civilian personnel who are missing in action in Southeast Asia,

(2) to repatriate such personnel who are alive, and

(3) to return the remains of such personnel who are dead to the United States,

then, during the period beginning with the date of such determination and ending on the date on which the President determines such country is cooperating with the United States, he may provide that—

(A) the products of such country may not receive nondiscriminatory treatment,

(B) such country may not participate, directly or indirectly, in any program under which the United States extends credit, credit guarantees, or investment guarantees, and

(C) no commercial agreement entered into under this title between such country and the United States will take effect.

(b) This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on the date of the enactment of this Act.

19 USC 1202.

19 USC 2434.

SEC. 404. EXTENSION OF NONDISCRIMINATORY TREATMENT.

(a) Subject to the provisions of section 405(c), the President may by proclamation extend nondiscriminatory treatment to the products of a foreign country which has entered into a bilateral commercial agreement referred to in section 405.

(b) The application of nondiscriminatory treatment shall be limited to the period of effectiveness of the obligations of the United States to such country under such bilateral commercial agreement. In addition, in the case of any foreign country receiving nondiscriminatory treatment pursuant to this title which has entered into an agreement with the United States regarding the settlement of lend-lease reciprocal aid and claims, the application of such nondiscriminatory treatment shall be limited to periods during which such country is not in arrears on its obligations under such agreement.

(c) The President may at any time suspend or withdraw any extension of nondiscriminatory treatment to any country pursuant to subsection (a), and thereby cause all products of such country to be dutiable at the rates set forth in rate column numbered 2 of the Tariff Schedules for the United States.

19 USC 1202.

SEC. 405. AUTHORITY TO ENTER INTO COMMERCIAL AGREEMENTS.

19 USC 2435.

(a) Subject to the provisions of subsections (b) and (c) of this section, the President may authorize the entry into force of bilateral commercial agreements providing nondiscriminatory treatment to the products of countries heretofore denied such treatment whenever he determines that such agreements with such countries will promote the purposes of this Act and are in the national interest.

(b) Any such bilateral commercial agreement shall—

(1) be limited to an initial period specified in the agreement which shall be no more than 3 years from the date the agreement enters into force; except that it may be renewable for additional periods, each not to exceed 3 years; if—

(A) a satisfactory balance of concessions in trade and services has been maintained during the life of such agreement, and

(B) the President determines that actual or foreseeable reductions in United States tariffs and nontariff barriers to trade resulting from multilateral negotiations are satisfactorily reciprocated by the other party to the bilateral agreement;

(2) provide that it is subject to suspension or termination at any time for national security reasons, or that the other provisions of such agreement shall not limit the rights of any party to take any action for the protection of its security interests;

(3) include safeguard arrangements (A) providing for prompt consultations whenever either actual or prospective imports cause or threaten to cause, or significantly contribute to, market disruption and (B) authorizing the imposition of such import restrictions as may be appropriate to prevent such market disruption;

(4) if the other party to the bilateral agreement is not a party to the Paris Convention for the Protection of Industrial Property, provide rights for United States nationals with respect to patents and trademarks in such country not less than the rights specified in such convention;

21 UST 1583.

(5) if the other party to the bilateral agreement is not a party to the Universal Copyright Convention, provide rights for United States nationals with respect to copyrights in such country not less than the rights specified in such convention;

6 UST 2731.

(6) in the case of an agreement entered into or renewed after the date of the enactment of this Act, provide arrangements for the protection of industrial rights and processes;

(7) provide arrangements for the settlement of commercial differences and disputes;

(8) in the case of an agreement entered into or renewed after the date of the enactment of this Act, provide arrangements for the promotion of trade, which may include those for the establishment or expansion of trade and tourist promotion offices, for facilitation of activities of governmental commercial officers, participation in trade fairs and exhibits, and the sending of trade missions, and for facilitation of entry, establishment, and travel of commercial representatives;

(9) provide for consultations for the purpose of reviewing the operation of the agreement and relevant aspects of relations between the United States and the other party; and

(10) provide such other arrangements of a commercial nature as will promote the purposes of this Act.

(c) An agreement referred to in subsection (a), and a proclamation referred to in section 404(a) implementing such agreement, shall take effect only if (1) approved by the Congress by the adoption of a

Ante, p. 2001.

concurrent resolution referred to in section 151, or (2) in the case of an agreement entered into before the date of the enactment of this Act and a proclamation implementing such agreement, a resolution of disapproval referred to in section 152 is not adopted during the 90-day period specified by section 407(c)(2).

Ante, p. 2004.

19 USC 2436.

SEC. 406. MARKET DISRUPTION.

Ante, p. 2011.

(a)(1) Upon the filing of a petition by an entity described in section 201(a)(1), upon request of the President or the Special Representative for Trade Negotiations, upon resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, or on its own motion, the International Trade Commission (hereafter in this section referred to as the "Commission") shall promptly make an investigation to determine, with respect to imports of an article which is the product of a Communist country, whether market disruption exists with respect to an article produced by a domestic industry.

(2) The provisions of subsections (a)(2), (b)(3), and (c) of section 201 shall apply with respect to investigations by the Commission under paragraph (1).

Report to
President.

(3) The Commission shall report to the President its determination with respect to each investigation under paragraph (1) and the basis therefor and shall include in each report any dissenting or separate views. If the Commission finds, as a result of its investigation, that market disruption exists with respect to an article produced by a domestic industry, it shall find the amount of the increase in, or imposition of, any duty or other import restriction on such article which is necessary to prevent or remedy such market disruption and shall include such finding in its report to the President. The Commission shall furnish to the President a transcript of the hearings and any briefs which may have been submitted in connection with each investigation.

(4) The report of the Commission of its determination with respect to an investigation under paragraph (1) shall be made at the earliest practicable time, but not later than 3 months after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be). Upon making such report to the President, the Commission shall also promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

Publication in
Federal Register.

Ante, pp. 2014,
2015.

(b) For purposes of sections 202 and 203, an affirmative determination of the Commission under subsection (a) shall be treated as an affirmative determination under section 201(b), except that—

(1) the President may take action under sections 202 and 203 only with respect to imports from the country or countries involved of the article with respect to which the affirmative determination was made, and

(2) if such action consists of, or includes, an orderly marketing agreement, such agreement shall be entered into within 60 days after the import relief determination date.

Investigation.

(c) If, at any time, the President finds that there are reasonable grounds to believe, with respect to imports of an article which is the product of a Communist country, that market disruption exists with respect to an article produced by a domestic industry, he shall request the Commission to initiate an investigation under subsection (a). If the President further finds that emergency action is necessary, he may take action under sections 202 and 203 as if an affirmative determination of the Commission had been made under subsection (a). Any

Emergency
action.

action taken by the President under the preceding sentence shall cease to apply (1) if a negative determination is made by the Commission under subsection (a) with respect to imports of such article, on the day on which the Commission's report of such determination is submitted to the President, or (2) if an affirmative determination is made by the Commission under subsection (a) with respect to imports of such article, on the day on which the action taken by the President pursuant to such determination becomes effective.

(d)(1) A petition may be filed with the President by an entity described in section 201(a)(1) requesting the President to initiate consultations provided for by the safeguard arrangements of any agreement entered into under section 405 with respect to imports of an article which is the product of the country which is the other party to such agreement.

Ante, p. 2011.

(2) If the President determines that there are reasonable grounds to believe, with respect to imports of such article, that market disruption exists with respect to an article produced by a domestic industry, he shall initiate consultations with such country with respect to such imports.

(e) For purposes of this section—

(1) The term "Communist country" means any country dominated or controlled by communism.

"Communist country."

(2) Market disruption exists within a domestic industry whenever imports of an article, like or directly competitive with an article produced by such domestic industry, are increasing rapidly, either absolutely or relatively, so as to be a significant cause of material injury, or threat thereof, to such domestic industry.

SEC. 407. PROCEDURE FOR CONGRESSIONAL APPROVAL OR DISAPPROVAL OF EXTENSION OF NONDISCRIMINATORY TREATMENT AND PRESIDENTIAL REPORTS.

19 USC 2437.

(a) Whenever the President issues a proclamation under section 404 extending nondiscriminatory treatment to the products of any foreign country, he shall promptly transmit to the House of Representatives and to the Senate a document setting forth the proclamation and the agreement the proclamation proposes to implement, together with his reasons therefor.

(b) The President shall transmit to the House of Representatives and the Senate a document containing the initial report submitted by him under section 402(b) or 409(b) with respect to a nonmarket economy country. On or before December 31 of each year, the President shall transmit to the House of Representatives and the Senate, a document containing the report required by section 402(b) or 409(b) as the case may be, to be submitted on or before such December 31.

(c)(1) In the case of a document referred to in subsection (a) (other than a document to which paragraph (2) applies), the proclamation set forth therein may become effective and the agreement set forth therein may enter into force and effect only if the House of Representatives and the Senate adopt, by an affirmative vote of a majority of those present and voting in each House, a concurrent resolution of approval (under the procedures set forth in section 151) of the extension of nondiscriminatory treatment to the products of the country concerned.

Ante, p. 2001.

(2) In the case of a document referred to in subsection (a) which sets forth an agreement entered into before the date of the enactment of this Act and a proclamation implementing such agreement, such proclamation may become effective and such agreement may enter into force and effect after the close of the 90-day period beginning on the day on which such document is delivered to the House of Representatives and to the Senate, unless during such 90-day period either the

Ante, p. 2004.

House of Representatives or the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution of disapproval (under the procedures set forth in section 152) of the extension of nondiscriminatory treatment to the products of the country concerned.

(3) In the case of a document referred to in subsection (b) which contains a report submitted by the President under section 402(b) or 409(b) with respect to a nonmarket economy country, if, before the close of the 90-day period beginning on the day on which such document is delivered to the House of Representatives and to the Senate, either the House of Representatives or the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution of disapproval (under the procedures set forth in section 152) of the report submitted by the President with respect to such country, then, beginning with the day after the date of the adoption of such resolution of disapproval, (A) nondiscriminatory treatment shall not be in force with respect to the products of such country, and the products of such country shall be dutiable at the rates set forth in rate column numbered 2 of the Tariff Schedules of the United States, (B) such country may not participate in any program of the Government of the United States which extends credit or credit guarantees or investment guarantees, and (C) no commercial agreement may thereafter be concluded with such country under this title.

19 USC 1202.

19 USC 2438.

SEC. 408. PAYMENT BY CZECHOSLOVAKIA OF AMOUNTS OWED UNITED STATES CITIZENS AND NATIONALS.

(a) The arrangement initialed on July 5, 1974, with respect to the settlement of the claims of citizens and nationals of the United States against the Government of Czechoslovakia shall be renegotiated and shall be submitted to the Congress as part of any agreement entered into under this title with Czechoslovakia.

(b) The United States shall not release any gold belonging to Czechoslovakia and controlled directly or indirectly by the United States pursuant to the provisions of the Paris Reparations Agreement of January 24, 1946, or otherwise, until such agreement has been approved by the Congress.

61 Stat. 3157.

19 USC 2439.

SEC. 409. FREEDOM TO EMIGRATE TO JOIN A VERY CLOSE RELATIVE IN THE UNITED STATES.

(a) To assure the continued dedication of the United States to the fundamental human rights and welfare of its own citizens, and notwithstanding any other provision of law, on or after the date of the enactment of this Act, no nonmarket economy country shall participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens the right or opportunity to join permanently through emigration, a very close relative in the United State, such as a spouse, parent, child, brother, or sister;

(2) imposes more than a nominal tax on the visas or other documents required for emigration described in paragraph (1); or

(3) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate as described in paragraph (1),

and ending on the date on which the President determines that such country is no longer in violation of paragraph (1), (2), or (3).

(b) After the date of the enactment of this Act, (A) a nonmarket economy country may participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and (B) the President may conclude a commercial agreement with such country, only after the President has submitted to the Congress a report indicating that such country is not in violation of paragraph (1), (2), or (3) of subsection (a). Such report with respect to such country shall include information as to the nature and implementation of its laws and policies and restrictions or discrimination applied to or against persons wishing to emigrate to the United States to join close relatives. The report required by this subsection shall be submitted initially as provided herein and, with current information, on or before each June 30 and December 31 thereafter, so long as such credits or guarantees are extended or such agreement is in effect.

Report to Congress.

(c) This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on the date of enactment of this Act.

19 USC 1202.

(d) During any period that a waiver is in effect with respect to any nonmarket economy country under section 402(c), the provisions of subsections (a) and (b) shall not apply with respect to such country.

SEC. 410. EAST-WEST TRADE STATISTICS MONITORING SYSTEM.

19 USC 2440.

The International Trade Commission shall establish and maintain a program to monitor imports of articles into the United States from nonmarket economy countries and exports of articles from the United States to nonmarket economy countries. To the extent feasible, the Commission shall coordinate such program with any relevant data gathering programs presently conducted by the Secretary of Commerce. The Secretary of Commerce shall provide the Commission with any information which, in the determination of the Commission, is necessary to carry out this section. The Commission shall publish a detailed summary of the data collected under the East-West Trade Statistics Monitoring System not less frequently than once each calendar quarter and shall transmit such publication to the East-West Foreign Trade Board and to Congress. Such publication shall include data on the effect of such imports, if any, on the production of like, or directly competitive, articles in the United States and on employment within the industry which produces like, or directly competitive, articles in the United States.

Summary of data, transmittal to Congress.

SEC. 411. EAST-WEST FOREIGN TRADE BOARD.

19 USC 2441.

(a) The President shall establish an East-West Foreign Trade Board (hereinafter referred to as the "Board") to monitor trade between persons and agencies of the United States Government and nonmarket economy countries or instrumentalities of such countries to insure that such trade will be in the national interest of the United States.

Establishment.

(b)(1) Any person who exports technology vital to the national interest of the United States to a nonmarket economy country or an instrumentality of such country, and any agency of the United States which provides credits, guarantees or insurance to such country or such instrumentality in an amount in excess of \$5,000,000 during any calendar year, shall file a report with the Board in such form and manner as the Board requires which describes the nature and terms of such export or such provision.

Report.

(2) For purposes of paragraph (1), if the total amount of credits, guarantees and insurance which an agency of the United States provides to all nonmarket economy countries and the instrumentalities

of such countries exceeds \$5,000,000 during a calendar year, then all subsequent provisions of credits, guarantees or insurance in any amount, during such year shall be reported to the Board under the provisions of paragraph (1).

Report to
Congress.

(c) The Board shall submit to Congress a quarterly report on trade between the United States and nonmarket economy countries and instrumentalities of such countries. Such report shall include a review of the status of negotiations of bilateral trade agreements between the United States and such countries under this title, the activities of joint trade commissions created pursuant to such agreements, the resolution of commercial disputes between the United States and such countries, any exports from such countries which have caused disruption of United States markets, and recommendations for the promotion of east-west trade in the national interest of the United States.

TITLE V—GENERALIZED SYSTEM OF PREFERENCES

19 USC 2461.

SEC. 501. AUTHORITY TO EXTEND PREFERENCES.

The President may provide duty-free treatment for any eligible article from any beneficiary developing country in accordance with the provisions of this title. In taking any such action, the President shall have due regard for—

- (1) the effect such action will have on furthering the economic development of developing countries;
- (2) the extent to which other major developed countries are undertaking a comparable effort to assist developing countries by granting generalized preferences with respect to imports of products of such countries; and
- (3) the anticipated impact of such action on United States producers of like or directly competitive products.

19 USC 2462.

SEC. 502. BENEFICIARY DEVELOPING COUNTRY.

"Beneficiary
developing coun-
try."

(a) (1) For purposes of this title, the term "beneficiary developing country" means any country with respect to which there is in effect an Executive order by the President of the United States designating such country as a beneficiary developing country for purposes of this title. Before the President designates any country as a beneficiary developing country for purposes of this title, he shall notify the House of Representatives and the Senate of his intention to make such designation, together with the considerations entering into such decision.

(2) If the President has designated any country as a beneficiary developing country for purposes of this title, he shall not terminate such designation (either by issuing an Executive order for that purpose or by issuing an Executive order which has the effect of terminating such designation) unless, at least 60 days before such termination, he has notified the House of Representatives and the Senate and has notified such country of his intention to terminate such designation, together with the considerations entering into such decision.

"Country."

(3) For purposes of this title, the term "country" means any foreign country, any overseas dependent territory or possession of a foreign country, or the Trust Territory of the Pacific Islands. In the case of an association of countries which is a free trade area or customs union, the President may by Executive order provide that all members of such association other than members which are barred from designation under subsection (b) shall be treated as one country for purposes of this title.

(b) No designation shall be made under this section with respect to any of the following: Designation restriction.

Australia	Japan
Austria	Monaco
Canada	New Zealand
Czechoslovakia	Norway
European Economic Community member states	Poland
Finland	Republic of South Africa
Germany (East)	Sweden
Hungary	Switzerland
Iceland	Union of Soviet Socialist Republics

In addition, the President shall not designate any country a beneficiary developing country under this section—

(1) if such country is a Communist country, unless (A) the products of such country receive nondiscriminatory treatment, (B) such country is a contracting party to the General Agreement on Tariffs and Trade and a member of the International Monetary Fund, and (C) such country is not dominated or controlled by international communism;

(2) if such country is a member of the Organization of Petroleum Exporting Countries, or a party to any other arrangement of foreign countries, and such country participates in any action pursuant to such arrangement the effect of which is to withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level and to cause serious disruption of the world economy; withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level which causes serious disruption of the world economy;

(3) if such country affords preferential treatment to the products of a developed country, other than the United States, which has, or is likely to have, a significant adverse effect on United States commerce, unless the President has received assurances satisfactory to him that such preferential treatment will be eliminated before January 1, 1976, or that action will be taken before January 1, 1976, to assure that there will be no such significant adverse effect, and he reports those assurances to the Congress;

(4) if such country—

(A) has nationalized, expropriated, or otherwise seized ownership or control of property owned by a United States citizen or by a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens,

(B) has taken steps to repudiate or nullify an existing contract or agreement with a United States citizen or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property so owned, or

(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property,

unless—

(D) the President determines that—

(i) prompt, adequate, and effective compensation has been or is being made to such citizen, corporation, partnership, or association,

(ii) good faith negotiations to provide prompt, adequate, and effective compensation under the applicable provisions of international law are in progress, or such country is otherwise taking steps to discharge its obligations under international law with respect to such citizen, corporation, partnership, or association, or

(iii) a dispute involving such citizen, corporation, partnership, or association over compensation for such a seizure has been submitted to arbitration under the provisions of the Convention for the Settlement of Investment Disputes, or in another mutually agreed upon forum, and

promptly furnishes a copy of such determination to the Senate and House of Representatives;

(5) if such country does not take adequate steps to cooperate with the United States to prevent narcotic drugs and other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 812)) produced, processed, or transported in such country from entering the United States unlawfully; and

(6) if such country fails to act in good faith in recognizing as binding or in enforcing arbitral awards in favor of United States citizens or a corporation, partnership or association which is 50 percent or more beneficially owned by United States citizens, which have been made by arbitrators appointed for each case or by permanent arbitral bodies to which the parties involved have submitted their dispute.

Paragraphs (4), (5), and (6) shall not prevent the designation of any country as a beneficiary developing country under this section if the President determines that such designation will be in the national economic interest of the United States and reports such determination to the Congress with his reasons therefor.

(c) In determining whether to designate any country a beneficiary developing country under this section, the President shall take into account—

(1) an expression by such country of its desire to be so designated;

(2) the level of economic development of such country, including its per capita gross national product, the living standards of its inhabitants, and any other economic factors which he deems appropriate;

(3) whether or not the other major developed countries are extending generalized preferential tariff treatment to such country; and

(4) the extent to which such country has assured the United States it will provide equitable and reasonable access to the markets and basic commodity resources of such country.

(d) General headnote 3(a) to the Tariff Schedules of the United States (19 U.S.C. 1202) (relating to products of insular possessions) is amended by adding at the end thereof the following new paragraph:

“(iii) Subject to the limitations imposed under sections 503(b) and 504(c) of the Trade Act of 1974, articles designated eligible articles under section 503 of such Act which are imported from an insular possession of the United States shall receive duty treat-

ment no less favorable than the treatment afforded such articles imported from a beneficiary developing country under title V of such Act."

(e) The President may exempt from the application of paragraph (2) of subsection (b) any country during the period during which such country (A) is a party to a bilateral or multilateral trade agreement to which the United States is also a party if such agreement fulfills the negotiating objectives set forth in section 108 of assuring the United States fair and equitable access at reasonable prices to supplies of articles of commerce important to the economic requirements of the United States and (B) is not in violation of such agreement by action denying the United States such fair and equitable access.

Exemptions.
19 USC 2462.

SEC. 503. ELIGIBLE ARTICLES.

(a) The President shall, from time to time, publish and furnish the International Trade Commission with lists of articles which may be considered for designation as eligible articles for purposes of this title. Before any such list is furnished to the Commission, there shall be in effect an Executive order under section 502 designating beneficiary developing countries. The provisions of sections 131, 132, 133, and 134 of this Act shall be complied with as though action under section 501 were action under section 101 of this Act to carry out a trade agreement entered into under section 101. After receiving the advice of the Commission with respect to the listed articles, the President shall designate those articles he considers appropriate to be eligible articles for purposes of this title by Executive order.

19 USC 2463.

(b) The duty-free treatment provided under section 501 with respect to any eligible article shall apply only—

(1) to an article which is imported directly from a beneficiary developing country into the customs territory of the United States; and

(2) (A) if the sum of (i) the cost or value of the materials produced in the beneficiary developing country plus (ii) the direct costs of processing operations performed in such beneficiary developing country is not less than 35 percent of the appraised value of such article at the time of its entry into the customs territory of the United States; or

(B) if the sum of (i) the cost or value of the materials produced in 2 or more countries which are members of the same association of countries which is treated as one country under section 502(a)(3), plus (ii) the direct costs of processing operations performed in such countries is not less than 50 percent of the appraised value of such article at the time of its entry into the customs territory of the United States.

For purposes of paragraph (2)(A), the term "country" does not include an association of countries which is treated as one country under section 502(a)(3) but does include a country which is a member of any such association. The Secretary of the Treasury shall prescribe such regulations as may be necessary to carry out this subsection.

"Country."

(c) (1) The President may not designate any article as an eligible article under subsection (a) if such article is within one of the following categories of import-sensitive articles—

Regulations.

Import-sensitive
articles.

(A) textile and apparel articles which are subject to textile agreements,

(B) watches,

(C) import-sensitive electronic articles,

(D) import-sensitive steel articles,

19 USC 1202.

(E) footwear articles specified in items 700.05 through 700.27, 700.29 through 700.53, 700.55.23 through 700.55.75, and 700.60 through 700.80 of the Tariff Schedules of the United States,

(F) import-sensitive semimanufactured and manufactured glass products, and

(G) any other articles which the President determines to be import-sensitive in the context of the Generalized System of Preferences.

(2) No article shall be an eligible article for purposes of this title for any period during which such article is the subject of any action proclaimed pursuant to section 203 of this Act or section 232 or 351 of the Trade Expansion Act of 1962.

Ante, p. 2015.

19 USC 1862,
1981.

19 USC 2464.

SEC. 504. LIMITATIONS ON PREFERENTIAL TREATMENT.

(a) The President may withdraw, suspend, or limit the application of the duty-free treatment accorded under section 501 with respect to any article or with respect to any country; except that no rate of duty may be established in respect of any article pursuant to this section other than the rate which would apply but for this title. In taking any action under this subsection, the President shall consider the factors set forth in sections 501 and 502(c).

Beneficiary
developing coun-
try, designation
withdrawal or
suspension.

(b) The President shall, after complying with the requirements of section 502(a) (2), withdraw or suspend the designation of any country as a beneficiary developing country if, after such designation, he determines that as the result of changed circumstances such country would be barred from designation as a beneficiary developing country under section 502(b). Such country shall cease to be a beneficiary developing country on the day on which the President issues an Executive order revoking his designation of such country under section 502.

(c) (1) Whenever the President determines that any country—

(A) has exported (directly or indirectly) to the United States during a calendar year a quantity of an eligible article having an appraised value in excess of an amount which bears the same ratio to \$25,000,000 as the gross national product of the United States for the preceding calendar year, as determined by the Department of Commerce, bears to the gross national product of the United States for calendar year 1974, or

(B) except as provided in subsection (d), has exported (either directly or indirectly) to the United States a quantity of any eligible article equal to or exceeding 50 percent of the appraised value of the total imports of such article into the United States during any calendar year,

then, not later than 60 days after the close of such calendar year, such country shall not be treated as a beneficiary developing country with respect to such article, except that, if before such 60th day, the President determines and publishes in the Federal Register that, with respect to such country—

Publication in
Federal Register.

(i) there has been an historical preferential trade relationship between the United States and such country,

(ii) there is a treaty or trade agreement in force covering economic relations between such country and the United States, and

(iii) such country does not discriminate against, or impose unjustifiable or unreasonable barriers to, United States commerce, then he may designate, or continue the designation of, such country as a beneficiary developing country with respect to such article.

(2) A country which is no longer treated as a beneficiary developing country with respect to an eligible article by reason of this subsection

may be redesignated, subject to the provisions of section 502, a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the limitations in paragraph (1) of this subsection during the preceding calendar year.

(d) Subsection (c) (1) (B) does not apply with respect to any eligible article if a like or directly competitive article is not produced on the date of enactment of this Act in the United States.

(e) No action pursuant to section 501 may affect any tariff duty imposed by the Legislature of Puerto Rico pursuant to section 319 of the Tariff Act of 1930 (19 U.S.C. sec. 1319) on coffee imported into Puerto Rico.

Puerto Rico,
imported coffee,
duty.

SEC. 505. TIME LIMIT ON TITLE; COMPREHENSIVE REVIEW.

19 USC 2465.

(a) No duty-free treatment under this title shall remain in effect after the date which is 10 years after the date of the enactment of this Act.

(b) On or before the date which is 5 years after the date of the enactment of this Act, the President shall submit to the Congress a full and complete report of the operation of this title.

Presidential
report to Con-
gress.

TITLE VI—GENERAL PROVISIONS

SEC. 601. DEFINITIONS.

19 USC 2481.

For purposes of this Act—

(1) The term “duty” includes the rate and form of any import duty, including but not limited to tariff-rate quotas.

(2) The term “other import restriction” includes a limitation, prohibition, charge, and exaction other than duty, imposed on importation or imposed for the regulation of importation. The term does not include any orderly marketing agreement.

(3) The term “ad valorem” includes ad valorem equivalent. Whenever any limitation on the amount by which or to which any rate of duty may be decreased or increased pursuant to a trade agreement is expressed in terms of an ad valorem percentage, the ad valorem amount taken into account for purposes of such limitation shall be determined by the President on the basis of the value of imports of the articles concerned during the most recent representative period.

(4) The term “ad valorem equivalent” means the ad valorem equivalent of a specific rate or, in the case of a combination of rates including a specific rate, the sum of the ad valorem equivalent of the specific rate and of the ad valorem rate. The ad valorem equivalent shall be determined by the President on the basis of the value of imports of the article concerned during the most recent representative period. In determining the value of imports, the President shall utilize, to the maximum extent practicable, the standards of valuation contained in section 402 or 402a of the Tariff Act of 1930 (19 U.S.C. sec. 1401a or 1402) applicable to the article concerned during such representative period.

(5) An imported article is “directly competitive with” a domestic article at an earlier or later stage of processing, and a domestic article is “directly competitive with” an imported article at an earlier or later stage of processing, if the importation of the article has an economic effect on producers of the domestic article comparable to the effect of importation of articles in the same stage of processing as the domestic article. For purposes of this paragraph, the unprocessed article is at an earlier stage of processing.

(6) The term “modification”, as applied to any duty or other import restriction, includes the elimination of any duty or other import restriction.

(7) The term “existing” means (A) when used, without the specification of any date, with respect to any matter relating to entering into or carrying out a trade agreement or other action authorized by this Act, existing on the day on which such trade agreement is entered into or such other action is taken; and (B) when used with respect to a rate of duty, the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of schedules 1 through 7 of the Tariff Schedules of the United States on the date specified or (if no date is specified) on the day referred to in clause (A).

19 USC 1202.

(8) A product of a country or area is an article which is the growth, produce, or manufacture of such country or area.

(9) The term “nondiscriminatory treatment” means most-favored-nation treatment.

(10) The term “commerce” includes services associated with international trade.

19 USC 1352.

SEC. 602. RELATION TO OTHER LAWS.

(a) The second and third sentences of section 2(a) of the Act entitled “An Act to amend the Tariff Act of 1930,” approved June 12, 1934, as amended (19 U.S.C. sec. 1352(a)), are each amended by striking out “this Act or the Trade Expansion Act of 1962” and inserting in lieu thereof “this Act or the Trade Expansion Act of 1962 or the Trade Act of 1974”.

19 USC 1872.

(b) Section 242 of the Trade Expansion Act of 1962 is amended as follows:

(1) by striking out “351 and 352” in subsection (a) and inserting in lieu thereof “201, 202, and 203 of the Trade Act of 1974”;

(2) by striking out “with respect to tariff adjustment” in subsection (b) (2);

(3) by striking out “301(e)” in subsection (b) (2) and inserting in lieu thereof “201(d) of the Trade Act of 1974”;

(4) by striking out “concerning foreign import restrictions” in subsection (b) (3); and

(5) by striking out “section 252(d)” each place it appears and inserting in lieu thereof “subsections (c) and (d) of section 301 of the Trade Act of 1974”.

19 USC 1981.

(c) Section 351(c) (1) (B) of the Trade Expansion Act of 1962 is amended by striking out “unless extended under paragraph (2),” and inserting in lieu thereof the following: “unless extended under section 203 of the Trade Act of 1974”.

Repeals.

(d) Sections 202, 211, 212, 213, 221, 222, 223, 224, 225, 226, 231, 241, 243, 252, 253, 254, 255(a), 256, so much of 301 and 302 as is not repealed by subsection (e), 351(c) (2) and (d) (3), 361, 401, 402, 403, 404, and 405 (1), (3), (4), and (5) of the Trade Expansion Act of 1962 are repealed.

Repeals.

(e) Sections 301(a) (2) and (3), (c), (d) (2), (f) (1) and (3), 302(b) (1) and (2), (c), (d), and (e), 311 through 315, 317(a), 321 through 338 of the Trade Expansion Act of 1962 are repealed on the 90th day following the date of the enactment of this Act.

19 USC 2101
note.19 USC 1801
note, 1360 note.

19 USC 1351.

(f) All provisions of law (other than this Act, the Trade Expansion Act of 1962, and the Trade Agreements Extension Act of 1951) in effect after the date of enactment of this Act, referring to section 350 of the Tariff Act of 1930, to that section as amended, to the Act entitled “An Act to amend the Tariff Act of 1930,” approved June 12, 1934, to

that Act as amended or to the Trade Expansion Act of 1962, or to agreements entered into, or proclamations issued, or actions taken under any of such provisions, shall be construed, unless clearly precluded by the context, to refer also to this Act, or to agreements entered into or proclamations or orders issued, pursuant to this Act.

19 USC 1801
note.

SEC. 603. INTERNATIONAL TRADE COMMISSION.

19 USC 2482.

(a) In order to expedite the performance of its functions under this Act, the International Trade Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

(b) In performing its functions under this Act, the Commission may exercise any authority granted to it under any other Act.

(c) The Commission shall at all times keep informed concerning the operation and effect of provisions relating to duties or other import restrictions of the United States contained in trade agreements entered into under the trade agreements program.

SEC. 604. CONSEQUENTIAL CHANGES IN THE TARIFF SCHEDULES.

19 USC 2483.

The President shall from time to time, as appropriate, embody in the Tariff Schedules of the United States the substance of the relevant provisions of this Act, and of other Acts affecting import treatment, and actions thereunder, including modification, continuance, or imposition of any rate of duty or other import restriction.

19 USC 1202.

SEC. 605. SEPARABILITY.

If any provision of this Act or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of this Act, and of the application of such provision to other circumstances or persons, shall not be affected thereby.

19 USC 2101
note.

SEC. 606. INTERNATIONAL DRUG CONTROL.

The President shall submit a report to Congress at least once each calendar year listing those foreign countries in which narcotic drugs and other controlled substances (as listed under section 202 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 812)) are produced, processed, or transported for unlawful entry into the United States. Such report shall include a description of the measures such countries are taking to prevent such production, processing, or transport.

19 USC 2484.
Presidential report to Congress.

SEC. 607. VOLUNTARY LIMITATIONS ON EXPORTS OF STEEL TO THE UNITED STATES.

19 USC 2485.

No person shall be liable for damages, penalties, or other sanctions under the Federal Trade Commission Act (15 U.S.C. 41-77) or the Antitrust Acts (as defined in section 4 of the Federal Trade Commission Act (15 U.S.C. 44)), or under any similar State law, on account of his negotiating, entering into, participating in, or implementing an arrangement providing for the voluntary limitation on exports of steel and steel products to the United States, or any modification or renewal of such an arrangement, if such arrangement or such modification or renewal—

- (1) was undertaken prior to the date of the enactment of this Act at the request of the Secretary of State or his delegate, and
- (2) ceases to be effective not later than January 1, 1975.

SEC. 608. UNIFORM STATISTICAL DATA ON IMPORTS, EXPORTS, AND PRODUCTION.

(a) Section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)) is amended to read as follows:

“(e) **STATISTICAL ENUMERATION.**—The Secretary of the Treasury, the Secretary of Commerce, and the United States International Trade

Commission are authorized and directed to establish from time to time for statistical purposes an enumeration of articles in such detail as in their judgment may be necessary, comprehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with statistical programs for domestic production, to establish the comparability thereof with such enumeration of articles. All import entries and export declarations shall include or have attached thereto an accurate statement specifying, in terms of such detailed enumeration, the kinds and quantities of all merchandise imported and exported and the value of the total quantity of each kind of article."

(b) In carrying out the responsibilities under section 484(e), Tariff Act of 1930 and other pertinent statutes, the Secretary of Commerce and the United States International Trade Commission shall conduct jointly a study of existing commodity classification systems with a view to identifying the appropriate principles and concepts which should guide the organization and development of an enumeration of articles which would result in comparability of United States import, production, and export data. The Secretary and the United States International Trade Commission shall submit a report to both Houses of Congress and to the President with respect to such study no later than August 1, 1975.

(c) In further connection with its responsibilities pursuant to subsections (a) and (b), the United States International Trade Commission shall undertake an investigation under section 332(g) of the Tariff Act of 1930 which would provide the basis for—

(1) a report on the appropriate concepts and principles which should underlie the formulation of an international commodity code adaptable for modernized tariff nomenclature purposes and for recording, handling, and reporting of transactions in national and international trade, taking into account how such a code could meet the needs of sound customs and trade reporting practices reflecting the interests of United States and other countries, such report to be submitted to both Houses of Congress and to the President as soon as feasible, but in any event, no later than June 1, 1975; and

(2) full and immediate participation by the United States International Trade Commission in the United States contribution to technical work of the Harmonized Systems Committee under the Customs Cooperation Council to assure the recognition of the needs of the United States business community in the development of a Harmonized Code reflecting sound principles of commodity identification and specification and modern producing methods and trading practices, and, in carrying out such responsibilities, the Commission shall report to both Houses of Congress and to the President, as it deems appropriate.

(d) The President is requested to direct the appropriate agencies to cooperate fully with the Secretary of Commerce and the United States International Trade Commission in carrying out their responsibilities under subsections (a), (b), and (c).

(e) The amendment made by subsection (a) insofar as it relates to export declarations shall take effect on January 1, 1976.

SEC. 609. SUBMISSION OF STATISTICAL DATA ON IMPORTS AND EXPORTS.

(a) Section 301 of title 13, United States Code, is amended—

(1) by inserting "(a)" before "The Secretary"; and

Commodity
classification
systems, study.
19 USC 1484
note.

19 USC 1484.

Report to
Congress and
President.

Investigation.
19 USC 1484
note.

19 USC 1332.

Report to
Congress and
President.

Report to
Congress and
President.

Federal agen-
cies, coopera-
tion.
19 USC 1484
note.

Effective date.
19 USC 1484
note.

(2) by adding at the end thereof the following new subsections:

“(b) The Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, on quarterly and cumulative bases, statistics on United States imports for consumption and United States exports by country and by product. Statistics on United States imports shall be submitted in accordance with the Tariff Schedules of the United States Annotated and general statistical headnote 1 thereof, in detail as follows:

Statistics, submittal to congressional committees.

“(1) net quantity;

“(2) United States customs value;

“(3) purchase price or its equivalent;

“(4) equivalent of arm's length value;

“(5) aggregate cost from port of exportation to United States port of entry;

“(6) a United States port of entry value comprised of (5) plus (4), if applicable, or, if not applicable, (5) plus (3); and

“(7) for transactions where (3) and (4) are equal, the total value of such transactions.

The data for paragraphs (1), (2), (3), (5), and (6) shall be reported separately for nonrelated and related party transactions, and shall also be reported as a total of all transactions.

“(c) In submitting any information under subsection (b) with respect to exports, the Secretary shall state separately from the total value of all exports—

“(1) (A) the value of agricultural commodities exported under the Agricultural Trade Development and Assistance Act of 1954, as amended; and

7 USC 1691 note.

“(B) the total amount of all export subsidies paid to exporters by the United States under such Act for the exportation of such commodities; and

“(2) the value of goods exported under the Foreign Assistance Act of 1961.

22 USC 2151 note.

“(d) To assist the Secretary to carry out the provisions of subsections (b) and (c)—

“(1) the Secretary of Agriculture shall furnish information to the Secretary concerning the value of agricultural commodities exported under provisions of the Agricultural Trade Development and Assistance Act of 1954, as amended, and the total amounts of all export subsidies paid to exporters by the United States under such Act for the exportation of such commodities; and

“(2) the Secretary of State shall furnish information to the Secretary concerning the value of goods exported under the provisions of the Foreign Assistance Act of 1961, as amended.”

(b) The amendments made by subsection (a) shall take effect on January 1, 1975.

Effective date.
13 USC 301 note.

SEC. 610. GIFTS SENT FROM INSULAR POSSESSIONS.

(a) Section 321(a)(2)(A) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(A)) is amended by inserting after “United States” the following: “(\$20, in the case of articles sent as bona fide gifts from persons in the Virgin Islands, Guam, and American Samoa)”.

(b) The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of the enactment of this Act.

19 USC 1321 note.

SEC. 611. REVIEW OF PROTESTS IN IMPORT SURCHARGE CASES.

Notwithstanding the provisions of section 515(a) of the Tariff Act of 1930 (19 U.S.C. 1515(a)), in the case of any protest under section 514 of such Act involving the imposition of an import surcharge in the

19 USC 1515 note.

19 USC 1514.

19 USC prec.
1202 note.

19 USC 1514.

19 USC 2486.

form of a supplemental duty pursuant to Presidential Proclamation 4074, dated August 17, 1971, the time for review and allowing or denying the protest shall not expire until five years from the date the protest was filed in accordance with such section 514.

SEC. 612. TRADE RELATIONS WITH CANADA.

It is the sense of the Congress that the United States should enter into a trade agreement with Canada which will guarantee continued stability to the economies of the United States and Canada. In order to promote such economic stability, the President may initiate negotiations for a trade agreement with Canada to establish a free trade area covering the United States and Canada. Nothing in this section shall be construed as prior approval of any legislation which may be necessary to implement such a trade agreement.

19 USC 2487.

SEC. 613. LIMITATION ON CREDIT TO RUSSIA.

After the date of enactment of the Trade Act of 1974, no agency of the Government of the United States, other than the Commodity Credit Corporation, shall approve any loans, guarantees, insurance, or any combination thereof, in connection with exports to the Union of Soviet Socialist Republics in an aggregate amount in excess of \$300,000,000 without prior congressional approval as provided by law.

Approved January 3, 1975.

Public Law 93-619

AN ACT

January 3, 1975
[S. 754]

To assist in reducing crime and the danger of recidivism by requiring speedy trials and by strengthening the supervision over persons released pending trial, and for other purposes.

Speedy Trial
Act of 1974.
18 USC 3161
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Speedy Trial Act of 1974".

TITLE I—SPEEDY TRIAL

SEC. 101. Title 18, United States Code, is amended by adding immediately after chapter 207, a new chapter 208, as follows:

"Chapter 208.—SPEEDY TRIAL

"Sec.

"3161. Time limits and exclusions.

"3162. Sanctions.

"3163. Effective dates.

"3164. Interim limits.

"3165. District plans—generally.

"3166. District plans—contents.

"3167. Reports to Congress.

"3168. Planning process.

"3169. Federal Judicial Center.

"3170. Speedy trial data.

"3171. Planning appropriations.

"3172. Definitions.

"3173. Sixth amendment rights.

"3174. Judicial emergency.

18 USC 3161.

"§ 3161. Time limits and exclusions.

"(a) In any case involving a defendant charged with an offense, the appropriate judicial officer, at the earliest practicable time, shall, after consultation with the counsel for the defendant and the attorney for the Government, set the case for trial on a day certain, or list it for trial on a weekly or other short-term trial calendar at a place within the judicial district, so as to assure a speedy trial.

“(b) Any information or indictment charging an individual with the commission of an offense shall be filed within thirty days from the date on which such individual was arrested or served with a summons in connection with such charges. If an individual has been charged with a felony in a district in which no grand jury has been in session during such thirty-day period, the period of time for filing of the indictment shall be extended an additional thirty days.

“(c) The arraignment of a defendant charged in an information or indictment with the commission of an offense shall be held within ten days from the filing date (and making public) of the information or indictment, or from the date a defendant has been ordered held to answer and has appeared before a judicial officer of the court in which such charge is pending whichever date last occurs. Thereafter, where a plea of not guilty is entered, the trial of the defendant shall commence within sixty days from arraignment on the information or indictment at such place, within the district, as fixed by the appropriate judicial officer.

“(d) If any indictment or information is dismissed upon motion of the defendant, or any charge contained in a complaint filed against an individual is dismissed or otherwise dropped, and thereafter a complaint is filed against such defendant or individual charging him with the same offense or an offense based on the same conduct or arising from the same criminal episode, or an information or indictment is filed charging such defendant with the same offense or an offense based on the same conduct or arising from the same criminal episode, the provisions of subsections (b) and (c) of this section shall be applicable with respect to such subsequent complaint, indictment, or information, as the case may be.

“(e) If the defendant is to be tried again following a declaration by the trial judge of a mistrial or following an order of such judge for a new trial, the trial shall commence within sixty days from the date the action occasioning the retrial becomes final. If the defendant is to be tried again following an appeal or a collateral attack, the trial shall commence within sixty days from the date the action occasioning the retrial becomes final, except that the court retrying the case may extend the period for retrial not to exceed one hundred and eighty days from the date the action occasioning the retrial becomes final if unavailability of witnesses or other factors resulting from passage of time shall make trial within sixty days impractical.

“(f) Notwithstanding the provisions of subsection (b) of this section, for the first twelve-calendar-month period following the effective date of this section as set forth in section 3163(a) of this chapter the time limit imposed with respect to the period between arrest and indictment by subsection (b) of this section shall be sixty days, for the second such twelve-month period such time limit shall be forty-five days and for the third such period such time limit shall be thirty-five days.

“(g) Notwithstanding the provisions of subsection (c) of this section, for the first twelve-calendar-month period following the effective date of this section as set forth in section 3163(b) of this chapter, the time limit with respect to the period between arraignment and trial imposed by subsection (c) of this section shall be one hundred and eighty days, for the second such twelve-month period such time limit shall be one hundred and twenty days, and for the third such period such time limit with respect to the period between arraignment and trial shall be eighty days.

“(h) The following periods of delay shall be excluded in computing the time within which an information or an indictment must be filed, or in computing the time within which the trial of any such offense must commence:

Delay periods.

“(1) Any period of delay resulting from other proceedings concerning the defendant, including but not limited to—

“(A) delay resulting from an examination of the defendant, and hearing on, his mental competency, or physical incapacity;

“(B) delay resulting from an examination of the defendant pursuant to section 2902 of title 28, United States Code;

“(C) delay resulting from trials with respect to other charges against the defendant;

“(D) delay resulting from interlocutory appeals;

“(E) delay resulting from hearings on pretrial motions;

“(F) delay resulting from proceedings relating to transfer from other districts under the Federal Rules of Criminal Procedure; and

“(G) delay reasonably attributable to any period, not to exceed thirty days, during which any proceeding concerning the defendant is actually under advisement.

“(2) Any period of delay during which prosecution is deferred by the attorney for the Government pursuant to written agreement with the defendant, with the approval of the court, for the purpose of allowing the defendant to demonstrate his good conduct.

“(3) (A) Any period of delay resulting from the absence or unavailability of the defendant or an essential witness.

“(B) For purposes of subparagraph (A) of this paragraph, a defendant or an essential witness shall be considered absent when his whereabouts are unknown and, in addition, he is attempting to avoid apprehension or prosecution or his whereabouts cannot be determined by due diligence. For purposes of such subparagraph, a defendant or an essential witness shall be considered unavailable whenever his whereabouts are known but his presence for trial cannot be obtained by due diligence or he resists appearing at or being returned for trial.

“(4) Any period of delay resulting from the fact that the defendant is mentally incompetent or physically unable to stand trial.

“(5) Any period of delay resulting from the treatment of the defendant pursuant to section 2902 of title 28, United States Code.

“(6) If the information or indictment is dismissed upon motion of the attorney for the Government and thereafter a charge is filed against the defendant for the same offense, or any offense required to be joined with that offense, any period of delay from the date the charge was dismissed to the date the time limitation would commence to run as to the subsequent charge had there been no previous charge.

“(7) A reasonable period of delay when the defendant is joined for trial with a codefendant as to whom the time for trial has not run and no motion for severance has been granted.

“(8) (A) Any period of delay resulting from a continuance granted by any judge on his own motion or at the request of the defendant or his counsel or at the request of the attorney for the Government, if the judge granted such continuance on the basis of his findings that the ends of justice served by taking such action outweigh the best interest of the public and the defendant in a speedy trial. No such period of delay resulting from a continuance granted by the court in accordance with this paragraph shall be excludable under this subsection unless the court sets forth, in the record of the case, either orally or in writing, its reasons for finding that the ends of justice served by the granting of such continuance outweigh the best interests of the public and the defendant in a speedy trial.

“(B) The factors, among others, which a judge shall consider in determining whether to grant a continuance under subparagraph (A) of this paragraph in any case are as follows:

“(i) Whether the failure to grant such a continuance in the proceeding would be likely to make a continuation of such proceeding impossible, or result in a miscarriage of justice.

“(ii) Whether the case taken as a whole is so unusual and so complex, due to the number of defendants or the nature of the prosecution or otherwise, that it is unreasonable to expect adequate preparation within the periods of time established by this section.

“(iii) Whether delay after the grand jury proceedings have commenced, in a case where arrest precedes indictment, is caused by the unusual complexity of the factual determination to be made by the grand jury or by events beyond the control of the court or the Government.

“(C) No continuance under paragraph (8)(A) of this subsection shall be granted because of general congestion of the court’s calendar, or lack of diligent preparation or failure to obtain available witnesses on the part of the attorney for the Government.

“(i) If trial did not commence within the time limitation specified in section 3161 because the defendant had entered a plea of guilty or nolo contendere subsequently withdrawn to any or all charges in an indictment or information, the defendant shall be deemed indicted with respect to all charges therein contained within the meaning of section 3161, on the day the order permitting withdrawal of the plea becomes final.

“(j) (1) If the attorney for the Government knows that a person charged with an offense is serving a term of imprisonment in any penal institution, he shall promptly—

“(A) undertake to obtain the presence of the prisoner for trial; or

“(B) cause a detainer to be filed with the person having custody of the prisoner and request him to so advise the prisoner and to advise the prisoner of his right to demand trial.

“(2) If the person having custody of such prisoner receives a detainer, he shall promptly advise the prisoner of the charge and of the prisoner’s right to demand trial. If at any time thereafter the prisoner informs the person having custody that he does demand trial, such person shall cause notice to that effect to be sent promptly to the attorney for the Government who caused the detainer to be filed.

“(3) Upon receipt of such notice, the attorney for the Government shall promptly seek to obtain the presence of the prisoner for trial.

“(4) When the person having custody of the prisoner receives from the attorney for the Government a properly supported request for temporary custody of such prisoner for trial, the prisoner shall be made available to that attorney for the Government (subject, in cases of interjurisdictional transfer, to any right of the prisoner to contest the legality of his delivery).

“§ 3162. Sanctions.

18 USC 3162.

“(a) (1) If, in the case of any individual against whom a complaint is filed charging such individual with an offense, no indictment or information is filed within the time limit required by section 3161(b) as extended by section 3161(h) of this chapter, such charge against that individual contained in such complaint shall be dismissed or otherwise dropped. In determining whether to dismiss the case with or without prejudice, the court shall consider, among others, each of the

following factors: the seriousness of the offense; the facts and circumstances of the case which led to the dismissal; and the impact of a reprosecution on the administration of this chapter and on the administration of justice.

Waiver.

“(2) If a defendant is not brought to trial within the time limit required by section 3161(c) as extended by section 3161(h), the information or indictment shall be dismissed on motion of the defendant. The defendant shall have the burden of proof of supporting such motion but the Government shall have the burden of going forward with the evidence in connection with any exclusion of time under subparagraph 3161(h)(3). In determining whether to dismiss the case with or without prejudice, the court shall consider, among others, each of the following factors: the seriousness of the offense; the facts and circumstances of the case which led to the dismissal; and the impact of a reprosecution on the administration of this chapter and on the administration of justice. Failure of the defendant to move for dismissal prior to trial or entry of a plea of guilty or *nolo contendere* shall constitute a waiver of the right to dismissal under this section.

“(b) In any case in which counsel for the defendant or the attorney for the Government (1) knowingly allows the case to be set for trial without disclosing the fact that a necessary witness would be unavailable for trial; (2) files a motion solely for the purpose of delay which he knows is totally frivolous and without merit; (3) makes a statement for the purpose of obtaining a continuance which he knows to be false and which is material to the granting of a continuance; or (4) otherwise willfully fails to proceed to trial without justification consistent with section 3161 of this chapter, the court may punish any such counsel or attorney, as follows:

18 USC 3006A.

“(A) in the case of an appointed defense counsel, by reducing the amount of compensation that otherwise would have been paid to such counsel pursuant to section 3006A of this title in an amount not to exceed 25 per centum thereof;

“(B) in the case of a counsel retained in connection with the defense of a defendant, by imposing on such counsel a fine of not to exceed 25 per centum of the compensation to which he is entitled in connection with his defense of such defendant;

“(C) by imposing on any attorney for the Government a fine of not to exceed \$250;

“(D) by denying any such counsel or attorney for the Government the right to practice before the court considering such case for a period of not to exceed ninety days; or

“(E) by filing a report with an appropriate disciplinary committee.

The authority to punish provided for by this subsection shall be in addition to any other authority or power available to such court.

18 USC app.

“(c) The court shall follow procedures established in the Federal Rules of Criminal Procedure in punishing any counsel or attorney for the Government pursuant to this section.

18 USC 3163.

“§ 3163. Effective dates.

“(a) The time limitation in section 3161(b) of this chapter—

“(1) shall apply to all individuals who are arrested or served with a summons on or after the date of expiration of the twelve-calendar-month period following July 1, 1975; and

“(2) shall commence to run on such date of expiration to all individuals who are arrested or served with a summons prior to the date of expiration of such twelve-calendar-month period, in connection with the commission of an offense, and with respect to which offense no information or indictment has been filed prior to such date of expiration.

“(b) The time limitation in section 3161(c) of this chapter—

“(1) shall apply to all offenses charged in informations or indictments filed on or after the date of expiration of the twelve-calendar-month period following July 1, 1975; and

“(2) shall commence to run on such date of expiration as to all offenses charged in informations or indictments filed prior to that date.

“(c) Section 3162 of this chapter shall become effective after the date of expiration of the fourth twelve-calendar-month period following July 1, 1975.

“§ 3164. Interim limits.

18 USC 3164.

Interim plan.

“(a) During an interim period commencing ninety days following July 1, 1975 and ending on the date immediately preceding the date on which the time limits provided for under section 3161(b) and section 3161(c) of this chapter become effective, each district shall place into operation an interim plan to assure priority in the trial or other disposition of cases involving—

“(1) detained persons who are being held in detention solely because they are awaiting trial, and

“(2) released persons who are awaiting trial and have been designated by the attorney for the Government as being of high risk.

“(b) During the period such plan is in effect, the trial of any person who falls within subsection (a) (1) or (a) (2) of this section shall commence no later than ninety days following the beginning of such continuous detention or designation of high risk by the attorney for the Government. The trial of any person so detained or designated as being of high risk on or before the first day of the interim period shall commence no later than ninety days following the first day of the interim period.

“(c) Failure to commence trial of a detainee as specified in subsection (b), through no fault of the accused or his counsel, or failure to commence trial of a designated releasee as specified in subsection (b), through no fault of the attorney for the Government, shall result in the automatic review by the court of the conditions of release. No detainee, as defined in subsection (a), shall be held in custody pending trial after the expiration of such ninety-day period required for the commencement of his trial. A designated releasee, as defined in subsection (a), who is found by the court to have intentionally delayed the trial of his case shall be subject to an order of the court modifying his nonfinancial conditions of release under this title to insure that he shall appear at trial as required.

“§ 3165. District plans—generally.

18 USC 3165.

Administration of criminal justice, continuing study.

“(a) Each district court shall conduct a continuing study of the administration of criminal justice in the district court and before United States magistrates of the district and shall prepare plans for the disposition of criminal cases in accordance with this chapter. Each such plan shall be formulated after consultation with, and after considering the recommendations of, the Federal Judicial Center and the planning group established for that district pursuant to section 3168. The plans shall be prepared in accordance with the schedule set forth in subsection (e) of this section.

“(b) The planning and implementation process shall seek to accelerate the disposition of criminal cases in the district consistent with the time standards of this chapter and the objectives of effective law enforcement, fairness to accused persons, efficient judicial administration, and increased knowledge concerning the proper functioning of the criminal law. The process shall seek to avoid underenforcement, overenforcement and discriminatory enforcement of the law, prejudice

to the prompt disposition of civil litigation, and undue pressure as well as undue delay in the trial of criminal cases.

Submission to
review panel.

“(c) The plans prepared by each district court shall be submitted for approval to a reviewing panel consisting of the members of the judicial council of the circuit and either the chief judge of the district court whose plan is being reviewed or such other active judge of that court as the chief judge of that district court may designate. If approved by the reviewing panel, the plan shall be forwarded to the Administrative Office of the United States Courts, which office shall report annually on the operation of such plans to the Judicial Conference of the United States.

Annual report
to Judicial Con-
ference.

Modifications.

“(d) The district court may modify the plan at any time with the approval of the reviewing panel. It shall modify the plan when directed to do so by the reviewing panel or the Judicial Conference of the United States. Modifications shall be reported to the Administrative Office of the United States Courts.

“(e)(1) Prior to the expiration of the twelve-calendar-month period following July 1, 1975, each United States district court shall prepare and submit a plan in accordance with subsections (a) through (d) above to govern the trial or other disposition of offenses within the jurisdiction of such court during the second and third twelve-calendar-month periods following the effective date of subsection 3161 (b) and subsection 3161 (c).

“(2) Prior to the expiration of the thirty-six calendar month period following July 1, 1975, each United States district court shall prepare and submit a plan in accordance with subsections (a) through (d) above to govern the trial or other disposition of offenses within the jurisdiction of such court during the fourth and subsequent twelve-calendar month periods following the effective date of subsection 3161 (b) and subsection 3161 (c).

“(f) Plans adopted pursuant to this section shall, upon adoption, and recommendations of the district planning group shall, upon completion, become public documents.

18 USC 3166.

“§ 3166. District plans—contents.

“(a) Each plan shall include a description of the time limits, procedural techniques, innovations, systems and other methods, including the development of reliable methods for gathering and monitoring information and statistics, by which the district court, the United States attorney, the Federal public defender, if any, and private attorneys experienced in the defense of criminal cases, have expedited or intend to expedite the trial or other disposition of criminal cases, consistent with the time limits and other objectives of this chapter.

“(b) Each plan shall include information concerning the implementation of the time limits and other objectives of this chapter, including:

“(1) the incidence of and reasons for, requests or allowances of extensions of time beyond statutory or district standards;

“(2) the incidence of, and reasons for, periods of delay under section 3161(h) of this title;

“(3) the incidence of, and reasons for, the invocation of sanctions for noncompliance with time standards, or the failure to invoke such sanctions, and the nature of the sanction, if any invoked for noncompliance;

“(4) the new timetable set, or requested to be set, for an extension;

“(5) the effect on criminal justice administration of the prevailing time limits and sanctions, including the effects on the prosecution, the defense, the courts, the correctional process, costs, transfers and appeals;

“(6) the incidence and length of, reasons for, and remedies for detention prior to trial, and information required by the provisions of the Federal Rules of Criminal Procedure relating to the supervision of detention pending trial;

18 USC app.

“(7) the identity of cases which, because of their special characteristics, deserve separate or different time limits as a matter of statutory classifications; and

“(8) the incidence of, and reasons for each thirty-day extension under section 3161(b) with respect to an indictment in that district.

“(c) Each district plan required by section 3165 shall include information and statistics concerning the administration of criminal justice within the district, including, but not limited to:

“(1) the time span between arrest and indictment, indictment and trial, and conviction and sentencing;

“(2) the number of matters presented to the United States Attorney for prosecution, and the numbers of such matters prosecuted and not prosecuted;

“(3) the number of matters transferred to other districts or to States for prosecution;

“(4) the number of cases disposed of by trial and by plea;

“(5) the rates of nolle prosequi, dismissal, acquittal, conviction, diversion, or other disposition; and

“(6) the extent of preadjudication detention and release, by numbers of defendants and days in custody or at liberty prior to disposition.

“(d) Each plan shall further specify the rule changes, statutory amendments, and appropriations needed to effectuate further improvements in the administration of justice in the district which cannot be accomplished without such amendments or funds.

“(e) Each plan shall include recommendations to the Administrative Office of the United States Courts for reporting forms, procedures, and time requirements. The Director of the Administrative Office of the United States Courts, with the approval of the Judicial Conference of the United States, shall prescribe such forms and procedures and time requirements consistent with section 3170 after consideration of the recommendations contained in the district plan and the need to reflect both unique local conditions and uniform national reporting standards.

Recommendations to the Administrative Office of the United States Courts.

“§ 3167. Reports to Congress.

18 USC 3167.

“(a) The Administrative Office of the United States Courts, with the approval of the Judicial Conference, shall submit periodic reports to Congress detailing the plans submitted pursuant to section 3165. The reports shall be submitted within three months following the final dates for the submission of plans under section 3165(e) of this title.

“(b) Such reports shall include recommendations for legislative changes or additional appropriations to achieve the time limits and objectives of this chapter. The report shall also contain pertinent information such as the state of the criminal docket at the time of the adoption of the plan; the extent of pretrial detention and release; and a description of the time limits, procedural techniques, innovations, systems, and other methods by which the trial or other disposition of criminal cases have been expedited or may be expedited in the districts.

Contents.

“§ 3168. Planning process.

18 USC 3168.

“(a) Within sixty days after July 1, 1975, each United States district court shall convene a planning group consisting at minimum of the Chief Judge, a United States magistrate, if any designated by the Chief Judge, the United States Attorney, the Clerk of the district

Planning group.

court, the Federal Public Defender, if any, a private attorney experienced in the defense of criminal cases in the district, the Chief United States Probation Officer for the district, and a person skilled in criminal justice research who shall act as reporter for the group. The group shall advise the district court with respect to the formulation of all district plans and shall submit its recommendations to the district court for each of the district plans required by section 3165. The group shall be responsible for the initial formulation of all district plans and of the reports required by this chapter and in aid thereof, it shall be entitled to the planning funds specified in section 3171.

“(b) The planning group shall address itself to the need for reforms in the criminal justice system, including but not limited to changes in the grand jury system, the finality of criminal judgments, habeas corpus and collateral attacks, pretrial diversion, pretrial detention, excessive reach of Federal criminal law, simplification and improvement of pretrial and sentencing procedures, and appellate delay.

Travel ex-
penses.

“(c) Members of the planning group with the exception of the reporter shall receive no additional compensation for their services, but shall be reimbursed for travel, subsistence and other necessary expenses incurred by them in carrying out the duties of the advisory group in accordance with the provisions of title 5, United States Code, chapter 57. The reporter shall be compensated in accordance with section 3109 of title 5, United States Code, and notwithstanding other provisions of law he may be employed for any period of time during which his services are needed.

Compensation.

18 USC 3169.

“§ 3169. Federal Judicial Center.

“The Federal Judicial Center shall advise and consult with the planning groups and the district courts in connection with their duties under this chapter.

18 USC 3170.

“§ 3170. Speedy trial data.

“(a) To facilitate the planning process and the implementation of the time limits and objectives of this chapter, the clerk of each district court shall assemble the information and compile the statistics required by sections 3166 (b) and (c) of this title. The clerk of each district court shall assemble such information and compile such statistics on such forms and under such regulations as the Administrative Office of the United States Courts shall prescribe with the approval of the Judicial Conference and after consultation with the Attorney General.

“(b) The clerk of each district court is authorized to obtain the information required by sections 3166 (b) and (c) from all relevant sources including the United States Attorney, Federal Public Defender, private defense counsel appearing in criminal cases in the district, United States district court judges, and the chief Federal Probation Officer for the district. This subsection shall not be construed to require the release of any confidential or privileged information.

“(c) The information and statistics compiled by the clerk pursuant to this section shall be made available to the district court, the planning group, the circuit council, and the Administrative Office of the United States Courts.

18 USC 3171.

“§ 3171. Planning appropriations.

“(a) There is authorized to be appropriated for the fiscal year ending June 30, 1975, to the Federal judiciary the sum of \$2,500,000 to be allocated by the Administrative Office of the United States Courts to Federal judicial districts to carry out the initial phases of planning and implementation of speedy trial plans under this chapter. The funds so appropriated shall remain available until expended.

“(b) No funds appropriated under this section may be expended in any district except by two-thirds vote of the planning group. Funds to the extent available may be expended for personnel, facilities, and any other purpose permitted by law.

“§ 3172. Definitions.

18 USC 3172.

“As used in this chapter—

“(1) the terms ‘judge’ or ‘judicial officer’ mean, unless otherwise indicated, any United States magistrate, Federal district judge, and

“(2) the term ‘offense’ means any Federal criminal offense which is in violation of any Act of Congress and is triable by any court established by Act of Congress (other than a petty offense as defined in section 1(3) of this title, or an offense triable by court-martial, military commission, provost court, or other military tribunal).

“§ 3173. Sixth amendment rights.

18 USC 3173.

“No provision of this chapter shall be interpreted as a bar to any claim of denial of speedy trial as required by amendment VI of the Constitution.

“§ 3174. Judicial emergency.

USC prec.
title 1.
18 USC 3174.
Time limits,
suspension.

“(a) In the event that any district court is unable to comply with the time limits set forth in section 3161(c) due to the status of its court calendars, the chief judge, where the existing resources are being efficiently utilized, may, after seeking the recommendations of the planning group, apply to the judicial council of the circuit for a suspension of such time limits. The judicial council of the circuit shall evaluate the capabilities of the district, the availability of visiting judges from within and without the circuit, and make any recommendations it deems appropriate to alleviate calendar congestion resulting from the lack of resources.

“(b) If the judicial council of the circuit shall find that no remedy for such congestion is reasonably available, such council may apply to the Judicial Conference of the United States for a suspension of time limits set forth in section 3161(c). The Judicial Conference, if it finds that such calendar congestion cannot be reasonably alleviated, may grant a suspension of the time limits in section 3161(c) for a period of time not to exceed one year for the trial of cases for which indictments are filed during such period. During such period of suspension, the time limits from arrest to indictment, set forth in section 3161(b), shall not be reduced, nor shall the sanctions set forth in section 3162 be suspended; but such time limits from arrangement to trial shall not be increased to exceed one hundred and eighty days. The time limits for the trial of cases of detained persons who are being detained solely because they are awaiting trial shall not be affected by the provisions of this section.

“(c) Any suspension of time limits granted by the Judicial Conference shall be reported to the Congress within ten days of approval by the Director of the Administrative Office of the United States Courts, together with a copy of the application for such suspension, a written report setting forth detailed reasons for granting such approval and a proposal for increasing the resources of such district. In the event an additional period of suspension of time limits is necessary, the Director of the Administrative Office of the United States Courts shall so indicate in his report to the Congress, which report shall contain such application for such additional period of suspension together with any other pertinent information. The Judicial Conference shall not grant a suspension to any district within six months following the expiration of a prior suspension without the

Reports to Congress.

consent of the Congress. Such consent may be requested by the Judicial Conference by reporting to the Congress the facts supporting the need for a suspension within such six-month period. Should the Congress fail to act on any application for a suspension of time limits within six months, the Judicial Conference may grant such a suspension for an additional period not to exceed one year."

SEC. 102. The tables of chapters for title 18 of the United States Code and for part II of title 18 of the United States Code are each amended by inserting immediately after the item relating to chapter 207 the following new item:

"208. Speedy trial----- 3161".

TITLE II—PRETRIAL SERVICES AGENCIES

SEC. 201. Chapter 207 of title 18, United States Code, is amended by striking out section 3152 and inserting in lieu thereof the following new sections:

18 USC 3152.

"§ 3152. Establishment of pretrial services agencies.

"The Director of the Administrative Office of the United States Courts shall establish, on a demonstration basis, in each of ten representative judicial districts (other than the District of Columbia), a pretrial services agency authorized to maintain effective supervision and control over, and to provide supportive services to, defendants released under this chapter. The districts in which such agencies are to be established shall be designated by the Chief Justice of the United States after consultation with the Attorney General, on the basis of such considerations as the number of criminal cases prosecuted annually in the district, the percentage of defendants in the district presently detained prior to trial, the incidence of crime charged against persons released pending trial under this chapter, and the availability of community resources to implement the conditions of release which may be imposed under this chapter.

18 USC 3153.

"§ 3153. Organization of pretrial services agencies.

"(a) The powers of five pretrial services agencies shall be vested in the Division of Probation of the Administrative Office of the United States Courts. Such Division shall establish general policy for such agencies.

Board of Trustees.

"(b) (1) The powers of each of the remaining five pretrial services agencies shall be vested in a Board of Trustees which shall consist of seven members. The Board of Trustees shall establish general policy for the agency.

Membership.

"(2) Members of the Board of Trustees shall be appointed by the chief judge of the United States district court for the district in which such agency is established as follows:

"(A) one member, who shall be a United States district court judge;

"(B) one member, who shall be the United States attorney;

"(C) two members, who shall be members of the local bar active in the defense of criminal cases, and one of whom shall be a Federal public defender, if any;

"(D) one member, who shall be the chief probation officer; and

"(E) two members who shall be representatives of community organizations.

Term.

"(c) The term of office of a member of the Board of Trustees appointed pursuant to clauses (C) (other than a public defender) and (E) of subsection (b) (2) shall be three years. A vacancy in the Board shall be filled in the same manner as the original appointment. Any member appointed pursuant to clause (C) (other than a public defender) or (E) of subsection (b) (2) to fill a vacancy occurring prior to the expiration of the term for which his predecessor was

Vacancy.

appointed shall be appointed only for the remainder of such term.

“(d)(1) In each of the five demonstration districts in which pretrial service agencies are established pursuant to subsection (a) of this section, the pretrial service officer shall be a Federal probation officer of the district designated for this purpose by the Chief of the Division of Probation and shall be compensated at a rate not in excess of the rate prescribed for GS-16 by section 5332 of title 5, United States Code.

“(2) In each of the five remaining demonstration districts in which pretrial service agencies are established pursuant to subsection (b)(1) of this section, after reviewing the recommendations of the judges of the district court to be served by the agency, each such Board of Trustees shall appoint a chief pretrial service officer, who shall be compensated at a rate to be established by the chief judge of the court, but not in excess of the rate prescribed for GS-15 by section 5332 of title 5, United States Code.

“(3) The designated probation officer or the chief pretrial service officer, subject to the general policy established by the Division of Probation or the Board of Trustees, respectively, shall be responsible for the direction and supervision of the agency and may appoint and fix the compensation of such other personnel as may be necessary to staff such agency, and may appoint such experts and consultants as may be necessary, pursuant to section 3109 of title 5, United States Code. The compensation of such personnel so appointed shall be comparable to levels of compensation established under chapter 53 of title 5, United States Code.

“§ 3154. Functions and powers of pretrial services agencies.

18 USC 3154.

“Each pretrial services agency shall perform such of the following functions as the district court to be served may specify:

“(1) Collect, verify, and report promptly to the judicial officer information pertaining to the pretrial release of each person charged with an offense, and recommend appropriate release conditions for each such person, but such information as may be contained in the agency's files or presented in its report or which shall be divulged during the course of any hearing shall be used only for the purpose of a bail determination and shall otherwise be confidential. In their respective districts, the Division of Probation or the Board of Trustees shall issue regulations establishing policy on the release of agency files. Such regulations shall create an exception to the confidentiality requirement so that such information shall be available to members of the agency's staff and to qualified persons for purposes of research related to the administration of criminal justice. Such regulations may create an exception to the confidentiality requirement so that access to agency files will be permitted by agencies under contract pursuant to paragraph (4) of this section; to probation officers for the purpose of compiling a presentence report and in certain limited cases to law enforcement agencies for law enforcement purposes. In no case shall such information be admissible on the issue of guilt in any judicial proceeding, and in their respective districts, the Division of Probation or the Board of Trustees may permit such information to be used on the issue of guilt for a crime committed in the course of obtaining pretrial release.

Regulations.

“(2) Review and modify the reports and recommendations specified in paragraph (1) for persons seeking release pursuant to section 3146(e) or section 3147.

“(3) Supervise persons released into its custody under this chapter.

18 USC 3146,
3147.

“(4) With the cooperation of the Administrative Office of the United States Courts, and with the approval of the Attorney General, operate or contract for the operation of appropriate facilities for the custody or care of persons released under this chapter including, but not limited to, residential halfway houses, addict and alcoholic treatment centers, and counseling services.

“(5) Inform the court of all apparent violations of pretrial release conditions or arrests of persons released to its custody or under its supervision and recommend appropriate modifications of release conditions.

“(6) Serve as coordinator for other local agencies which serve or are eligible to serve as custodians under this chapter and advise the court as to the eligibility, availability, and capacity of such agencies.

“(7) Assist persons released under this chapter in securing any necessary employment, medical, legal, or social services.

“(8) Prepare, in cooperation with the United States marshal and the United States attorney such pretrial detention reports as are required by the provisions of the Federal Rules of Criminal Procedure relating to the supervision of detention pending trial.

“(9) Perform such other functions as the court may, from time to time, assign.

18 USC app.

18 USC 3155.

Annual report.

“§ 3155. Report to Congress.

“(a) The Director of the Administrative Office of the United States Courts shall annually report to Congress on the accomplishments of the pretrial services agencies, with particular attention to (1) their effectiveness in reducing crime committed by persons released under this chapter; (2) their effectiveness in reducing the volume and cost of unnecessary pretrial detention; and (3) their effectiveness in improving the operation of this chapter. The Director shall include in his fourth annual report recommendations for any necessary modification of this chapter or expansion to other districts. Such report shall also compare the accomplishments of the pretrial services agencies operated by the Division of Probation with those operated by Boards of Trustees and with monetary bail or any other program generally used in State and Federal courts to guarantee presence at trial.

Comprehensive report.

“(b) On or before the expiration of the forty-eighth-month period following July 1, 1975, the Director of the Administrative Office of the United States Courts shall file a comprehensive report with the Congress concerning the administration and operation of the amendments made by the Speedy Trial Act of 1974, including his views and recommendations with respect thereto.

18 USC 3156.

“§ 3156. Definitions.

“(a) As used in sections 3146–3150 of this chapter—

“(1) The term ‘judicial officer’ means, unless otherwise indicated, any person or court authorized pursuant to section 3041 of this title, or the Federal Rules of Criminal Procedure, to bail or otherwise release a person before trial or sentencing or pending appeal in a court of the United States, and any judge of the Superior Court of the District of Columbia; and

“(2) The term ‘offense’ means any criminal offense, other than an offense triable by court-martial, military commission, provost court, or other military tribunal, which is in violation of an Act of Congress and is triable in any court established by Act of Congress.

“(b) As used in sections 3152–3155 of this chapter—

“(1) the term ‘judicial officer’ means, unless otherwise indicated, any person or court authorized pursuant to section 3041 of this title, or the Federal Rules of Criminal Procedure, to bail or

18 USC 3041.

otherwise release a person before trial or sentencing or pending appeal in a court of the United States, and

“(2) the term ‘offense’ means any Federal criminal offense which is in violation of any Act of Congress and is triable by any court established by Act of Congress (other than a petty offense as defined in section 1(3) of this title, or an offense triable by court-martial, military commission, provost court, or other military tribunal).”

SEC. 202. The analysis of chapter 207 of title 18, United States Code, is amended by striking out the last item and inserting in lieu thereof the following:

“3152. Establishment of Pretrial Services Agencies.

“3153. Organization of Pretrial Services Agencies.

“3154. Functions and Powers of Pretrial Services Agencies.

“3155. Report to Congress.

“3156. Definitions.”

SEC. 203. For the purpose of carrying out the provisions of this title and the amendments made by this title there is hereby authorized to be appropriated for the fiscal year ending June 30, 1975, to remain available until expended, the sum of \$10,000,000.

SEC. 204. Section 604 of title 28, United States Code, is amended by striking out paragraphs (9) through (12) of subsection (a) and inserting in lieu thereof:

“(9) Establish pretrial services agencies pursuant to section 3152 of title 18, United States Code;

“(10) Purchase, exchange, transfer, distribute, and assign the custody of lawbooks, equipment, and supplies needed for the maintenance and operation of the courts, the Federal Judicial Center, the offices of the United States magistrates and commissioners, and the offices of pretrial services agencies;

“(11) Audit vouchers and accounts of the courts, the Federal Judicial Center, the pretrial service agencies, and their clerical and administrative personnel;

“(12) Provide accommodations for the courts, the Federal Judicial Center, the pretrial services agencies and their clerical and administrative personnel;

“(13) Perform such other duties as may be assigned to him by the Supreme Court or the Judicial Conference of the United States.”

Approved January 3, 1975.

Appropriation.

Ante, p. 2086.

Public Law 93-620

AN ACT

To further protect the outstanding scenic, natural, and scientific values of the Grand Canyon by enlarging the Grand Canyon National Park in the State of Arizona, and for other purposes.

January 3, 1975
[S. 1296]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Grand Canyon
National Park En-
largement Act.

SHORT TITLE

SECTION 1. This Act may be cited as the “Grand Canyon National Park Enlargement Act”.

16 USC 228a
note.

DECLARATION OF POLICY

SEC. 2. It is the object of this Act to provide for the recognition by Congress that the entire Grand Canyon, from the mouth of the Paria

16 USC 228a.

River to the Grand Wash Cliffs, including tributary side canyons and surrounding plateaus, is a natural feature of national and international significance. Congress therefore recognizes the need for, and in this Act provides for, the further protection and interpretation of the Grand Canyon in accordance with its true significance.

ENLARGEMENT OF GRAND CANYON NATIONAL PARK BOUNDARIES

16 USC 228b.

SEC. 3. (a) In order to add to the Grand Canyon National Park certain prime portions of the canyon area possessing unique natural, scientific, and scenic values, the Grand Canyon National Park shall comprise, subject to any valid existing rights under the Navajo Boundary Act of 1934, all those lands, waters, and interests therein, constituting approximately one million two hundred thousand acres, located within the boundaries as depicted on the drawing entitled "Boundary Map, Grand Canyon National Park," numbered 113-20, 021 B and dated December 1974, a copy of which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

Abolishment.

(b) For purposes of this Act, the Grand Canyon National Monument and the Marble Canyon National Monument are abolished.

Study.

(c) The Secretary of the Interior shall study the lands within the former boundaries of the Grand Canyon National Monument commonly known as the Tuckup Point, Slide Mountain, and Jensen Tank areas to determine whether any portion of these lands might be unsuitable for park purposes and whether in his judgment the public interest might be better served if they were deleted from the Grand Canyon National Park. The Secretary shall report his findings and recommendations to the Congress no later than one year from the date of enactment of this Act.

Report to Congress.

ACQUISITION OF LANDS BY DONATION OR EXCHANGE

16 USC 228c.

SEC. 4. (a) Within the boundaries of the Grand Canyon National Park, as enlarged by this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") may acquire land and interest in land by donation, purchase with donated or appropriated funds, or exchange.

(b) Federal lands within the boundaries of such park are hereby transferred to the jurisdiction of the Secretary for the purposes of this Act.

PROHIBITION AGAINST TAKING OF STATE OR INDIAN LANDS

16 USC 228d.

SEC. 5. Notwithstanding any other provision of this Act (1) land or interest in land owned by the State of Arizona or any political subdivision thereof may be acquired by the Secretary under this Act only by donation or exchange and (2) no land or interest in land, which is held in trust for any Indian tribe or nation, may be transferred to the United States under this Act or for purposes of this Act except after approval by the governing body of the respective Indian tribe or nation.

COOPERATIVE AGREEMENTS FOR UNIFIED INTERPRETATION OF GRAND CANYON

16 USC 228e.

SEC. 6. In the administration of the Grand Canyon National Park, as enlarged by this Act, the Secretary is authorized and encouraged to enter into cooperative agreements with other Federal, State, and local public departments and agencies and with interested Indian tribes providing for the protection and interpretation of the Grand

Canyon in its entirety. Such agreements shall include, but not be limited to, authority for the Secretary to develop and operate interpretative facilities and programs on lands and waters outside of the boundaries of such park, with the concurrence of the owner or administrator thereof, to the end that there will be a unified interpretation of the entire Grand Canyon.

PRESERVATION OF EXISTING GRAZING RIGHTS

SEC. 7. Where any Federal lands within the Grand Canyon National Park, as enlarged by this Act, are legally occupied or utilized on the effective date of this Act for grazing purposes, pursuant to a Federal lease, permit, or license, the Secretary shall permit the persons holding such grazing privileges to continue in the exercise thereof during the term of the lease, permit, or license, and periods of renewal thereafter: *Provided*, That no such renewals shall be extended beyond the period ending ten years from the date of enactment of this Act, except that any present lease, permit, or license within the boundaries of the Grand Canyon National Monument as abolished by subsection 3(b) of this Act may be renewed during the life of the present holder which renewals shall terminate upon the death of the present holder.

16 USC 228f.

AIRCRAFT REGULATION

SEC. 8. Whenever the Secretary has reason to believe that any aircraft or helicopter activity or operation may be occurring or about to occur within the Grand Canyon National Park, as enlarged by this Act, including the airspace below the rims of the canyon, which is likely to cause an injury to the health, welfare, or safety of visitors to the park or to cause a significant adverse effect on the natural quiet and experience of the park, the Secretary shall submit to the Federal Aviation Agency, the Environmental Protection Agency pursuant to the Noise Control Act of 1972, or any other responsible agency or agencies such complaints, information, or recommendations for rules and regulations or other actions as he believes appropriate to protect the public health, welfare, and safety or the natural environment within the park. After reviewing the submission of the Secretary, the responsible agency shall consider the matter, and after consultation with the Secretary, shall take appropriate action to protect the park and visitors.

16 USC 228g.

42 USC 4901
note.

PRESERVATION OF EXISTING RECLAMATION PROVISIONS

SEC. 9. (a) Nothing in this Act shall be construed to alter, amend, repeal, modify, or be in conflict with the provisions of sections 601 to 606 of the Colorado River Basin Project Act, approved September 30, 1968 (82 Stat. 885, 901).

16 USC 228h.

(b) Section 7 of the Act of February 26, 1919 (40 Stat. 1175, 1178), is amended to read as follows:

43 USC 1551-
1556.
16 USC 227.

“Whenever consistent with the primary purposes of such park, the Secretary of the Interior is authorized to permit the utilization of those areas formerly within the Lake Mead National Recreation Area immediately prior to enactment of the Grand Canyon National Park Enlargement Act, and added to the park by such Act, which may be necessary for the development and maintenance of a Government reclamation project.”

HAVASUPAI INDIAN RESERVATION

SEC. 10. (a) For the purpose of enabling the tribe of Indians known as the Havasupai Indians of Arizona (hereinafter referred to as the

16 USC 228i.

“tribe”) to improve the social, cultural, and economic life of its members, the lands generally depicted as the “Havasupai Reservation Addition” on the map described in section 3 of this Act, and consisting of approximately one hundred and eighty-five thousand acres of land and any improvements thereon, are hereby declared to be held by the United States in trust for the Havasupai Tribe. Such map, which shall delineate a boundary line generally one-fourth of a mile from the rim of the outer gorge of the Grand Canyon of the Colorado River and shall traverse Havasu Creek from a point on the rim at Yumtheska Point to Beaver Falls to a point on the rim at Ukwalla Point, shall be on file and available for public inspection in the Offices of the Secretary, Department of the Interior, Washington, District of Columbia.

Administration.

(b) The lands held in trust pursuant to this section shall be included in the Havasupai Reservation, and shall be administered under the laws and regulations applicable to other trust Indian lands: *Provided, That—*

(1) the lands may be used for traditional purposes, including religious purposes and the gathering of, or hunting for, wild or native foods, materials for paints and medicines;

(2) the lands shall be available for use by the Havasupai Tribe for agricultural and grazing purposes, subject to the ability of such lands to sustain such use as determined by the Secretary;

(3) any areas historically used as burial grounds may continue to be so used;

Study.

(4) a study shall be made by the Secretary, in consultation with the Havasupai Tribal Council, to develop a plan for the use of this land by the tribe which shall include the selection of areas which may be used for residential, educational, and other community purposes for members of the tribe and which shall not be inconsistent with, or detract from, park uses and values; *Provided further*, That before being implemented by the Secretary, such plan shall be made available through his offices for public review and comment, shall be subject to public hearings, and shall be transmitted, together with a complete transcript of the hearings, at least 90 days prior to implementation, to the Committees on Interior and Insular Affairs of the United States Congress; and *Provided further*, that any subsequent revisions of this plan shall be subject to the same procedures as set forth in this paragraph;

Plan and transcript, transmittal to congressional committees.

Commercial industries, restrictions.

(5) no commercial timber production, no commercial mining or mineral production, and no commercial or industrial development shall be permitted on such lands: *Provided further*, That the Secretary may authorize the establishment of such tribal small business enterprises as he deems advisable to meet the needs of the tribe which are in accordance with the plan provided in paragraph (4) of this section;

Nonmembers, privileges.

(6) nonmembers of the tribe shall be permitted to have access across such lands at locations established by the Secretary in consultation with the Tribal Council in order to visit adjacent parklands, and with the consent of the tribe, may be permitted (i) to enter and temporarily utilize lands within the reservation in accordance with the approved land use plan described in paragraph (4) of this section for recreation purposes or (ii) to purchase licenses from the tribe to hunt on reservation lands subject to limitations and regulations imposed by the Secretary of the Interior; and

(7) except for the uses permitted in paragraphs 1 through 6 of this section, the lands hereby transferred to the tribe shall remain forever wild and no uses shall be permitted under the plan which

detract from the existing scenic and natural values of such lands.

(c) The Secretary shall be responsible for the establishment and maintenance of conservation measures for these lands, including, without limitation, protection from fire, disease, insects, or trespass and reasonable prevention or elimination of erosion, damaging land use, overgrazing, or pollution. The Secretary of the Interior is authorized to contract with the Secretary of Agriculture for any services or materials deemed necessary to institute or carry out any such measures. Any authorized Federal programs available to any other Indian tribes to enhance their social, cultural, and economic well-being shall be deemed available to the tribe on these lands so long as such programs or projects are consistent with the purposes of this Act. For these purposes, and for the purpose of managing and preserving the resources of the Grand Canyon National Park, the Secretary shall have the right of access to any lands hereby included in the Havasupai Reservation. Nothing in this Act shall be construed to prohibit access by any members of the tribe to any sacred or religious places or burial grounds, native foods, paints, materials, and medicines located on public lands not otherwise covered in this Act.

Conservation
measures.

(d) The Secretary shall permit any person presently exercising grazing privileges pursuant to Federal permit or lease in that part of the Kaibab National Forest designated as the "Raintank Allotment", and which is included in the Havasupai Reservation by this section, to continue in the exercise thereof, but no permit or renewal shall be extended beyond the period ending ten years from the date of enactment of this Act, at which time all rights of use and occupancy of the lands will be transferred to the tribe subject to the same terms and conditions as the other lands included in the reservation in paragraph (b) of this section.

"Raintank Allotment", grazing
rights.

(e) The Secretary, subject to such reasonable regulations as he may prescribe to protect the scenic, natural, and wildlife values thereof, shall permit the tribe to use lands within the Grand Canyon National Park which are designated as "Havasupai Use Lands" on the Grand Canyon National Park boundary map described in section 3 of this Act, and consisting of approximately ninety-five thousand three hundred acres of land, for grazing and other traditional purposes.

"Havasupai Use
Lands", use.

(f) By the enactment of this Act, the Congress recognizes and declares that all right, title, and interest in any lands not otherwise declared to be held in trust for the Havasupai Tribe or otherwise covered by this Act is extinguished. Section 3 of the Act of February 26, 1919 (40 Stat. 1177; 16 U.S.C. 223), is hereby repealed.

Repeal.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, not to exceed, however, \$1,250,000, in the aggregate for the period of the five fiscal years beginning with the fiscal year ending June 30, 1974, for the acquisition of lands and property, and not to exceed \$49,000 for the fiscal year ending June 30, 1974, \$255,000 for the fiscal year ending June 30, 1975, \$265,000 for the fiscal year ending June 30, 1976, and \$235,000 for the fiscal year ending June 30, 1977, for development, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the types of construction involved herein. The sums authorized in this section shall be available for acquisition and development undertaken subsequent to the date of enactment of this Act.

16 USC 228j.

Approved January 3, 1975.

Public Law 93-621

January 3, 1975
[S. 3022]

AN ACT

To amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of certain rivers for possible inclusion in the national wild and scenic rivers system; to amend the Lower Saint Croix River Act of 1972 (86 Stat. 1174), and for other purposes.

Wild and Scenic
Rivers Act,
amendments.

16 USC 1276.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Wild and Scenic Rivers Act (82 Stat. 906), as amended, is further amended as follows:

(a) In subsection (a) of section 5 after paragraph (27) insert the following new paragraphs:

“(28) American, California: The North Fork from the Cedars to the Auburn Reservoir.

“(29) Au Sable, Michigan: The segment downstream from Foot Dam to Oscoda and upstream from Loud Reservoir to its source, including its principal tributaries and excluding Mio and Bamfield Reservoirs.

“(30) Big Thompson, Colorado: The segment from its source to the boundary of Rocky Mountain National Park.

“(31) Cache la Poudre, Colorado: Both forks from their sources to their confluence, thence the Cache la Poudre to the eastern boundary of Roosevelt National Forest.

“(32) Cahaba, Alabama: The segment from its junction with United States Highway 31 south of Birmingham downstream to its junction with United States Highway 80 west of Selma.

“(33) Clarks Fork, Wyoming: The segment from the Clark's Fork Canyon to the Crandall Creek Bridge.

“(34) Colorado, Colorado and Utah: The segment from its confluence with the Dolores River, Utah, upstream to a point 19.5 miles from the Utah-Colorado border in Colorado.

“(35) Conejos, Colorado: The three forks from their sources to their confluence, thence the Conejos to its first junction with State Highway 17, excluding Platoro Reservoir.

“(36) Elk, Colorado: The segment from its source to Clark.

“(37) Encampment, Colorado: The Main Fork and West Fork to their confluence, thence the Encampment to the Colorado-Wyoming border, including the tributaries and headwaters.

“(38) Green, Colorado: The entire segment within the State of Colorado.

“(39) Gunnison, Colorado: The segment from the upstream (southern) boundary of the Black Canyon of the Gunnison National Monument to its confluence with the North Fork.

“(40) Illinois, Oklahoma: The segment from Tenkiller Ferry Reservoir upstream to the Arkansas-Oklahoma border, including the Flint and Barren Fork Creeks.

“(41) John Day, Oregon: The main stem from Service Creek Bridge (at river mile 157) downstream to Tumwater Falls (at river mile 10).

“(42) Kettle, Minnesota: The entire segment within the State of Minnesota.

“(43) Los Pinos, Colorado: The segment from its source, including the tributaries and headwaters within the San Juan Primitive Area, to the northern boundary of the Granite Peak Ranch.

"(44) Manistee, Michigan: The entire river from its source to Manistee Lake, including its principal tributaries and excluding Tippy and Hodenpyl Reservoirs.

"(45) Nolichucky, Tennessee and North Carolina: The entire main stem.

"(46) Owyhee, South Fork, Oregon: The main stem from the Oregon-Idaho border downstream to the Owyhee Reservoir.

"(47) Piedra, Colorado: The Middle Fork and East Fork from their sources to their confluence, thence the Piedra to its junction with Colorado Highway 160, including the tributaries and headwaters on national forest lands.

"(48) Shepaug, Connecticut: The entire river.

"(49) Sipsey Fork, West Fork, Alabama: The segment, including its tributaries, from the impoundment formed by the Lewis M. Smith Dam upstream to its source in the William B. Bankhead National Forest.

"(50) Snake, Wyoming: The segment from the southern boundaries of Teton National Park to the entrance to Palisades Reservoir.

"(51) Sweetwater, Wyoming: The segment from Wilson Bar downstream to Spring Creek.

"(52) Tuolumne, California: The main river from its source on Mount Dana and Mount Lyell in Yosemite National Park to Don Pedro Reservoir.

"(53) Upper Mississippi, Minnesota: The segment from its source at the outlet of Itasca Lake to its junction with the northwestern boundary of the city of Anoka.

"(54) Wisconsin, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien.

"(55) Yampa, Colorado: The segment within the boundaries of the Dinosaur National Monument.

"(56) Dolores, Colorado: The segment of the main stem from Rico upstream to its source, including its headwaters; the West Dolores from its source, including its headwaters, downstream to its confluence with the main stem; and the segment from the west boundary, section 2, township 38 north, range 16 west, NMPM, below the proposed McPhee Dam, downstream to the Colorado-Utah border, excluding the segment from one mile above Highway 90 to the confluence of the San Miguel River."

(b) In section 5 reletter subsections (b) and (c) as (c) and (d), respectively, and insert a new subsection (b), as follows:

16 USC 1276.

"(b)(1) The studies of rivers named in subparagraphs (28) through (55) of subsection (a) of this section shall be completed and reports thereon submitted by not later than October 2, 1979: *Provided*, That with respect to the rivers named in subparagraphs (33), (50), and (51), the Secretaries shall not commence any studies until (i) the State legislature has acted with respect to such rivers or (ii) one year from the date of enactment of this Act, whichever is earlier.

Studies and reports.

"(2) The study of the river named in subparagraph (56) of subsection (a) of this section shall be completed and the report thereon submitted by not later than January 3, 1976.

"(3) There are authorized to be appropriated for the purpose of conducting the studies of the rivers named in subparagraphs (28) through (56) such sums as may be necessary, but not more than \$2,175,000."

Appropriations.

16 USC 1278.

(c) In clause (i) of subsection (b) of section 7 strike the final comma and the following word "and" and insert in lieu thereof a colon and the following proviso: "*Provided*, That if any Act designating any river or rivers for potential addition to the national wild and scenic rivers system provides a period for the study or studies which exceeds such three complete fiscal year period the period provided for in such Act shall be substituted for the three complete fiscal year period in the provisions of this clause (i); and".

16 USC 1275.

(d) In the fourth sentence of subsection (a) of section 4:

(1) between "rivers" and "with" insert "(i)", and

(2) strike "system." and insert in lieu thereof "system, and (ii) which possess the greatest proportion of private lands within their areas".

16 USC 1274
note.

SEC. 2. Subsection (a) of section 6 of the Lower Saint Croix River Act of 1972 (86 Stat. 1174) is amended by deleting "\$7,275,000" and inserting in lieu thereof "\$19,000,000".

Approved January 3, 1975.

Public Law 93-622

January 3, 1975
[S. 3433]

AN ACT

To further the purposes of the Wilderness Act by designating certain acquired lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

National Wilder-
ness Preservation
System.Designation of
certain acquired
lands.16 USC 1132
note.

STATEMENT OF FINDINGS AND POLICY

SEC. 2. (a) The Congress finds that—

(1) in the more populous eastern half of the United States there is an urgent need to identify, study, designate, and preserve areas for addition to the National Wilderness Preservation System;

(2) in recognition of this urgent need, certain areas in the national forest system in the eastern half of the United States were designated by the Congress as wilderness in the Wilderness Act (78 Stat. 890); certain areas in the national wildlife refuge system in the eastern half of the United States have been designated by the Congress as wilderness or recommended by the President for such designation, and certain areas in the national park system in the eastern half of the United States have been recommended by the President for designation as wilderness; and

(3) additional areas of wilderness in the more populous eastern half of the United States are increasingly threatened by the pressures of a growing and more mobile population, large-scale industrial and economic growth, and development and uses inconsistent with the protection, maintenance, and enhancement of the areas' wilderness character.

(b) Therefore, the Congress finds and declares that it is in the national interest that these and similar areas in the eastern half of the United States be promptly designated as wilderness within the National Wilderness Preservation System, in order to preserve such areas as an enduring resource of wilderness which shall be managed to promote and perpetuate the wilderness character of the land and its specific values of solitude, physical and mental challenge, scientific study, inspiration, and primitive recreation for the benefit of all of the American people of present and future generations.

16 USC 1131
note.

DESIGNATION OF WILDERNESS AREAS

SEC. 3. (a) In furtherance of the purposes of the Wilderness Act, the following lands (hereinafter in this Act referred to as "wilderness areas"), as generally depicted on maps appropriately referenced, dated April 1974, are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System—

16 USC 1132
note.

(1) certain lands in the Bankhead National Forest, Alabama, which comprise about twelve thousand acres, are generally depicted on a map entitled "Sipsey Wilderness Area—Proposed", and shall be known as the Sipsey Wilderness;

(2) certain lands in the Ouachita National Forest, Arkansas, which comprise about fourteen thousand four hundred and thirty-three acres, are generally depicted on a map entitled "Caney Creek Wilderness Area—Proposed", and shall be known as the Caney Creek Wilderness;

(3) certain lands in the Ozark National Forest, Arkansas, which comprise about ten thousand five hundred and ninety acres, are generally depicted on a map entitled "Upper Buffalo Wilderness Area—Proposed", and shall be known as the Upper Buffalo Wilderness;

(4) certain lands in the Appalachian National Forest, Florida, which comprise about twenty-two thousand acres, are generally depicted on a map entitled "Bradwell Bay Wilderness Area—Proposed", and shall be known as the Bradwell Bay Wilderness;

(5) certain lands in the Daniel Boone National Forest, Kentucky, which comprise about five thousand five hundred acres, are generally depicted on a map entitled "Beaver Creek Wilderness Area—Proposed", and shall be known as the Beaver Creek Wilderness;

(6) certain lands in the White Mountain National Forest, New Hampshire, which comprise about twenty thousand three hundred and eighty acres, are generally depicted on a map entitled "Presidential Range-Dry River Wilderness Area—Proposed", and shall be known as the Presidential Range-Dry River Wilderness;

(7) certain lands in the Nantahala and Cherokee National Forests, North Carolina and Tennessee, which comprise about fifteen thousand acres, are generally depicted on a map entitled "Joyce Kilmer-Slickrock Wilderness Area—Proposed", and shall be known as the Joyce Kilmer-Slickrock Wilderness;

(8) certain lands in the Sumter, Nantahala, and Chattahoochee National Forests in South Carolina, North Carolina, and Georgia, which comprise about three thousand six hundred acres, are generally depicted on a map entitled "Ellicott Rock Wilderness Area—Proposed", and shall be known as Ellicott Rock Wilderness;

(9) certain lands in the Cherokee National Forest, Tennessee, which comprise about two thousand five hundred and seventy acres, are generally depicted on a map entitled "Gee Creek Wilderness Area—Proposed", and shall be known as the Gee Creek Wilderness;

(10) certain lands in the Green Mountain National Forest, Vermont, which comprise about six thousand five hundred acres, are generally depicted on a map entitled "Bristol Cliffs Wilderness Area—Proposed", and shall be known as the Bristol Cliffs Wilderness;

(11) certain lands in the Green Mountain National Forest, Vermont, which comprise about fourteen thousand three hundred acres, are generally depicted on a map entitled "Lye Brook Wilderness Area—Proposed", and shall be known as the Lye Brook Wilderness;

(12) certain lands in the Jefferson National Forest, Virginia, which comprise about eight thousand eight hundred acres, are generally depicted on a map entitled "James River Face Wilderness Area—Proposed", and shall be known as the James River Face Wilderness;

(13) certain lands in the Monongahela National Forest, West Virginia, which comprise about ten thousand two hundred and fifteen acres, are generally depicted on a map entitled "Dolly Sods Wilderness Area—Proposed", and shall be known as the Dolly Sods Wilderness;

(14) certain lands in the Monongahela National Forest, West Virginia, which comprise about twenty thousand acres, are generally depicted on a map entitled "Otter Creek Wilderness Study Area", and shall be known as the Otter Creek Wilderness; and

(15) certain lands in the Chequamegon National Forest, Wisconsin, which comprise about six thousand six hundred acres, are generally depicted on a map entitled "Rainbow Lake Wilderness Area—Proposed", and shall be known as the Rainbow Lake Wilderness.

16 USC 1131
note.

(b) In furtherance of the purposes of the Wilderness Act, the following lands (hereinafter referred to as "wilderness areas"), as generally depicted on maps appropriately referenced, dated April 1973, are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System: certain lands in the Chatahoochee and Cherokee National Forests, Georgia and Tennessee, which comprise about thirty-four thousand five hundred acres, are generally depicted on a map dated April 1973, entitled "Cohutta Wilderness Area—Proposed", and shall be known as the Cohutta Wilderness.

DESIGNATION OF WILDERNESS STUDY AREA

16 USC 1132
and note.

SEC. 4. (a) In furtherance of the purposes of the Wilderness Act and in accordance with the provisions of subsection 3(d) of that Act, the Secretary of Agriculture (hereinafter referred to as the "Secretary") shall review, as to its suitability or unsuitability for preservation as wilderness, each area designated by or pursuant to subsection (b) of this section and report his findings to the President. The President shall advise the United States Senate and House of Representatives of his recommendations with respect to the designation as wilderness of each such area on which the review has been completed.

Report to the
President.

(b) Areas to be reviewed pursuant to this section (hereinafter referred to as "wilderness study areas"), as generally depicted on maps appropriately referenced, dated April 1974, include—

(1) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately five thousand seven hundred acres and are generally depicted on a map entitled "Belle Starr Cave Wilderness Study Area";

(2) certain lands in the Ouachita National Forest, Arkansas, which comprise approximately five thousand five hundred acres and are generally depicted on a map entitled "Dry Creek Wilderness Study Area";

(3) certain lands in the Ozark National Forest, Arkansas, which comprise approximately two thousand one hundred acres and are generally depicted on a map entitled "Richland Creek Wilderness Study Area";

(4) certain lands in the Appalachian National Forest, Florida, which comprise approximately one thousand one hundred acres and are generally depicted as the "Sopchoppy River Wilderness Study Area" on a map entitled "Bradwell Bay Wilderness Area—Proposed";

(5) certain lands in the Hiawatha National Forest, Michigan, which comprise approximately five thousand four hundred acres and are generally depicted on a map entitled "Rock River Canyon Wilderness Study Area";

(6) certain lands in the Ottawa National Forest, Michigan, which comprise approximately thirteen thousand two hundred acres and are generally depicted on a map entitled "Sturgeon River Wilderness Study Area";

(7) certain lands in the Pisgah National Forest, North Carolina, which comprise approximately one thousand one hundred acres and are generally depicted on a map entitled "Craggy Mountain Wilderness Study Area";

(8) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately one thousand five hundred acres and are generally depicted on a map entitled "Wambaw Swamp Wilderness Study Area";

(9) certain lands in the Jefferson National Forest, Virginia, which comprise approximately four thousand acres and are generally depicted on a map entitled "Mill Creek Wilderness Study Area";

(10) certain lands in the Jefferson National Forest, Virginia, which comprise approximately eight thousand four hundred acres and are generally depicted on a map entitled "Mountain Lake Wilderness Study Area";

(11) certain lands in the Jefferson National Forest, Virginia, which comprise approximately five thousand acres and are generally depicted on a map entitled "Peters Mountain Wilderness Study Area";

(12) certain lands in the George Washington National Forest, Virginia, which comprise approximately six thousand seven hundred acres and are generally depicted on a map entitled "Ramsey's Draft Wilderness Study Area";

(13) certain lands in the Chequamegon National Forest, Wisconsin, which comprise approximately six thousand three hundred acres and are generally depicted on a map entitled "Flynn Lake Wilderness Study Area";

(14) certain lands in the Chequamegon National Forest, Wisconsin, which comprise approximately four thousand two hundred acres and are generally depicted on a map entitled "Round Lake Wilderness Study Area";

(15) certain lands in the Monongahela National Forest, West Virginia, which comprise approximately thirty-six thousand three hundred acres and are generally depicted on a map entitled "Cranberry Wilderness Study Area";

(16) certain lands in the Cherokee National Forest, Tennessee, which comprise approximately four thousand five hundred acres and are generally depicted on a map entitled "Big Frog Wilderness Study Area"; and

(17) certain lands in the Cherokee National Forest, Tennessee, which comprise approximately fourteen thousand acres and are generally depicted as the "Citico Creek Area" on a map entitled "Joyce Kilmer-Slickrock Wilderness Area—Proposed";

(c) Reviews shall be completed and the President shall make his recommendations to Congress within five years after enactment of this Act.

(d) Congress may, upon the recommendation of the Secretary of Agriculture or otherwise, designate as study areas, national forest system lands east of the 100th meridian other than those areas specified in subsection (b) of this section, for review as to suitability or unsuitability for preservation as wilderness. Any such area subsequently

designated as a wilderness study area after the enactment of this Act shall have its suitability or unsuitability for preservation as wilderness submitted to Congress within ten years from the date of designation as a wilderness study area. Nothing in this Act shall be construed as limiting the authority of the Secretary of Agriculture to carry out management programs, development, and activities in accordance with the Multiple-Use, Sustained-Yield Act of 1960 (74 Stat. 215, 16 U.S.C. 528-531) within areas not designated for review in accordance with the provisions of this Act.

(e) Nothing herein contained shall limit the President in proposing, as part of his recommendations to Congress, the alteration of existing boundaries of any wilderness study area or recommending the addition to any such area of any contiguous area predominantly of wilderness value. Any recommendation of the President to the effect that such area or portion thereof should be designated as "wilderness" shall become effective only if so provided by an Act of Congress.

FILING OF MAPS AND DESCRIPTIONS

SEC. 5. As soon as practicable after enactment of this Act, a map of each wilderness study area and a map and a legal description of each wilderness area shall be filed with the Committees on Interior and Insular Affairs and on Agriculture of the United States Senate and House of Representatives, and each such map and description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in each such legal description and map may be made. Each such map and legal description shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture.

MANAGEMENT OF AREAS

SEC. 6. (a) except as otherwise provided by this Act, the wilderness areas designated by or pursuant to this Act shall be managed by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act. The wilderness study areas designated by or pursuant to this Act shall—be managed by the Secretary of Agriculture so as to maintain their presently existing wilderness character and potential for inclusion in the National Wilderness Preservation System until Congress has determined otherwise, except that such management requirement shall in no case extend beyond the expiration of the third succeeding Congress from the date of submission to the Congress of the President's recommendations concerning the particular study area.

(b) Within the sixteen wilderness areas designated by section 3 of this Act:

(1) the Secretary of Agriculture may acquire by purchase with donated or appropriated funds, by gift, exchange, condemnation, or otherwise, such lands, waters, or interests therein as he determines necessary or desirable for the purposes of this Act. All lands acquired under the provisions of this subsection shall become national forest lands and a part of the Wilderness System;

(2) in exercising the exchange authority granted by paragraph (1), the Secretary of Agriculture may accept title to non-Federal property for federally owned property of substantially equal value, or, if not of substantially equal value, the value shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require;

(3) the authority of the Secretary of Agriculture to condemn any private land or interest therein within any wilderness area designated by or pursuant to this Act shall not be invoked so long as the owner or owners of such land or interest holds and

16 USC 1131
note.

Acquisition.

uses it in the same manner and for those purposes for which such land or interest was held on the date of the designation of the wilderness area: *Provided, however,* That the Secretary of Agriculture may acquire such land or interest without consent of the owner or owners whenever he finds such use to be incompatible with the management of such area as wilderness and the owner or owners manifest unwillingness, and subsequently fail, to promptly discontinue such incompatible use;

(4) at least sixty days prior to any transfer by exchange, sale, or otherwise (except by bequest) of such lands, or interests therein described in paragraph (3) of this subsection, the owner or owners of such lands or interests therein shall provide notice of such transfer to the supervisor of the national forest concerned, in accordance with such rules and regulations as the Secretary of Agriculture may promulgate;

Notice.

(5) at least sixty days prior to any change in the use of such lands or interests therein described in paragraph (3) of this subsection which will result in any significant new construction or disturbance of land surface or flora or will require the use of motor vehicles and other forms of mechanized transport or motorized equipment (except as otherwise authorized by law for ingress or egress or for existing agricultural activities begun before the date of the designation other than timber cutting), the owner or owners of such lands or interests therein shall provide notice of such change in use to the supervisor of the national forest within which such lands are located, in accordance with such rules and regulations as the Secretary of Agriculture may promulgate;

(6) for the purposes of paragraphs (7) and (8) of this subsection, the term "property" shall mean a detached, noncommercial residential dwelling, the construction of which was begun before the date of the designation of the wilderness area (hereinafter referred to as "dwelling"), or an existing agricultural activity begun before the date of the designation of the wilderness area, other than timber cutting (hereinafter referred to as "agricultural activity"), together with so much of the land on which the dwelling or agricultural activity is situated, such land being in the same ownership as the dwelling or agricultural activity, as the Secretary of Agriculture shall determine to be necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use or for the agricultural activity, together with any structures accessory to the dwelling or agricultural activity which are situated on the land so designated;

"Property."

(7) any owner or owners of property on the date of its acquisition by the Secretary of Agriculture may, as a condition of such acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the property for such noncommercial residential purpose or agricultural activity for twenty-five years, or, in lieu thereof, for a term ending at the death of the owner or his spouse, whichever is later. The owner shall elect the term to be reserved. The Secretary of Agriculture shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner: *Provided,* That whenever an owner of property elects to retain a right of use and occupancy as provided for in this section, such owner shall be deemed to have waived any benefits or rights accruing under sections 203, 204, 205, and 206 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894), and for the purposes

42 USC 4601.

of those sections such owner shall not be considered a displaced person as defined in section 101 (6) of that Act; and

(8) a right of use and occupancy retained or enjoyed pursuant to paragraph (7) of this subsection may be terminated with respect to the entire property by the Secretary of Agriculture upon his determination that the property or any portion thereof has ceased to be used for such noncommercial residential purpose or agricultural activity and upon tender to the holder of a right an amount equal to the fair market value as of the date of tender of that portion of the right which remains unexpired on the date of termination.

TRANSFER OF FEDERAL PROPERTY

SEC. 7. The head of any Federal department or agency having jurisdiction over any lands or interests in lands within the boundaries of wilderness areas and wilderness study areas designated by or pursuant to this Act is authorized to transfer to the Secretary jurisdiction over such lands for administration in accordance with the provisions of this Act.

APPLICABILITY

SEC. 8. Unless otherwise provided by any other Act the provisions of this Act shall only apply to National Forest areas east of the 100th meridian.

AUTHORIZATION OF APPROPRIATIONS

16 USC 1132
note.

SEC. 9. There are hereby authorized to be appropriated an amount not to exceed \$5,000,000 for the acquisition by purchase, condemnation, or otherwise of lands, waters, or interests therein located in areas designated as wilderness pursuant to section 3 of this Act and an amount not to exceed \$1,700,000 for the purpose of conducting a review of wilderness study areas designated by section 4 of this Act.

Approved January 3, 1975.

Public Law 93-623

January 3, 1975
[S. 3481]

AN ACT

To amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

International
Air Transportation
Fair Competitive
Practices Act of
1974.

49 USC 1159a
note.

SHORT TITLE

SECTION 1. This Act may be cited as the "International Air Transportation Fair Competitive Practices Act of 1974".

DISCRIMINATORY AND UNFAIR COMPETITIVE PRACTICES

49 USC 1159b.

SEC. 2. (a) United States air carriers operating in foreign air transportation perform services of vital importance to the foreign commerce of the United States including its balance of payments, to the Postal Service, and to the national defense. Such carriers have become subject to a variety of discriminatory and unfair competitive practices in their competition with foreign air carriers. The Department of State, the Department of the Treasury, the Department of Transportation, the Civil Aeronautics Board, and other departments

or agencies, therefore, each shall keep under review, to the extent of their respective functions, all forms of discrimination or unfair competitive practices to which United States air carriers are subject in providing foreign air transportation services and each shall take all appropriate actions within its jurisdiction to eliminate such forms of discrimination or unfair competitive practices found to exist.

(b) Each of these departments and agencies of Government shall request from Congress such additional legislation as may be deemed necessary at any time it is determined there is inadequate legal authority for dealing with any form of discrimination or unfair competitive practice found to exist.

(c) The Civil Aeronautics Board shall report annually to Congress on the actions that have been taken under subsection (a) and on the continuing program to eliminate discriminations and unfair competitive practices faced by United States carriers in foreign air transportation. The Secretaries of State, Treasury, and Transportation shall furnish to the Civil Aeronautics Board such information as may be necessary to prepare the report required by this subsection.

Report to Congress.

INTERNATIONAL USER CHARGES

SEC. 3. The International Aviation Facilities Act (49 U.S.C. 1151-1160) is amended by redesignating sections 11 and 12 as sections 12 and 13, respectively, and by inserting immediately after section 10 the following new section:

49 USC 1160,
1151 note.

49 USC 1159a.

"SEC. 11. The Secretary of Transportation shall survey the charges made to air carriers by foreign governments or other foreign entities for the use of airport property or airway property in foreign air transportation. If the Secretary of Transportation determines at any time that such charges unreasonably exceed comparable charges for furnishing such airport property or airway property in the United States or are otherwise discriminatory, he shall submit a report on such cases promptly to the Secretary of State and the Civil Aeronautics Board, and the Secretary of State, in collaboration with the Civil Aeronautics Board, shall promptly undertake negotiations with the foreign country involved to reduce such charges or eliminate such discriminations. If within a reasonable period such charges are not reduced or such discriminations eliminated through negotiations, the Secretary of State shall promptly report such instances to the Secretary of Transportation who shall determine compensating charges equal to such excessive or discriminatory charges. Such compensating charges shall, with the approval of the Secretary of State, be imposed on the foreign air carrier or carriers of the country concerned by the Secretary of the Treasury as a condition to acceptance of the general declaration at the time of landing or takeoff of aircraft of such foreign air carrier or carriers. The amounts so collected shall accrue to an account established for that purpose by the Secretary of the Treasury. Payments shall be made from that account to air carriers in such amounts as shall be certified by the Secretary of Transportation in accordance with such regulations as he shall adopt to compensate such air carriers for excessive or discriminatory charges paid by them to the foreign countries involved."

Reports.

Payments.

RATES FOR TRANSPORTATION OF UNITED STATES MAIL IN FOREIGN AIR TRANSPORTATION

SEC. 4. Subsection (h) of section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376) is amended by inserting "(1)" immediately after "(h)", and by adding at the end thereof the following new paragraphs:

22 UST 1056.

"(2) The Secretary of State and the Postmaster General each shall take all necessary and appropriate actions to assure that the rates paid for the transportation of mail pursuant to the Universal Postal Union Convention shall not be higher than fair and reasonable rates for such services. The Secretary of State and the Postmaster General shall oppose any present or proposed Universal Postal Union rates which are higher than such fair and reasonable rates.

"(3) The Civil Aeronautics Board shall act expeditiously on any proposed changes in rates for the transportation of mail by aircraft in foreign air transportation. In establishing such rates, the Board shall take into consideration rates paid for transportation of mail pursuant to the Universal Postal Union Convention as ratified by the United States Government, shall take into account all of the ratemaking elements employed by the Universal Postal Union in fixing its airmail rates, and shall further consider the competitive disadvantage to United States flag air carriers resulting from foreign air carriers receiving Universal Postal Union rates for the carriage of United States mail and the national origin mail of their own countries."

TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

SEC. 5. (a) Title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501 and the following) is amended by adding at the end thereof the following new section:

"TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

49 USC 1517.

"SEC. 1117. Whenever any executive department or other agency or instrumentality of the United States shall procure, contract for, or otherwise obtain for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made by the United States or payment is made from funds appropriated, owned, controlled, granted, or conditionally granted or utilized by or otherwise established for the account of the United States, or shall furnish to or for the account of any foreign nation, or any international agency, or other organization, of whatever nationality, without provisions for reimbursement, any transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof or between two places both of which are outside the United States, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemption of the Civil Aeronautics Board and to the extent service by such carriers is available. The Comptroller General of the United States shall disallow any expenditure from appropriated funds for payment for such personnel or cargo transportation on an air carrier not holding a certificate under section 401 of this Act in the absence of satisfactory proof of the necessity therefor. Nothing in this section shall prevent the application to such traffic of the antidiscrimination provisions of this Act."

49 USC 1371.

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the center heading "TITLE XI—MISCELLANEOUS" is amended by adding at the end thereof the following new item:

"Sec. 1117. Transportation of Government-financed passengers and property"

PROMOTION OF TRAVEL ON UNITED STATES CARRIERS IN FOREIGN AIR
TRANSPORTATION

SEC. 6. Section 2 of the International Travel Act of 1961 (22 U.S.C. 2122) is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon and by adding at the end thereof the following new paragraph:

(6) encourage to the maximum extent feasible travel to and from the United States on United States carriers.”.

OBSERVANCE OF TARIFFS BY TICKET AGENTS

SEC. 7. (a) The first sentence of section 403(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)), relating to observance of tariffs and prohibition against rebating, is amended to read as follows: “No air carrier or foreign air carrier or any ticket agent shall charge or demand or collect or receive a greater or less or different compensation for air transportation, or for any service in connection therewith, than the rates, fares, and charges specified in then currently effective tariffs of such air carrier or foreign air carrier; and no air carrier or foreign air carrier or ticket agent shall, in any manner or by any device, directly or indirectly, or through any agent or broker, or otherwise, refund or remit any portion of the rates, fares, or charges so specified, or extend to any person any privileges or facilities, with respect to matters required by the Board to be specified in such tariffs except those specified therein.”.

(b) The first sentence of section 407(e) of such Act (49 U.S.C. 1377(e)), relating to inspection of accounts and property, is amended to read as follows: “The Board shall at all times have access to all lands, buildings, and equipment of any air carrier or foreign air carrier and to all accounts, records, and memorandums, including all documents, papers, and correspondence, now or hereafter existing, and kept or required to be kept by air carriers, foreign air carriers, or ticket agents and it may employ special agents or auditors, who shall have authority under the orders of the Board to inspect and examine any and all such lands, buildings, equipment, accounts, records, and memorandums.”.

Inspection of
accounts and
property.

PROHIBITION AGAINST SOLICITATION OR ACCEPTANCE OF REBATES BY
SHIPPERS OF AIR FREIGHT

SEC. 8. (a) Section 403(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)), relating to observance of tariffs and prohibition against rebating, is amended by inserting “(1)” immediately after “(b)” and by adding at the end thereof the following new paragraph:

“(2) No shipper, consignor, consignee, forwarder, broker, or other person, or any director, officer, agent, or employee thereof, shall knowingly pay, directly or indirectly, by any device or means, any greater or less or different compensation for air transportation of property, or for any service in connection therewith, than the rates, fares, and charges specified in currently effective tariffs applicable to such air transportation; and no such person shall, in any manner or by any device, directly or indirectly, through any agent or broker, or otherwise, knowingly solicit, accept, or receive a refund or remittance of any portion of the rates, fares, or charges so specified, or knowingly solicit, accept, or receive any privilege, favor, or facility, with respect to matters required by the Board to be specified in such tariffs, except those specified therein.”.

(b) Section 902(d) of such Act (49 U.S.C. 1472(d)), relating to granting rebates, is amended by inserting “(1)” immediately after “(d)” and by adding at the end thereof the following new paragraph:

“(2) Any person who, in any manner or by any device, knowingly and willfully solicits, accepts, or receives a refund or remittance of any portion of the rates, fares, or charges lawfully in effect for the air transportation of property, or for any service in connection therewith, or knowingly solicits, accepts, or receives any privilege, favor, or facility, with respect to matters required by the Board to be specified in currently effective tariffs applicable to the air transportation of property, shall be fined not less than \$100, nor more than \$5,000, for each offense.”

(c) The subsection heading of subsection (d) of such section 902 is amended to read as follows:

“GRANTING OR RECEIVING REBATES”.

(d) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

“Sec. 902. Criminal penalties.”

is amend by striking out

“(d) Granting rebates.”

and inserting in lieu thereof

“(d) Granting or receiving rebates.”.

Approved January 3, 1975.

Public Law 93-624

JOINT RESOLUTION

January 3, 1975
[H. J. Res. 1180]

Making urgent supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

Supplemental
appropriations,
1975.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, namely:

CHAPTER I

DEPARTMENT OF LABOR

MANPOWER ADMINISTRATION

PROGRAM ADMINISTRATION

For an additional amount for “Program administration”, \$500,000, together with \$500,000 to be expended from the Employment Security Administration Account in the Unemployment Trust Fund: *Provided*, That this appropriation shall become available only upon enactment into law of H.R. 16596 or similar legislation by the Ninety-third Congress.

Ante, p. 1845.

TEMPORARY EMPLOYMENT ASSISTANCE

For financial assistance as authorized by title I of the Emergency Jobs and Unemployment Assistance Act of 1974, \$1,000,000,000 to remain available until December 31, 1975: *Provided*, That this appropriation shall become available only upon enactment into law of H.R. 16596 or similar legislation by the Ninety-third Congress.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For an additional amount for "Federal unemployment benefits and allowances", including payments accruing after enactment of this appropriation under title II of the Emergency Jobs and Unemployment Assistance Act of 1974, \$2,000,000,000, to remain available until September 30, 1976: *Provided*, That this appropriation shall become available only upon the enactment into law of H.R. 16596 or similar legislation by the Ninety-third Congress.

Ante, p. 1850.

ADVANCES TO THE EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

For making repayable advances to the extended unemployment compensation account in the Unemployment Trust Fund, as authorized by section 905(d) of the Social Security Act, as amended, to remain available until September 30, 1976, \$750,000,000: *Provided*, That amounts for necessary advances, repayable to the general fund as provided in said section 905(d) shall first be derived from balances in the revolving fund established by section 901(e) of the Social Security Act: *Provided further*, That the Secretary of the Treasury shall make such repayable advances at such times as he may determine, in consultation with the Secretary of Labor, that the amount in the extended unemployment compensation account is insufficient for the payments required by law to be paid therefrom to States: *Provided further*, That this appropriation shall become available only upon enactment into law of H.R. 17597 or similar legislation by the Ninety-third Congress.

42 USC 1105.

42 USC 1101.

GRANTS TO STATES FOR UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICES

For an additional amount to be expended for "Grants to States for unemployment insurance and employment services" from the Employment Security Administration Account in the Unemployment Trust Fund, \$249,000,000 to remain available until September 30, 1976, which shall be available only to the extent necessary to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic grant was based, which cannot be provided for by normal budgetary adjustments: *Provided*, That this appropriation shall be available only upon enactment into law of H.R. 16596, H.R. 17597, or similar legislation by the Ninety-third Congress.

Ante, pp. 1845, 1869.

CHAPTER II

VETERANS ADMINISTRATION

READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$811,700,000, to remain available until expended.

GENERAL OPERATING EXPENSES

For an additional amount for "General operating expenses", \$500,000.

CHAPTER III
DEPARTMENT OF TRANSPORTATION
FEDERAL RAILROAD ADMINISTRATION

INTERIM OPERATING ASSISTANCE

For necessary expenses for "Interim operating assistance" under the Regional Rail Reorganization Act of 1973, \$10,200,000, to remain available until expended.

CHAPTER IV
DEPARTMENT OF AGRICULTURE
COMMODITY EXCHANGE AUTHORITY

Ante, p. 1389. For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.) and Public Law 93-463, enacted October 23, 1974, including not to exceed \$200,000 for employment under 5 U.S.C. 3109, \$2,473,000.

CHAPTER V
DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION
JOB OPPORTUNITIES PROGRAM

Ante, p. 1845. For Job Opportunities Program assistance as authorized by title III of the Emergency Jobs and Unemployment Assistance Act of 1974, \$125,000,000, to be derived by transfer from funds appropriated in this Act to the Department of Labor under the heading "Temporary Employment Assistance", to remain available until December 31, 1975: *Provided*, That this appropriation shall become available only upon enactment into law of H.R. 16596 or similar legislation by the Ninety-third Congress.

Approved January 3, 1975.

Public Law 93-625

January 3, 1975
[H. R. 421]

AN ACT

To amend the Tariff Schedules of the United States to permit the importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins free of duty.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF TARIFF SCHEDULES.

(a) **IN GENERAL.**—Schedule 6, part 3, subpart E of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by striking out "upholstery regulators, and", and by inserting "and upholstery regulators, upholsterer's regulating needles, and upholsterer's pins," after "other hand needles," in the item description preceding item 651.01.

Upholstery reg-
ulators, needles,
and pins.
Duty-free im-
portation.
Taxes.

- (2) by striking out “and upholstery regulators” in item 651.04; and
 (3) by inserting after item 651.05 the following new item:

“ 651.06	Upholstery regulators, upholsterer's regulating needles, and upholsterer's pins.....	Free	Free	”.
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(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act. 19 USC 1202 note.

(c) **STATUS OF NEW ITEM.**—The duty free treatment applied to upholstery regulators, upholsterer's regulating needles, and upholsterer's pins under item 651.06 of the Tariff Schedules of the United States (as added by subsection (a)) shall be treated as not having the status of a statutory provision enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party. 19 USC 1202 note.

SEC. 2. AMENDMENT OF INTERNAL REVENUE CODE.

Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954. 26 USC 1 *et seq.*

SEC. 3. EXTENSION BY ONE YEAR OF PERIOD DURING WHICH POLLUTION CONTROL FACILITIES, RAILROAD ROLLING STOCK, REHABILITATION HOUSING, AND COAL MINE SAFETY EQUIPMENT MAY QUALIFY FOR 5-YEAR AMORTIZATION.

(a) **POLLUTION CONTROL FACILITIES.**—Section 169(d)(4)(B) (defining new identifiable treatment facility) is amended by striking out “January 1, 1975” and inserting in lieu thereof “January 1, 1976”. 26 USC 169.

(b) **RAILROAD ROLLING STOCK.**—Section 184(e) (relating to amortization of railroad rolling stock) is amended— 26 USC 184.

(1) by striking out “1975” in paragraph (1) and inserting in lieu thereof “1976”, and

(2) by striking out “January 1, 1975” in paragraph (7) and inserting in lieu thereof “January 1, 1976”.

(c) **REHABILITATION OF LOW-INCOME RENTAL HOUSING.**—Section 167(k)(1) (relating to expenditures to rehabilitate low-income rental housing) is amended by striking out “January 1, 1975” and inserting in lieu thereof “January 1, 1976”. 26 USC 167.

(d) **COAL MINING SAFETY EQUIPMENT.**—Section 187(d)(3) (defining certified coal mine safety equipment) is amended by striking out “January 1, 1975” and inserting in lieu thereof “January 1, 1976”. 26 USC 187.

SEC. 4. ACCRUAL OF VACATION PAY.

(a) **IN GENERAL.**—Subpart C of part II of subchapter E of chapter 1 (relating to taxable year for which deductions taken) is amended by adding at the end thereof the following new section:

“SEC. 463. ACCRUAL OF VACATION PAY.

26 USC 463.

“(a) **ALLOWANCE OF DEDUCTION.**—At the election of a taxpayer whose taxable income is computed under an accrual method of accounting, if the conditions of section 162(a) are otherwise satisfied, the deduction allowable under section 162(a) with respect to vacation pay shall be an amount equal to the sum of—

26 USC 162.

“(1) a reasonable addition to an account representing the taxpayer's liability for vacation pay earned by employees before the close of the taxable year and payable during the taxable year or within 12 months following the close of the taxable year; plus

“(2) the amount (if any) of the reduction at the close of the taxable year in the suspense account provided in subsection (c) (2).

26 USC 162.

Such liability for vacation pay earned before the close of the taxable year shall include amounts which, because of contingencies, would not (but for this section) be deductible under section 162(a) as an accrued expense. All payments with respect to vacation pay shall be charged to such account.

“(b) **OPENING BALANCE.**—The opening balance of the account described in subsection (a) (1) for its first taxable year shall, under regulations prescribed by the Secretary or his delegate, be—

26 USC 162
note.

“(1) in the case of a taxpayer who maintained a predecessor account for vacation pay under section 97 of the Technical Amendments Act of 1958, as amended, for his last taxable year ending before January 1, 1973, and who makes an election under this section for his first taxable year ending after December 31, 1972, the larger of—

“(A) the balance in such predecessor account at the close of such last taxable year, or

“(B) the amount determined as if the taxpayer had maintained an account described in subsection (a) (1) for such last taxable year, or

“(2) in the case of any taxpayer not described in paragraph (1), an amount equal to the largest closing balance the taxpayer would have had for any of the taxpayer's 3 taxable years immediately preceding such first taxable year if the taxpayer had maintained such account throughout such 3 immediately preceding taxable years.

“(c) **SUSPENSE ACCOUNT FOR DEFERRED DEDUCTION.**—

“(1) **INITIAL SUSPENSE ACCOUNT.**—The amount of the suspense account at the beginning of the first taxable year for which the taxpayer maintains under this section an account (described in subsection (a) (1)) shall be the amount of the opening balance described in subsection (b) minus the amount, if any, allowed as deductions for prior taxable years for vacation pay accrued but not paid at the close of the taxable year preceding such first taxable year.

“(2) **ADJUSTMENTS IN SUSPENSE ACCOUNT.**—At the close of each taxable year the suspense account shall be—

“(A) reduced by the excess, if any, of the amount in the suspense account at the beginning of the taxable year over the amount in the account described in subsection (a) (1) at the close of the taxable year (after making the additions and charges for such taxable year provided in subsection (a)), or

“(B) increased (but not to an amount greater than the initial balance of the suspense account) by the excess, if any

of the amount in the account described in subsection (a)(1) at the close of the taxable year (after making the additions and charges for such taxable year provided in subsection (a)) over the amount in the suspense account at the beginning of the taxable year.

“(3) **Section 381 ACQUISITIONS.**—The application of this subsection to any acquisition to which section 381(a) applies shall be determined under regulations prescribed by the Secretary or his delegate.

26 USC 381.

“(d) **ELECTION.**—An election under this section shall be made at such time and in such manner as the Secretary or his delegate may by regulations prescribe.

“(e) **CHANGES IN ACCOUNTING METHOD.**—

“(1) **ESTABLISHMENT OF ACCOUNT NOT CONSIDERED CHANGE.**—The establishment of an account described in subsection (a)(1) shall not be considered a change in method of accounting for purposes of section 446(e) (relating to requirement respecting change of accounting method), and no adjustment shall be required under section 481 by reason of the establishment of such account.

26 USC 446.

26 USC 481.

“(2) **CERTAIN TAXPAYERS TREATED AS HAVING INITIATED CHANGE.**—If the taxpayer treated vacation pay under section 97 of the Technical Amendments Act of 1958, as amended, for his last taxable year ending before January 1, 1973, and if such taxpayer fails to make an election under this section for his first taxable year ending after December 31, 1972, then, for purposes of section 481, such taxpayer shall be treated as having initiated a change in method of accounting with respect to vacation pay for his first taxable year ending after December 31, 1972.”

26 USC 162
note.

26 USC 481.

(b) **CLERICAL AMENDMENT.**—The table of sections for such subpart C is amended by adding at the end thereof the following:

“Sec. 463. Accrual of vacation pay.”

(c) **CERTAIN INCREASES IN SUSPENSE ACCOUNT INCLUDED IN GROSS INCOME.**—

(1) Section 81 is amended to read as follows:

26 USC 81.

“**SEC. 81. CERTAIN INCREASES IN SUSPENSE ACCOUNTS.**

“There shall be included in gross income for the taxable year for which an increase is required—

“(1) **CERTAIN DEALERS’ RESERVES.**—The amount of any increase in the suspense account required by paragraph (4)(B)(ii) of section 166(g) (relating to certain debt obligations guaranteed by dealers).

26 USC 166.

“(2) **VACATION PAY.**—The amount of any increase in the suspense account required by paragraph (2)(B) of section 463(c) (relating to accrual of vacation pay).”

Ante, p. 2109.

(2) The table of sections for part II of subchapter B of chapter 1 is amended by striking out the item relating to section 81 and inserting in lieu thereof the following:

“Sec. 81. Certain increases in suspense accounts.”

(d) **EFFECTIVE DATES.**—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1973.

26 USC 463
note.

26 USC 162
note.

(2) If the taxpayer maintained an account for vacation pay under section 97 of the Technical Amendments Act of 1958, as amended, for his last taxable year ending before January 1, 1973, the amendments made by this section shall apply to taxable years ending after December 31, 1972.

SEC. 5. APPLICATION OF CLASS LIFE SYSTEM TO REAL PROPERTY.

26 USC 167
note.
26 USC 1250.

(a) **GENERAL RULE.**—In the case of buildings and other items of section 1250 property (within the meaning of section 1250(c) of the Internal Revenue Code of 1954) placed in service before the effective date of the class lives first prescribed by the Secretary of the Treasury or his delegate under section 167(m) of such Code for the class in which such property falls, if an election under such section 167(m) applies to the taxpayer for the taxable year in which such property is placed in service, the taxpayer may, in accordance with regulations prescribed by the Secretary of the Treasury or his delegate, elect to determine the useful life of such property—

(1) under Revenue Procedure 62-21 (as amended and supplemented) as in effect on December 31, 1970, or

(2) on the facts and circumstances.

26 USC 167
note.

(b) **REPEAL OF PRIOR TRANSITIONAL RULE.**—Paragraph (1) of section 109(e) of the Revenue Act of 1971 (Public Law 92-178) is hereby repealed.

26 USC 1250.

(c) **CONFORMING AMENDMENT.**—Section 1250(a)(1)(C)(ii) is amended by striking “January 1, 1975” and in lieu thereof inserting “January 1, 1976”.

26 USC 167
note.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to property placed in service after December 31, 1973.

SEC. 6. REAL ESTATE INVESTMENT TRUSTS; TREATMENT OF FORECLOSURE PROPERTY.

26 USC 856.

(a) **FORECLOSURE PROPERTY.**—Section 856 (defining real estate investment trust) is amended by adding at the end thereof the following new subsection:

“(e) **SPECIAL RULES FOR FORECLOSURE PROPERTY.**—

“(1) **FORECLOSURE PROPERTY DEFINED.**—For purposes of this part, the term ‘foreclosure property’ means any real property (including interests in real property), and any personal property incident to such real property, acquired by the real estate investment trust as the result of such trust having bid in such property at foreclosure, or having otherwise reduced such property to ownership or possession by agreement or process of law, after there was default (or default was imminent) on a lease of such property or on an indebtedness which such property secured.

“(2) **GRACE PERIOD.**—Except as provided in paragraph (3), property shall cease to be foreclosure property with respect to the real estate investment trust on the date which is 2 years after the date such trust acquired such property.

“(3) **EXTENSIONS.**—If the real estate investment trust establishes to the satisfaction of the Secretary or his delegate that an extension of the grace period is necessary for the orderly liquidation of the trust’s interest in such property, the Secretary or his delegate may extend the grace period for such property. Any such extension shall be for a period of not more than 1 year, and not more than 2 extensions shall be granted with respect to any property.

“(4) **TERMINATION OF GRACE PERIOD IN CERTAIN CASES.**—Any foreclosure property shall cease to be such on the first day (occur-

ring on or after the day on which the real estate investment trust acquired the property) on which—

“(A) a lease is entered into with respect to such property which, by its terms, will give rise to income which is not described in subsection (c) (3) (other than subparagraph (F) of such subsection), or any amount is received or accrued, directly or indirectly, pursuant to a lease entered into on or after such day which is not described in such subsection,

“(B) any construction takes place on such property (other than completion of a building, or completion of any other improvement, where more than 10 percent of the construction of such building or other improvement was completed before default became imminent), or

“(C) if such day is more than 90 days after the day on which such property was acquired by the real estate investment trust and the property is used in a trade or business which is conducted by the trust (other than through an independent contractor (within the meaning of section (d) (3)) from whom the trust itself does not derive or receive any income).

“(5) **TAXPAYER MUST MAKE ELECTION.**—Property shall be treated as foreclosure property for purposes of this part only if the real estate investment trust so elects (in the manner provided in regulations prescribed by the Secretary or his delegate) on or before the due date (including any extensions of time) for filing its return of tax under this chapter for the taxable year in which such trust acquires such property. Any such election shall be irrevocable.”

(b) **MODIFICATION OF HOLDING FOR SALE RULE.**—Section 856(a) (4) (defining real estate investment trust) is amended by inserting after “property” the following: “(other than foreclosure property, as defined in subsection (e))”.

26 USC 856.

Ante, p. 2112.

26 USC 857.

(c) **TAX ON INCOME FROM FORECLOSURE PROPERTY.**—Section 857(b) (relating to method of taxation of real estate investment trusts, etc.) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

“(4) **INCOME FROM FORECLOSURE PROPERTY.**—

“(A) **IMPOSITION OF TAX.**—There is hereby imposed for each taxable year on the net income from foreclosure property of every real estate investment trust a tax determined by applying section 11 to such income as if such income constituted the taxable income of a corporation taxable under section 11. For purposes of the preceding sentence, the surtax exemption shall be zero.

26 USC 11.

“(B) **NET INCOME FROM FORECLOSURE PROPERTY.**—For purposes of this part, the term ‘net income from foreclosure property’ means the excess of—

“‘Net income from foreclosure property.’”

“(i) gain from the sale or other disposition of foreclosure property described in section 1221(1) and the gross income for the taxable year derived from foreclosure property (as defined in section 856(e)), but only to the extent such gross income is not described in subparagraph (A), (B), (C), (D), or (E) of section 856(c) (3), over

26 USC 1221.

Ante, p. 2112.

26 USC 856.

“(ii) the deductions allowed by this chapter which are directly connected with the production of the income referred to in clause (i).”

(d) TECHNICAL AMENDMENTS.—

26 USC 856.

(1) Paragraphs (2) and (3) of section 856(c) (relating to limitations) are each amended by striking out “and” at the end of subparagraph (D), by adding “and” at the end of subparagraph (E), and by adding at the end thereof the following new subparagraph:

Ante, p. 2112.

26 USC 857.

“(F) income and gain derived from foreclosure property (as defined in subsection (e));”.

(2) Section 857(a) (1) (relating to requirements applicable to real estate investment trusts) is amended to read as follows:

26 USC 561.

“(1) the deduction for dividends paid during the taxable year (as defined in section 561, but determined without regard to capital gains dividends) equals or exceeds the sum of—

“(A) 90 percent of the real estate investment trust taxable income for the taxable year (determined without regard to the deduction for dividends paid (as defined in section 561)); and

“(B) 90 percent of the excess of (i) the net income from foreclosure property over (ii) the tax imposed on such income by subsection (b) (4) (A), and”.

26 USC 857.

(3) Section 857(b) (2) (defining real estate investment trust taxable income) is amended by adding at the end thereof the following new subparagraph:

“(F) There shall be excluded an amount equal to the net income from foreclosure property.”

(4) Section 857(b) (2) (C) is amended by inserting before the the period at the end thereof “and shall be computed without regard to that portion of such deduction which is attributable to the amount excluded under subparagraph (F)”.

26 USC 856
note.

(e) EFFECTIVE DATE.—The amendments made by this section apply to foreclosure property acquired after December 31, 1973. Notwithstanding the provisions of section 856(e) (5) of the Internal Revenue Code of 1954 (as added by subsection (a) of this section) any taxpayer required to make an election with respect to foreclosure property sooner than 90 days after the date of enactment of this Act, may make that election at any time before the 91st day after the date of enactment of this Act.

26 USC 856.

SEC. 7. INCREASE IN INTEREST CHARGED AND PAID IN CONNECTION WITH DEFICIENCIES, ETC.

(a) INCREASE IN INTEREST RATE.—

(1) Chapter 67 (relating to interest) is amended by adding at the end thereof the following new subchapter:

“Subchapter C—Determination of interest rate

“SEC. 6621. Determination of rate of interest.

26 USC 6621.

“SEC. 6621. DETERMINATION OF RATE OF INTEREST.

26 USC 6601,
6602, 6611, 6332,
7426.

“(a) IN GENERAL.—The rate of interest under sections 6601(a), 6602, 6611(a), 6332(c) (1), and 7426(g) of this title, and under section 2411(a) of title 28 is 9 percent per annum, or such adjusted rate as is established by the Secretary or his delegate under subsection (b).

“(b) ADJUSTMENT OF INTEREST RATE.—The Secretary or his delegate shall establish an adjusted rate of interest for the purpose of subsection (a) not later than October 15 of any year if the adjusted prime rate charged by banks during September of that year, rounded to the nearest full percent, is at least a full percentage point more or less than the interest rate which is then in effect. Any such adjusted rate of interest shall be equal to the adjusted prime rate charged by banks, rounded to the nearest full percent, and shall become effective

on February 1 of the immediately succeeding year. An adjustment provided for under this subsection may not be made prior to the expiration of 23 months following the date of any preceding adjustment under this subsection which changes the rate of interest.

“(c) DEFINITION OF PRIME RATE.—For purposes of subsection (b), the term ‘adjusted prime rate charged by banks’ means 90 percent of the average predominant prime rate quoted by commercial banks to large businesses, as determined by the Board of Governors of the Federal Reserve System.”

(2) The following provisions are each amended by striking out “the rate of 6 percent per annum” and inserting in lieu thereof the following: “an annual rate established under section 6621”:

Ante, p. 2114.

(A) section 6601(a) (relating to interest on underpayments),

26 USC 6601.

(B) section 6602 (relating to interest on erroneous refunds recoverable by suit),

26 USC 6602.

(C) section 6611(a) (relating to interest on overpayments),

26 USC 6611.

(D) section 6332(c)(1) (relating to interest with respect to failure to surrender property subject to levy), and

26 USC 6332.

(E) section 7426(g) (relating to interest on judgments with respect to property wrongfully levied upon).

26 USC 7426.

Section 2411(a) of title 28 of the United States Code (relating to interest on judgments for overpayments of tax) is amended by striking out “the rate of 6 per centum per annum” and inserting in lieu thereof: “an annual rate established under section 6621 of the Internal Revenue Code of 1954”.

(b) TERMINATION OF REDUCED INTEREST RATE IN CERTAIN CASES.—

(1) CERTAIN EXTENSIONS OF TIME.—Section 6601 is amended by striking out subsection (b) (relating to extensions of time in the case of certain estates) and subsection (j) (relating to extensions of time in the case of certain expropriation losses), and by redesignating subsections (c), (d), (e), (f), (g), (h), (i), (k), and (l) as subsections (b), (c), (d), (e), (f), (g), (h), (i), and (j), respectively.

26 USC 6601.

(2) DEBT-FINANCED PROPERTY.—Section 514(b)(3)(D) (relating to interest with respect to certain unrelated debt-financed income) is amended by striking out the last sentence.

26 USC 514.

(c) INCREASE IN PENALTY FOR FAILURE TO PAY ESTIMATED INCOME TAX.—Section 6654(a) (relating to failure by individuals to pay estimated income tax) and sections 6655(a) and (g)(1) (relating to failure by corporations to pay estimated income tax) are each amended by striking out “the rate of 6 percent per annum” and inserting in lieu thereof the following: “an annual rate established under section 6621”.

26 USC 6654.

26 USC 6655.

(d) CONFORMING AMENDMENTS.—

(1) Section 6163(c) is amended to read as follows:

26 USC 6163.

“(c) CROSS REFERENCE.—

“For authority of the Secretary or his delegate to require security in the case of an extension under this section, see section 6165.”

(2) Sections 6166(g) and 6167(e) are each amended by striking out the last sentence.

26 USC 6166,
6167.

(3) Sections 6166(k) and 6167(h) are each amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(4) Section 6504(15) is amended by striking out “6601(h)” and inserting in lieu thereof “6601(g)”.

26 USC 6504.

(5) The table of subchapters for chapter 67 is amended by adding at the end thereof the following:

“SUBCHAPTER C. Determination of Interest Rate.”.

26 USC 6621
note.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on July 1, 1975, and apply to amounts outstanding on such date or arising thereafter.

SEC. 8. INTEREST ON CERTAIN DEPOSITS, ETC., IN THE UNITED STATES.

26 USC 861.

The last sentence of section 861(c) (relating to interest on deposits, etc.) is amended by striking out “December 31, 1975,” and inserting in lieu thereof “December 31, 1976.”

SEC. 9. EXCLUSION OF INTEREST ON CERTAIN OBLIGATIONS ISSUED PRIOR TO 1971.

(a) **IN GENERAL.**—Section 861(a)(1) (relating to income from sources within the United States) is amended—

- (1) by striking out “and” at the end of subparagraph (F),
- (2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof a comma and the word “and”, and
- (3) by adding at the end thereof the following new subparagraph:

“(H) interest on a debt obligation which was part of an issue which—

“(i) was part of an issue outstanding on April 1, 1971,

“(ii) was guaranteed by a United States person,

26 USC 4911.

“(iii) was treated under chapter 41 as a debt obligation of a foreign obligor,

“(iv) as of June 30, 1974, had a maturity of not more than 15 years, and

“(v) when issued, was purchased by one or more underwriters for the purpose of distribution through resale.”.

26 USC 2104.

(b) **CONFORMING AMENDMENT.**—The last sentence of section 2104(c) (relating to debt obligations treated as property within the United States) is amended by striking out “or section 861(a)(1)(G)” and inserting in lieu thereof a comma and “section 861(a)(1)(G), or section 861(a)(1)(H)”.

26 USC 861
note.

(c) **EFFECTIVE DATE.**—The amendment made by subsection (a) applies to interest paid after the date of enactment of this Act, and the amendment made by subsection (b) applies with respect to estates of decedents dying after such date.

SEC. 10. TAX ON CERTAIN INCOME OF POLITICAL ORGANIZATIONS.

26 USC 501.

(a) **GENERAL RULE.**—Subchapter F of chapter 1 (relating to exempt organizations) is amended by adding at the end thereof the following new part:

“PART VI—POLITICAL ORGANIZATIONS

“Sec. 527. Political Organizations.

26 USC 527.

“SEC. 527. POLITICAL ORGANIZATIONS.

(a) **GENERAL RULE.**—A political organization shall be subject to taxation under this subtitle only to the extent provided in this section. A political organization shall be considered an organization exempt from income taxes for the purpose of any law which refers to organizations exempt from income taxes.

“(b) **TAX IMPOSED.**—

“(1) **IN GENERAL.**—A tax is hereby imposed for each taxable year on the political organization taxable income of every political organization. Such tax shall consist of a normal tax and surtax computed as provided in section 11 as though the political organization were a corporation and as though the political organization taxable income were the taxable income referred to

26 USC 11.

in section 11. For purposes of this subsection, the surtax exemption provided by section 11(d) shall not be allowed.

26 USC 11.

“(2) ALTERNATIVE TAX IN CASE OF CAPITAL GAINS.—If for any taxable year any political organization has a net section 1201 gain, then, in lieu of the tax imposed by paragraph (1), there is hereby imposed a tax (if such a tax is less than the tax imposed by paragraph (1)) which shall consist of the sum of—

26 USC 1201.

“(A) a partial tax, computed as provided by paragraph (1), on the political organization taxable income determined by reducing such income by the amount of such gain, and

“(B) an amount determined as provided in section 1201 (a) on such gain.

“(c) POLITICAL ORGANIZATION TAXABLE INCOME DEFINED.—

“(1) TAXABLE INCOME DEFINED.—For purposes of this section, the political organization taxable income of any organization for any taxable year is an amount equal to the excess (if any) of—

“(A) the gross income for the taxable year (excluding any exempt function income), over

“(B) the deductions allowed by this chapter which are directly connected with the production of the gross income (excluding exempt function income), computed with the modifications provided in paragraph (2).

“(2) MODIFICATIONS.—For purposes of this subsection—

“(A) there shall be allowed a specific deduction of \$100,

“(B) no net operating loss deduction shall be allowed under section 172, and

26 USC 172.

“(C) no deduction shall be allowed under part VIII of subchapter B (relating to special deductions for corporations).

26 USC 241.

“(3) EXEMPT FUNCTION INCOME.—For purposes of this subsection, the term ‘exempt function income’ means any amount received as—

“Exempt function income.”

“(A) a contribution of money or other property,

“(B) membership dues, a membership fee or assessment from a member of the political organization, or

“(C) proceeds from a political fundraising or entertainment event, or proceeds from the sale of political campaign materials, which are not received in the ordinary course of any trade or business,

to the extent such amount is segregated for use only for the exempt function of the political organization.

“(d) CERTAIN USES NOT TREATED AS INCOME TO CANDIDATE.—For purposes of this title, if any political organization—

“(1) contributes any amount to or for the use of any political organization which is treated as exempt from tax under subsection (a) of this section,

“(2) contributes any amount to or for the use of any organization described in paragraph (1) or (2) of section 509(a) which is exempt from tax under section 501(a), or

26 USC 509.

26 USC 501.

“(3) deposits any amount in the general fund of the Treasury or in the general fund of any State or local government, such amount shall be treated as an amount not diverted for the personal use of the candidate or any other person. No deduction shall be allowed under this title for the contribution or deposit of any amount described in the preceding sentence.

“(e) OTHER DEFINITIONS.—For purposes of this section—

“(1) POLITICAL ORGANIZATION.—The term ‘political organization’ means a party, committee, association, fund, or other organization (whether or not incorporated) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function.

“(2) EXEMPT FUNCTION.—The term ‘exempt function’ means the function of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any Federal, State, or local public office or office in a political organization, or the election of Presidential or Vice-Presidential electors, whether or not such individual or electors are selected, nominated, elected, or appointed.

26 USC 271.

“(3) CONTRIBUTIONS.—The term ‘contributions’ has the meaning given to such term by section 271(b)(2).

“(4) EXPENDITURES.—The term ‘expenditures’ has the meaning given to such term by section 271(b)(3).

“(f) EXEMPT ORGANIZATION WHICH IS NOT POLITICAL ORGANIZATION MUST INCLUDE CERTAIN AMOUNTS IN GROSS INCOME.—

26 USC 501.

“(1) IN GENERAL.—If an organization described in section 501(c) which is exempt from tax under section 501(a) expends any amount during the taxable year directly (or through another organization) for an exempt function (within the meaning of subsection (e)(2)), then, notwithstanding any other provision of law, there shall be included in the gross income of such organization for the taxable year, and shall be subject to tax under subsection (b) as if it constituted political organization taxable income, an amount equal to the lesser of—

“(A) the net investment income of such organization for the taxable year, or

“(B) the aggregate amount so expended during the taxable year for such an exempt function.

“Net investment income.”

“(2) NET INVESTMENT INCOME.—For purposes of this subsection, the term ‘net investment income’ means the excess of—

“(A) the gross amount of income from interest, dividends, rents, and royalties, plus the excess (if any) of gains from the sale or exchange of assets over the losses from the sale or exchange of assets, over

“(B) the deductions allowed by this chapter which are directly connected with the production of the income referred to in subparagraph (A).

26 USC 511.

For purposes of the preceding sentence, there shall not be taken into account items taken into account for purposes of the tax imposed by section 511 (relating to tax on unrelated business income).

26 USC 501.

“(3) CERTAIN SEPARATE SEGREGATED FUNDS.—For purposes of this subsection and subsection (e)(1), a separate segregated fund (within the meaning of section 610 of title 18 or of any similar State statute, or within the meaning of any State statute which permits the segregation of dues moneys for exempt functions (within the meaning of subsection (e)(2))) which is maintained by an organization described in section 501(c) which is exempt from tax under section 501(a) shall be treated as a separate organization.

“(g) TREATMENT OF NEWSLETTER FUNDS.—

“(1) IN GENERAL.—For purposes of this section, a fund established and maintained by an individual who holds, has been

elected to, or is a candidate (within the meaning of section 41(c)(2)) for nomination or election to, any Federal, State, or local elective public office for use by such individual exclusively for the preparation and circulation of such individual's newsletter shall, except as provided in paragraph (2), be treated as if such fund constituted a political organization.

26 USC 41.

"(2) **ADDITIONAL MODIFICATIONS.**—In the case of any fund described in paragraph (1)—

"(A) the exempt function shall be only the preparation and circulation of the newsletter, and

"(B) the specific deduction provided by subsection (c)

(2) (A) shall not be allowed."

(b) **REQUIREMENT OF RETURN.**—Section 6012(a) (relating to persons required to make returns of income) is amended by striking out "and" at the end of paragraph (4), by inserting "and" at the end of paragraph (5), and by inserting after paragraph (5) the following new paragraph:

26 USC 6012.

"(6) Every political organization (within the meaning of section 527(e)(1)), and every fund treated under section 527(g) as if it constituted a political organization, which has political organization taxable income (within the meaning of section 527(c)(1)) for the taxable year;"

Ante, p. 2116.

Section 6012(a) is amended by striking out the last sentence thereof.

Ante, p. 1297.

(c) **CONFORMING AMENDMENT.**—Section 501(b) (relating to tax on unrelated business income and certain other activities) is amended by striking out "parts II and III" each place it appears and inserting in lieu thereof "parts II, III, and VI".

26 USC 501.

(d) **CLERICAL AMENDMENT.**—The table of parts for subchapter F is amended by adding at the end thereof the following new item:

"Part VI. Political Organizations."

(e) **EFFECTIVE DATE.**—The amendments made by subsections (a), (b), (c), and (d) shall apply to taxable years beginning after December 31, 1974.

26 USC 527
note.

(f) **EXEMPTION FROM FILING REQUIREMENT FOR PRIOR YEARS WHERE INCOME OF POLITICAL PARTY WAS \$100 OR LESS.**—In the case of a taxable year beginning after December 31, 1971, and before January 1, 1975, nothing in the Internal Revenue Code of 1954 shall be deemed to require any organization described in section 527(e)(1) of such Code to file a return for the taxable year under such Code if such organization would be exempt from so filing under section 6012(a)(6) of such Code if such section applied to such taxable year.

26 USC 6012
note.

(g) **TECHNICAL AMENDMENT.**—The Act entitled "An Act to amend the Internal Revenue Code of 1954 with respect to advertising in a convention program of a national political convention", approved June 18, 1968 (82 Stat. 183; Public Law 90-346) is repealed.

26 USC 1 et
seq.
Ante, p. 2116.*Supra*,
Repeal.26 USC 276
note.

SEC. 11. EXTENSION OF EXISTING CREDIT AND DEDUCTION PROVISIONS FOR POLITICAL CONTRIBUTIONS TO CONTRIBUTIONS FOR NEWSLETTERS; TWO-YEAR RULE FOR ANNOUNCING CANDIDACY.

(a) **GENERAL RULE.**—Section 41(a) (relating to contributions to candidates for public office) is amended by inserting "and all newsletter fund contributions" after "all political contributions".

26 USC 41.

(b) **VERIFICATION.**—Section 41(b)(3) (relating to verification) is amended—

(1) by striking out "political contribution" the first place it appears and inserting in lieu thereof "political contribution or newsletter fund contribution", and

(2) by striking out "political contribution" the second place it appears and inserting in lieu thereof "contribution".

26 USC 41.

“Newsletter
fund contribu-
tion.”

(c) **DEFINITION.**—Section 41(c) is amended by adding at the end thereof the following new paragraph:

“(5) **NEWSLETTER FUND CONTRIBUTION.**—The term ‘newsletter fund contribution’ means a contribution or gift of money to a fund established and maintained by an individual who holds, has been elected to, or is a candidate for nomination or election to, any Federal, State, or local elective public office for use by such individual exclusively for the preparation and circulation of a newsletter.”

26 USC 218.

(d) **CONFORMING AMENDMENTS IN DEDUCTION PROVISION.**—Section 218 (relating to contributions to candidates for public office) is amended—

Supra.

(1) by inserting “or newsletter fund contribution (as defined in section 41(c)(5))” after “section 41(c)(1)” in subsection (a); and

(2) (A) by striking out “political contribution” the first place it appears in subsection (b)(2) and inserting in lieu thereof “political contribution or newsletter fund contribution”; and

(B) by striking out “political contribution” the second place it appears in subsection (b)(2) and inserting in lieu thereof “contribution”.

26 USC 41.

(e) **TWO-YEAR RULE FOR ANNOUNCING CANDIDACY.**—Section 41(c)(2)(A) (defining candidate) is amended by striking out “has publicly announced” and inserting in lieu thereof “publicly announces before the close of the calendar year following the calendar year in which the contribution or gift is made”.

26 USC 41 note.

(f) **EFFECTIVE DATE.**—The amendments made by this section shall apply to any contribution payment of which is made after December 31, 1974, in taxable years beginning after such date.

SEC. 12. INCREASE IN POLITICAL CONTRIBUTIONS CREDIT AND DEDUCTION.

(a) **INCREASE IN CREDIT.**—Section 41(b)(1) (relating to maximum credit for contributions to candidates for public office) is amended to read as follows:

26 USC 6013.

“(1) **MAXIMUM CREDIT.**—The credit allowed by subsection (a) for a taxable year shall not exceed \$25 (\$50 in the case of a joint return under section 6013).”

26 USC 218.

(b) **INCREASE IN DEDUCTION.**—Section 218(b)(1) (relating to amount of deduction for contributions to candidates for public office) is amended to read as follows:

“(1) **AMOUNT.**—The deduction under subsection (a) shall not exceed \$100 (\$200 in the case of a joint return under section 6013).”

26 USC 41 note.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply with respect to any contribution the payment of which is made after December 31, 1974, in taxable years beginning after such date.

SEC. 13. TRANSFER OF APPRECIATED PROPERTY TO POLITICAL ORGANIZATIONS.

(a) **INCLUSION IN GROSS INCOME OF TRANSFEROR.**—

26 USC 71.

(1) **IN GENERAL.**—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

26 USC 84.

SEC. 84. TRANSFER OF APPRECIATED PROPERTY TO POLITICAL ORGANIZATION.

“(a) **GENERAL RULE.**—If—

“(1) any person transfers property to a political organization, and

“(2) the fair market value of such property exceeds its adjusted basis,
then for purposes of this chapter the transferor shall be treated as having sold such property to the political organization on the date of the transfer, and the transferor shall be treated as having realized an amount equal to the fair market value of such property on such date.

(b) **BASIS OF PROPERTY.**—In the case of a transfer of property to a political organization to which subsection (a) applies, the basis of such property in the hands of the political organization shall be the same as it would be in the hands of the transferor, increased by the amount of gain recognized to the transferor by reason of such transfer.

“(c) **POLITICAL ORGANIZATION DEFINED.**—For purposes of this section, the term ‘political organization’ has the meaning given to such term by section 527(e)(1).”

Ante, p. 2116.

(2) **CLERICAL AMENDMENT.**—The table of sections for such part II is amended by adding at the end thereof the following:

“Sec. 84. Transfer of appreciated property to political organizations.”

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to transfers made after May 7, 1974, in taxable years ending after such date.

26 USC 84 note.

(c) **NONRECOGNITION OF GAIN OR LOSS WHERE ORGANIZATION SOLD CONTRIBUTED PROPERTY BEFORE AUGUST 2, 1973.**—In the case of the sale or exchange before August 2, 1973, by an organization described in section 527(e)(1) of the Internal Revenue Code of 1954 of property which such organization acquired by contribution (within the meaning of section 271(b)(2) of such Code), no gain or loss shall be recognized by such organization.

26 USC 84 note.

26 USC 271.

SEC. 14. GIFT TAX NOT TO APPLY TO CONTRIBUTIONS TO POLITICAL ORGANIZATIONS.

(a) **IN GENERAL.**—Section 2501(a) (relating to taxable transfers for purposes of the gift tax) is amended by adding at the end thereof the following new paragraph:

26 USC 2501.

“(5) **TRANSFERS TO POLITICAL ORGANIZATIONS.**—Paragraph (1) shall not apply to the transfer of money or other property to a political organization (within the meaning of section 527(e)(1)) for the use of such organization.”

Ante, p. 2116.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to transfers made after May 7, 1974.

26 USC 2501 note.

Approved January 3, 1975.

Public Law 93-626

AN ACT

To establish the Canaveral National Seashore in the State of Florida, and for other purposes.

January 3, 1975
[H. R. 5773]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve and protect the outstanding natural, scenic, scientific, ecologic, and historic values of certain lands, shoreline, and waters of the State of Florida, and to provide for public outdoor recreation use and enjoyment of the same, there is hereby established the Canaveral National Seashore (hereinafter referred to as the “seashore”), as generally depicted on the map entitled “Boundary Map, Canaveral National Seashore”, dated August 1974 and numbered NS-CAN-40,000A. Such seashore shall comprise approximately sixty-seven thousand five hundred acres within the area more particularly

Canaveral National Seashore, Fla.
Establishment.
16 USC 459j.

described by a line beginning at the intersection of State Highway 3 and State Road 402, thence generally easterly following State Road 402 to a point one-half mile offshore in the Atlantic Ocean, thence northwesterly along a line which is at each point one-half mile distant from the high water mark to Bethune Beach, thence inland in a generally westerly direction through Turner Flats and Shipyard Canal, thence northwesterly to the Intracoastal Waterway, thence southerly along the Intracoastal Waterway to the boundary of the Kennedy Space Center, thence southwesterly to United States Highway 1, thence southerly along State Highway 3 to the point of beginning. The boundary map shall be on file and available for public inspection in the offices of the United States Fish and Wildlife Service and National Park Service, Department of the Interior, Washington, District of Columbia. After advising the Committees on Interior and Insular Affairs of the United States Congress, in writing, at least sixty days prior to making any boundary revisions, the Secretary may from time to time make minor revisions in the boundaries of the seashore by publication of a revised map or other boundary description in the Federal Register: *Provided*, That the total acreage included within the boundaries shall not exceed that enumerated in this section.

Boundary revisions, publication in Federal Register.

Land acquisition.
16 USC 459j-1.

SEC. 2. Within the boundaries of the seashore, the Secretary may acquire lands, waters, and interests therein by donation, purchase with donated or appropriated funds, exchange, or transfer. Any property owned by the State of Florida or any political subdivision thereof may be acquired only by donation. It is the intent and purpose of this Act that the Secretary shall have sole authority to develop and improve those State owned lands donated now and in the future in accordance with the intent and purposes of this Act. Notwithstanding any other provision of law, any federally owned property within the boundaries of the seashore may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary of the Interior and he may develop and administer such lands in a manner consistent with the purposes of this Act. In accepting lands transferred by the National Aeronautics and Space Administration pursuant to this Act, the Secretary shall enter into a written cooperative agreement with the Administrator to assure the use of such lands in a manner which is deemed consistent with the public safety and with the needs of the space and defense programs of the Nation: *Provided*, That no new construction or development shall be permitted within the seashore, except for the construction of such facilities as the Secretary deems necessary for the health and safety of the visiting public or for the proper administration of the seashore: *Provided further*, That after the date of the enactment of this Act the Secretary of the Interior, in cooperation with the Administrator of the National Aeronautics and Space Administration, shall submit to the Committees on Interior and Insular Affairs of the Congress and to the Committee on Science and Astronautics of the House of Representatives and to the Committee on Aeronautical and Space Sciences of the Senate a report of all land transfers made by the National Aeronautics and Space Administration to the Department of the Interior under this Act.

Report to congressional committees.

SEC. 3. (a) Except for property deemed necessary by the Secretary for visitor facilities, or for access to or administration of the seashore, any owner or owners of improved property on the date of its acquisition by the Secretary may, as a condition of such acquisition, retain for themselves and their successors or assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a definite term not to exceed twenty-five years, or in lieu thereof, for a term ending at the death of the owner, or the death of his spouse, whichever is the later. The owner shall elect the term to be reserved. Unless the property is wholly or partially donated to the United States, the Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

16 USC 459j-2.

(b) The Secretary may terminate a right of use and occupancy retained pursuant to this section upon his determination that such use and occupancy is being exercised in a manner not consistent with the purposes of this Act, and upon tender to the holder of the right of an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

(c) The term "improved property", as used in this section shall mean a detached, noncommercial residential dwelling, the construction of which was begun before January 1, 1971 (hereafter referred to as "dwelling"), together with so much of the land on which the dwelling is situated, the said land being in the same ownership as the dwelling, as the Secretary shall designate to be reasonably necessary for the enjoyment of the dwelling for the sole purpose of noncommercial residential use, together with any structures, necessary to the dwelling which are situated on the land so designated.

"Improved property."

(d) Except as otherwise provided, the Secretary shall have the authority to use condemnation as a means of acquiring a clear and marketable title, free of any and all encumbrances.

SEC. 4. The Secretary shall permit hunting, fishing, and trapping on lands and waters under his jurisdiction within the boundaries of the seashore in accordance with the appropriate laws of the State of Florida and the United States to the extent applicable, except that he may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of public safety, administration, fish and wildlife management, public use and enjoyment, protection of the resource, or competing public use. Except in emergencies, any regulations prescribing any such restrictions shall be put into effect only after consultation with the appropriate State agency responsible for hunting, fishing, and trapping activities.

Hunting, fishing,
and trapping rights.
16 USC 459j-3.

SEC. 5 (a) The seashore shall be administered, protected, and developed in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), as amended and supplemented, except that any other statutory authority available to the Secretary for the conservation management of natural resources may be utilized to the extent he finds such authority will further the purposes of the Act.

Administration.
16 USC 459j-4.

(b) Notwithstanding any other provisions of this Act, lands and waters in the Merritt Island National Wildlife Refuge as described in subsection (c) (2) of this section which are part of the seashore shall be administered for refuge purposes through the United States Fish and Wildlife Service pursuant to the National Wildlife Refuge

System Administration Act, as amended (80 Stat. 926; 16 U.S.C. 668dd-668ee), except that the Secretary may utilize such additional authority as may be available to him for the conservation and management of wildlife and natural resources, the development of outdoor recreation opportunities, and interpretive education as he deems appropriate, consistent with the preservation of natural and wildlife values.

(c) The Secretary shall cause to be issued a well defined division of management authority between the National Park Service and the United States Fish and Wildlife Service. It is the intent and purpose of this Act that such management authority, generally, shall be as follows:

(1) The National Park Service shall administer those lands and waters described as follows: beginning at the intersection of State Highway 3 and State Road 402; thence easterly along State Road 402 and continuing easterly in a straight line to a point one-half mile offshore in the Atlantic Ocean, following the southern boundary of the seashore created in section 1; thence northwesterly along the boundary of the seashore created in section 1, which line is at each point one-half mile distance from the high water mark, to Bethune Beach; thence inland in a generally westerly direction through Turner Flats and Shipyard Canal; thence northwesterly to the Intracoastal Waterway; thence southerly along the Intracoastal Waterway to the boundary of the Kennedy Space Center; then southwesterly to United States Highway 1; thence southerly along State Highway 3 to the northern boundary of H. M. Gomez Grant; thence easterly along the northern boundary of H. M. Gomez Grant and continuing easterly in a straight line to a point of intersection with the line between the marsh and the dunes; thence southerly along the line between the marsh and the dunes to a point approximately one-half mile north of the southern boundary of the seashore created in section 1; thence westerly in a straight line to connect with and to follow the Government Railroad to its intersection with State Highway 3; thence southerly along State Highway 3 to the point of beginning. The portion of land bounded by the northern boundary of the H. M. Gomez Grant is hereby transferred to the Secretary of the Interior and may be used for the purpose of establishing such facilities as are needed for the administration of the seashore, for the construction of the principal visitor center which shall be designated as the "Spessard L. Holland Visitor Center", and for a central access to the seashore: *Provided, however,* That the Secretary of the Interior, upon the request of the Administrator of the National Aeronautics and Space Administration, shall close this area or any part thereof to the public when necessary for space operations. In administering the shoreline and adjacent lands the Secretary shall retain such lands in their natural and primitive condition, shall prohibit vehicular traffic on the beach except for administrative purposes, and shall develop only those facilities which he deems essential for public health and safety.

(2) The United States Fish and Wildlife Service shall administer the remaining lands described in section 1 of the Act.

SEC. 6. (a) There is hereby established the Canaveral National Seashore Advisory Commission which shall consult and advise with the Secretary on all matters of planning, development, and operation of

Spessard L.
Holland Visitor
Center, designa-
tion.

Canaveral Na-
tional Seashore
Advisory Commis-
sion.
Establishment.
16 USC 459j-5.

the seashore and shall provide such other advice and assistance as may be useful in carrying out the purposes of this Act. The Commission shall terminate ten years after the date the seashore is established pursuant to this Act, unless extended by the Congress. The Commission shall be composed of five members who shall serve for terms of two years. Members shall be appointed by the Secretary, one of whom he shall designate as Chairman, in the following manner:

Termination.

Membership.

(1) one member from each county in which the seashore is located, to be selected from recommendations made by the county commission in each county;

(2) two members representing the State of Florida who shall be selected from recommendations made by the Governor of Florida; and

(3) one member representing the general public.

(b) After the Secretary designates the member to be Chairman, the Commission may meet as often as necessary at the call of the Chairman or of the Secretary, or upon petition of a majority of the members of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(c) Members of the Commission shall serve without compensation, as such, but the Secretary may pay, upon vouchers signed by the Chairman, the expenses reasonably incurred by the Commission and its members in carrying out their responsibilities under this section.

SEC. 7. Upon enactment of this Act, those lands to be used for the administrative and visitor facilities described in section 5(c)(1) shall be transferred by this Act to the Secretary of the Interior and those portions of the John F. Kennedy Space Center falling within the boundaries of the seashore as defined in section 1 of this Act shall become a part of the seashore, and within ninety days thereafter, the Administrator, National Aeronautics and Space Administration, shall grant to the Secretary for carrying out the intent and purpose of this Act such use of said portions as the Administrator determines is not inconsistent with public safety and the needs of the space and defense programs of the Nation. Notwithstanding any other provision of law, any lands within the seashore which the Administrator determines to be excess to the needs of such agency shall be transferred to the Secretary of the Interior for administration in accordance with the provisions of this Act: *Provided*, That any portions of the John F. Kennedy Space Center within the seashore not transferred to the Secretary shall remain under the control and jurisdiction of the Administrator.

Transfer of
lands.
16 USC 459j-6.

SEC. 8. Within three years from the date of enactment of this Act, the Secretary shall review the area within the seashore and shall report to the President, in accordance with section 3 (c) and (d) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132 (c) and (d)), his recommendations as to the suitability or unsuitability of any area within the seashore for preservation as wilderness, and any designation of any such areas as a wilderness shall be accomplished in accordance with said subsections of the Wilderness Act.

Report to Pres-
ident.
16 USC 459j-7.

SEC. 9. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not more than \$7,941,000 for the acquisition of lands and interests in lands. In order to avoid excessive costs resulting from delays in the acquisition program, the Secretary shall make every reasonable effort to promptly acquire the privately owned lands within the seashore. Until all such lands are acquired, he shall report, in writing on June 30 of each year to the Committees on Interior and Insular Affairs of the United States Congress, the following information:

16 USC 459j-8.

Reports to con-
gressional com-
mittees.

Seashore development plan, transmittal to congressional committees.

- (1) the amount of land acquired during the current fiscal year and the amount expended therefor;
 - (2) the amount of land remaining to be acquired; and
 - (3) the amount of land programed for acquisition in the ensuing fiscal year and the estimated cost thereof.
- (b) For the development of essential public facilities there are authorized to be appropriated not more than \$500,000. Within three years from the date of the enactment of this Act, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan for the full development of the seashore consistent with the preservation objectives of this Act, indicating:
- (1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;
 - (2) the location and estimated cost of all facilities; and
 - (3) the projected need for any additional facilities within the seashore.
- Approved January 3, 1975.

Public Law 93-627

AN ACT

January 3, 1975
[H. R. 10701]

To regulate commerce, promote efficiency in transportation, and protect the environment, by establishing procedures for the location, construction, and operation of deepwater ports off the coasts of the United States, and for other purposes.

Deepwater Port Act of 1974.
33 USC 1501 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Deepwater Port Act of 1974".

DECLARATION OF POLICY

33 USC 1501.

SEC. 2. (a) It is declared to be the purposes of the Congress in this Act to—

- (1) authorize and regulate the location, ownership, construction, and operation of deepwater ports in waters beyond the territorial limits of the United States;
 - (2) provide for the protection of the marine and coastal environment to prevent or minimize any adverse impact which might occur as a consequence of the development of such ports;
 - (3) protect the interests of the United States and those of adjacent coastal States in the location, construction, and operation of deepwater ports; and
 - (4) protect the rights and responsibilities of States and communities to regulate growth, determine land use, and otherwise protect the environment in accordance with law.
- (b) The Congress declares that nothing in this Act shall be construed to affect the legal status of the high seas, the superjacent airspace, or the seabed and subsoil, including the Continental Shelf.

DEFINITIONS

SEC. 3. As used in this Act, unless the context otherwise requires, the term—

33 USC 1502.

(1) "adjacent coastal State" means any coastal State which (A) would be directly connected by pipeline to a deepwater port, as proposed in an application; (B) would be located within 15 miles of any such proposed deepwater port; or (C) is designated by the Secretary in accordance with section 9(a)(2) of this Act;

(2) "affiliate" means any entity owned or controlled by, any person who owns or controls, or any entity which is under common ownership or control with an applicant, licensee, or any person required to be disclosed pursuant to section 5(c)(2) (A) or (B);

(3) "antitrust laws" includes the Act of July 2, 1890, as amended, the Act of October 15, 1914, as amended, the Federal Trade Commission Act (15 U.S.C. 41 et seq., and sections 73 and 74 of the Act of August 27, 1894, as amended);

15 USC 1, 12.

(4) "application" means any application submitted under this Act (A) for a license for the ownership, construction, and operation of a deepwater port; (B) for transfer of any such license; or (C) for any substantial change in any of the conditions and provisions of any such license;

15 USC 8, 9.

(5) "citizen of the United States" means any person who is a United States citizen by law, birth, or naturalization, any State, any agency of a State or a group of States, or any corporation, partnership, or association organized under the laws of any State which has as its president or other executive officer and as its chairman of the board of directors, or holder of a similar office, a person who is a United States citizen by law, birth or naturalization and which has no more of its directors who are not United States citizens by law, birth or naturalization than constitute a minority of the number required for a quorum necessary to conduct the business of the board;

(6) "coastal environment" means the navigable waters (including the lands therein and thereunder) and the adjacent shorelines including waters therein and thereunder). The term includes transitional and intertidal areas, bays, lagoons, salt marshes, estuaries, and beaches; the fish, wildlife and other living resources thereof; and the recreational and scenic values of such lands, waters and resources;

(7) "coastal State" means any State of the United States in or bordering on the Atlantic, Pacific, or Arctic Oceans, or the Gulf of Mexico;

(8) "construction" means the supervising, inspection, actual building, and all other activities incidental to the building, repairing, or expanding of a deepwater port or any of its components, including, but not limited to, pile driving and bulkheading, and alterations, modifications, or additions to the deepwater port;

(9) “control” means the power, directly or indirectly, to determine the policy, business practices, or decisionmaking process of another person, whether by stock or other ownership interest, by representation on a board of directors or similar body, by contract or other agreement with stockholders or others, or otherwise;

(10) “deepwater port” means any fixed or floating manmade structures other than a vessel, or any group of such structures, located beyond the territorial sea and off the coast of the United States and which are used or intended for use as a port or terminal for the loading or unloading and further handling of oil for transportation to any State, except as otherwise provided in section 23. The term includes all associated components and equipment, including pipelines, pumping stations, service platforms, mooring buoys, and similar appurtenances to the extent they are located seaward of the high water mark. A deepwater port shall be considered a “new source” for purposes of the Clean Air Act, as amended, and the Federal Water Pollution Control Act, as amended;

(11) “Governor” means the Governor of a State or the person designated by State law to exercise the powers granted to the Governor pursuant to this Act;

(12) “licensee” means a citizen of the United States holding a valid license for the ownership, construction, and operation of a deepwater port that was issued, transferred, or renewed pursuant to this Act;

(13) “marine environment” includes the coastal environment, waters of the contiguous zone, and waters of the high seas; the fish, wildlife, and other living resources of such waters; and the recreational and scenic values of such waters and resources;

(14) “oil” means petroleum, crude oil, and any substance refined from petroleum or crude oil;

(15) “person” includes an individual, a public or private corporation, a partnership or other association, or a government entity;

(16) “safety zone” means the safety zone established around a deepwater port as determined by the Secretary in accordance with section 10(d) of this Act;

(17) “Secretary” means the Secretary of Transportation;

(18) “State” includes each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States; and

(19) “vessel” means every description of watercraft or other artificial contrivance used as a means of transportation on or through the water.

LICENSE FOR THE OWNERSHIP, CONSTRUCTION, AND OPERATION OF A DEEPWATER PORT

33 USC 1503.

SEC. 4. (a) No person may engage in the ownership, construction, or operation of a deepwater port except in accordance with a license

Post, p. 2147.

42 USC 1857
note.
33 USC 1251
note.

issued pursuant to this Act. No person may transport or otherwise transfer any oil between a deepwater port and the United States unless such port has been so licensed and the license is in force. A deepwater port, licensed pursuant to the provisions of this Act, may not be utilized—

(1) for the loading and unloading of commodities or materials (other than oil) transported from the United States, other than materials to be used in the construction, maintenance, or operation of the high seas oil port, to be used as ship supplies, including bunkering for vessels utilizing the high seas oil port,

(2) for the transshipment of commodities or materials, to the United States, other than oil,

(3) except in cases where the Secretary otherwise by rule provides, for the transshipment of oil, destined for locations outside the United States,

(b) The Secretary is authorized, upon application and in accordance with the provisions of this Act, to issue, transfer, amend, or renew a license for the ownership, construction, and operation of a deepwater port.

(c) The Secretary may issue a license in accordance with the provisions of this Act if—

License, issuance.

(1) he determines that the applicant is financially responsible and will meet the requirements of section 18(1) of this Act;

(2) he determines that the applicant can and will comply with applicable laws, regulations, and license conditions;

(3) he determines that the construction and operation of the deepwater port will be in the national interest and consistent with national security and other national policy goals and objectives, including energy sufficiency and environmental quality;

(4) he determines that the deepwater port will not unreasonably interfere with international navigation or other reasonable uses of the high seas, as defined by treaty, convention, or customary international law;

(5) he determines, in accordance with the environmental review criteria established pursuant to section 6 of this Act, that the applicant has demonstrated that the deepwater port will be constructed and operated using best available technology, so as to prevent or minimize adverse impact on the marine environment;

(6) he has not been informed, within 45 days of the last public hearing on a proposed license for a designated application area, by the Administrator of the Environmental Protection Agency that the deepwater port will not conform with all applicable provisions of the Clean Air Act, as amended, the Federal Water Pollution Control Act, as amended, or the Marine Protection, Research and Sanctuaries Act, as amended;

(7) he has received the opinions of the Federal Trade Commission and the Attorney General, pursuant to section 7 of this Act, as to whether issuance of the license would adversely affect competition, restrain trade, promote monopolization, or otherwise create a situation in contravention of the antitrust laws;

(8) he has consulted with the Secretary of the Army, the Secretary of State, and the Secretary of Defense, to determine their

42 USC 1857
note.
33 USC 1251
note.
33 USC 1401
note.

views on the adequacy of the application, and its effect on programs within their respective jurisdictions;

(9) the Governor of the adjacent coastal State or States, pursuant to section 9 of this Act, approves, or is presumed to approve, issuance of the license; and

(10) the adjacent coastal State to which the deepwater port is to be directly connected by pipeline has developed, or is making, at the time the application is submitted, reasonable progress, as determined in accordance with section 9(c) of this Act, toward developing, an approved coastal zone management program pursuant to the Coastal Zone Management Act of 1972.

16 USC 1451
note.

(d) If an application is made under this Act for a license to construct a deepwater port facility off the coast of a State, and a port of the State which will be directly connected by pipeline with such deepwater port, on the date of such application—

(1) has existing plans for construction of a deep draft channel and harbor; and

33 USC 403.

(2) has either (A) an active study by the Secretary of the Army relating to the construction of a deep draft channel and harbor, or (B) a pending application for a permit under section 10 of the Act of March 3, 1899 (30 Stat. 1121), for such construction; and

(3) applies to the Secretary for a determination under this section within 30 days of the date of the license application; the Secretary shall not issue a license under this Act until he has examined and compared the economic, social, and environmental effects of the construction and operation of the deepwater port with the economic, social and environmental effects of the construction, expansion, deepening, and operation of such State port, and has determined which project best serves the national interest or that both developments are warranted. The Secretary's determination shall be discretionary and nonreviewable.

Conditions.

(e) (1) In issuing a license for the ownership, construction, and operation of a deepwater port, the Secretary shall prescribe any conditions which he deems necessary to carry out the provisions of this Act, or which are otherwise required by any Federal department or agency pursuant to the terms of this Act.

(2) No license shall be issued, transferred, or renewed under this Act unless the licensee or transferee first agrees in writing that (A) there will be no substantial change from the plans, operational systems, and methods, procedures, and safeguards set forth in his application, as approved, without prior approval in writing from the Secretary; and (B) he will comply with any condition the Secretary may prescribe in accordance with the provisions of this Act.

Removal re-
quirements.

(3) The Secretary shall establish such bonding requirements or other assurances as he deems necessary to assure that, upon the revocation or termination of a license, the licensee will remove all components of the deepwater port. In the case of components lying in the subsoil below the seabed, the Secretary is authorized to waive the removal requirements if he finds that such removal is not otherwise

Waiver.

necessary and that the remaining components do not constitute any threat to navigation or to the environment. At the request of the licensee, the Secretary, after consultation with the Secretary of the Interior, is authorized to waive the removal requirement as to any components which he determines may be utilized in connection with the transportation of oil, natural gas, or other minerals, pursuant to a lease granted under the provisions of the Outer Continental Shelf Lands Act (67 Stat. 462), after which waiver the utilization of such components shall be governed by the terms of the Outer Continental Shelf Lands Act.

Waiver.

43 USC 1331
note.

(f) Upon application, licenses issued under this Act may be transferred if the Secretary determines that such transfer is in the public interest and that the transferee meets the requirements of this Act and the prerequisites to issuance under subsection (c) of this section.

Transfer of li-
censes.

(g) Any citizen of the United States who otherwise qualifies under the terms of this Act shall be eligible to be issued a license for the ownership, construction, and operation of a deepwater port.

Eligibility.

(h) Licenses issued under this Act shall be for a term of not to exceed 20 years. Each licensee shall have a preferential right to renew his license subject to the requirements of subsection (c) of this section, upon such conditions and for such term, not to exceed an additional 10 years upon each renewal, as the Secretary determines to be reasonable and appropriate.

Term and re-
newal.

PROCEDURE

SEC. 5. (a) The Secretary shall, as soon as practicable after the date of enactment of this Act, and after consultation with other Federal agencies, issue regulations to carry out the purposes and provisions of this Act, in accordance with the provisions of section 553 of title 5, United States Code, without regard to subsection (a) thereof. Such regulations shall pertain to, but need not be limited to, application, issuance, transfer, renewal, suspension, and termination of licenses. Such regulations shall provide for full consultation and cooperation with all other interested Federal agencies and departments and with any potentially affected coastal State, and for consideration of the views of any interested members of the general public. The Secretary is further authorized, consistent with the purposes and provisions of this Act, to amend or rescind any such regulation.

Regulations.
33 USC 1504.

(b) The Secretary, in consultation with the Secretary of the Interior and the Administrator of the National Oceanic and Atmospheric Administration, shall, as soon as practicable after the date of enactment of this Act, prescribe regulations relating to those activities involved in site evaluation and preconstruction testing at potential deepwater port locations that may (1) adversely affect the environment; (2) interfere with authorized uses of the Outer Continental Shelf; or (3) pose a threat to human health and welfare. Such activity may thenceforth not be undertaken except in accordance with regulations prescribed pursuant to this subsection. Such regulations shall be consistent with the purposes of this Act.

(c) (1) Any person making an application under this Act shall submit detailed plans to the Secretary. Within 21 days after the receipt of an application, the Secretary shall determine whether the application appears to contain all of the information required by paragraph (2) hereof. If the Secretary determines that such information appears to be contained in the application, the Secretary shall, no later than 5 days after making such a determination, publish notice of the application and a summary of the plans in the Federal Register. If the Secretary determines that all of the required information does not appear

Plans, submit-
tal to Secretary of
Transportation.Publication in
Federal Register.

to be contained in the application, the Secretary shall notify the applicant and take no further action with respect to the application until such deficiencies have been remedied.

Application
contents.

(2) Each application shall include such financial, technical, and other information as the Secretary deems necessary or appropriate. Such information shall include, but need not be limited to—

(A) the name, address, citizenship, telephone number, and the ownership interest in the applicant, of each person having any ownership interest in the applicant of greater than 3 per centum;

(B) to the extent feasible, the name, address, citizenship, and telephone number of any person with whom the applicant has made, or proposes to make, a significant contract for the construction or operation of the deepwater port, and a copy of any such contract;

(C) the name, address, citizenship, and telephone number of each affiliate of the applicant and of any person required to be disclosed pursuant to subparagraphs (A) or (B) of this paragraph, together with a description of the manner in which such affiliate is associated with the applicant or any person required to be disclosed under subparagraph (A) or (B) of this paragraph;

(D) the proposed location and capacity of the deepwater port, including all components thereof;

(E) the type and design of all components of the deepwater port and any storage facilities associated with the deepwater port;

(F) with respect to construction in phases, a detailed description of each phase, including anticipated dates of completion for each of the specific components thereof;

(G) the location and capacity of existing and proposed storage facilities and pipelines which will store or transport oil transported through the deepwater port, to the extent known by the applicant or any person required to be disclosed pursuant to subparagraphs (A), (B), or (C) of this paragraph;

(H) with respect to any existing and proposed refineries which will receive oil transported through the deepwater port, the location and capacity of each such refinery and the anticipated volume of such oil to be refined by each such refinery, to the extent known by the applicant or any person required to be disclosed pursuant to subparagraphs (A), (B), or (C) of this paragraph;

(I) the financial and technical capabilities of the applicant to construct or operate the deepwater port;

(J) other qualifications of the applicant to hold a license under this Act;

(K) a description of procedures to be used in constructing, operating, and maintaining the deepwater port, including systems of oil spill prevention, containment, and cleanup; and

(L) such other information as may be required by the Secretary to determine the environmental impact of the proposed deepwater port.

Publication in
Federal Register.

(d) (1) At the time notice of an application is published pursuant to subsection (c) of this section, the Secretary shall publish a description in the Federal Register of an application area encompassing the deepwater port site proposed by such application and within which construction of the proposed deepwater port would eliminate, at the time such application was submitted, the need for any other deepwater port within that application area.

(2) As used in this section, "application area" means any reasonable geographical area within which a deepwater port may be constructed and operated. Such application area shall not exceed a circular zone, the center of which is the principal point of loading and unloading at the port, and the radius of which is the distance from such point to the high water mark of the nearest adjacent coastal State.

"Application area."

(3) The Secretary shall accompany such publication with a call for submission of any other applications for licenses for the ownership, construction, and operation of a deepwater port within the designated application area. Persons intending to file applications for such license shall submit a notice of intent to file an application with the Secretary not later than 60 days after the publication of notice pursuant to subsection (c) of this section and shall submit the completed application no later than 90 days after publication of such notice. The Secretary shall publish notice of any such application received in accordance with subsection (c) of this section. No application for a license for the ownership, construction, and operation of a deepwater port within the designated application area for which a notice of intent to file was received after such 60-day period, or which is received after such 90-day period has elapsed, shall be considered until the application pending with respect to such application area have been denied pursuant to this Act.

(e)(1) Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior, the Administrator of the Environmental Protection Agency, the Chief of Engineers of the United States Army Corps of Engineers, the Administrator of the National Oceanic and Atmospheric Administration, and the heads of any other Federal departments or agencies having expertise concerning, or jurisdiction over, any aspect of the construction or operation of deepwater ports shall transmit to the Secretary written comments as to their expertise or statutory responsibilities pursuant to this Act or any other Federal law.

Recommendations to Secretary of Transportation.

(2) An application filed with the Secretary shall constitute an application for all Federal authorizations required for ownership, construction, and operation of a deepwater port. At the time notice of any application is published pursuant to subsection (c) of this section, the Secretary shall forward a copy of such application to those Federal agencies and departments with jurisdiction over any aspect of such ownership, construction, or operation for comment, review, or recommendation as to conditions and for such other action as may be required by law. Each agency or department involved shall review the application and, based upon legal considerations within its area of responsibility, recommend to the Secretary the approval or disapproval of the application not later than 45 days after the last public hearing on a proposed license for a designated application area. In any case in which the agency or department recommends disapproval, it shall set forth in detail the manner in which the application does not comply with any law or regulation within its area of responsibility and shall notify the Secretary how the application may be amended so as to bring it into compliance with the law or regulation involved.

(f) For all timely applications covering a single application area, the Secretary, in cooperation with other involved Federal agencies and departments, shall, pursuant to section 102(2)(C) of the National Environmental Policy Act, prepare a single, detailed environmental impact statement, which shall fulfill the requirement of all Federal agencies in carrying out their responsibilities pursuant to this Act to prepare an environmental impact statement. In preparing such statement the Secretary shall consider the criteria established under section 6 of this Act.

Environmental impact statement.

42 USC 4332.

Public notice
and hearings.

(g) A license may be issued, transferred, or renewed only after public notice and public hearings in accordance with this subsection. At least one such public hearing shall be held in each adjacent coastal State. Any interested person may present relevant material at any hearing. After hearings in each adjacent coastal State are concluded, if the Secretary determines that there exists one or more specific and material factual issues which may be resolved by a formal evidentiary hearing, at least one adjudicatory hearing shall be held in accordance with the provisions of section 554 of title 5, United States Code, in the District of Columbia. The record developed in any such adjudicatory hearing shall be basis for the Secretary's decision to approve or deny a license. Hearings held pursuant to this subsection shall be consolidated insofar as practicable with hearings held by other agencies. All public hearings on all applications for any designated application area shall be consolidated and shall be concluded not later than 240 days after notice of the initial application has been published pursuant to section 5(c) of this Act.

Nonrefundable
application fee.

(h) (1) Each person applying for a license pursuant to this Act shall remit to the Secretary at the time the application is filed a nonrefundable application fee established by regulation by the Secretary. In addition, an applicant shall also reimburse the United States and the appropriate adjacent coastal State for any additional costs incurred in processing an application.

State fees.

(2) Notwithstanding any other provision of this Act, an adjacent coastal State may fix reasonable fees for the use of a deepwater port facility, and such State and any other State in which land-based facilities directly related to a deepwater port facility are located may set reasonable fees for the use of such land-based facilities. Fees may be fixed under authority of this paragraph as compensation for any economic cost attributable to the construction and operation of such deepwater port and such land-based facilities, which cannot be recovered under other authority of such State or political subdivision thereof, including, but not limited to, ad valorem taxes, and for environmental and administrative costs attributable to the construction and operation of such deepwater port and such land-based facilities. Fees under this paragraph shall not exceed such economic, environmental, and administrative costs of such State. Such fees shall be subject to the approval of the Secretary. As used in this paragraph, the term "land-based facilities directly related to a deepwater port facility" means the onshore tank farm and pipelines connecting such tank farm to the deepwater port facility.

Definition.

Fair market
rental value, ad-
vance payment.

(3) A licensee shall pay annually in advance the fair market rental value (as determined by the Secretary of the Interior) of the subsoil and seabed of the Outer Continental Shelf of the United States to be utilized by the deepwater port, including the fair market rental value of the right-of-way necessary for the pipeline segment of the port located on such subsoil and seabed.

Application ap-
proval.

(i) (1) The Secretary shall approve or deny any application for a designated application area submitted pursuant to this Act not later than 90 days after the last public hearing on a proposed license for that area.

Priorities.

(2) In the event more than one application is submitted for an application area, the Secretary, unless one of the proposed deepwater ports clearly best serves the national interest, shall issue a license according to the following order of priorities:

(A) to an adjacent coastal State (or combination of States), any political subdivision thereof, or agency or instrumentality, including a wholly owned corporation of any such government;

(B) to a person who is neither (i) engaged in producing, refining, or marketing oil, nor (ii) an affiliate of any person who is engaged in producing, refining, or marketing oil or an affiliate of any such affiliate;

(C) to any other person.

(3) In determining whether any one proposed deepwater port clearly best serves the national interest, the Secretary shall consider the following factors:

(A) the degree to which the proposed deepwater ports affect the environment, as determined under criteria established pursuant to section 6 of this Act;

(B) any significant differences between anticipated completion dates for the proposed deepwater ports; and

(C) any differences in costs of construction and operation of the proposed deepwater ports, to the extent that such differential may significantly affect the ultimate cost of oil to the consumer.

ENVIRONMENTAL REVIEW CRITERIA

SEC. 6. (a) The Secretary, in accordance with the recommendations of the Administrator of the Environmental Protection Agency and the Administrator of the National Oceanic and Atmospheric Administration and after consultation with any other Federal departments and agencies having jurisdiction over any aspect of the construction or operation of a deepwater port, shall establish, as soon as practicable after the date of enactment of this Act, environmental review criteria consistent with the National Environmental Policy Act. Such criteria shall be used to evaluate a deepwater port as proposed in an application, including—

33 USC 1505.

- (1) the effect on the marine environment;
- (2) the effect on oceanographic currents and wave patterns;
- (3) the effect on alternate uses of the oceans and navigable waters, such as scientific study, fishing, and exploitation of other living and nonliving resources;
- (4) the potential dangers to a deepwater port from waves, winds, weather, and geological conditions, and the steps which can be taken to protect against or minimize such dangers;
- (5) effects of land-based developments related to deepwater port development;
- (6) the effect on human health and welfare; and
- (7) such other considerations as the Secretary deems necessary or appropriate.

42 USC 4321
note.

(b) The Secretary shall periodically review and, whenever necessary, revise in the same manner as originally developed, criteria established pursuant to subsection (a) of this section.

(c) Criteria established pursuant to this section shall be developed concurrently with the regulations in section 5(a) of this Act and in accordance with the provisions of that subsection.

ANTITRUST REVIEW

SEC. 7. (a) The Secretary shall not issue, transfer, or renew any license pursuant to section 4 of this Act unless he has received the opinions of the Attorney General of the United States and the Federal Trade Commission as to whether such action would adversely affect competition, restrain trade, promote monopolization, or otherwise create a situation in contravention of the antitrust laws. The issuance of a license under this Act shall not be admissible in any way as a

33 USC 1506.

defense to any civil or criminal action for violation of the antitrust laws of the United States, nor shall it in any way modify or abridge any private right of action under such laws.

Application,
submittal to At-
torney General
and Federal
Trade Commis-
sion.
Report, submit-
tal to Secretary
of Transportation.

(b)(1) Whenever any application for issuance, transfer, substantial change in, or renewal of any license is received, the Secretary shall transmit promptly to the Attorney General and the Federal Trade Commission a complete copy of such application. Within 45 days following the last public hearing, the Attorney General and the Federal Trade Commission shall each prepare and submit to the Secretary a report assessing the competitive effects which may result from issuance of the proposed license and the opinions described in subsection (a) of this section. If either the Attorney General or the Federal Trade Commission, or both, fails to file such views within such period, the Secretary shall proceed as if he had received such views.

(2) Nothing in this section shall be construed to bar the Attorney General or the Federal Trade Commission from challenging any anti-competitive situation involved in the ownership, construction, or operation of a deepwater port.

(3) Nothing contained in this section shall impair, amend, broaden, or modify any of the antitrust laws.

COMMON CARRIER STATUS

33 USC 1507.

SEC. 8. (a) For the purpose of chapter 39 of title 18, United States Code (18 U.S.C. 831–837), and part I of the Interstate Commerce Act (49 U.S.C. 1–27), a deepwater port and storage facilities serviced directly by such deepwater port shall be subject to regulation as a common carrier in accordance with the Interstate Commerce Act, as amended.

(b) A licensee under this Act shall accept, transport, or convey without discrimination all oil delivered to the deepwater port with respect to which its license is issued. Whenever the Secretary has reason to believe that a licensee is not operating a deepwater port, any storage facility or component thereof, in compliance with its obligations as a common carrier, the Secretary shall commence an appropriate proceeding before the Interstate Commerce Commission or he shall request the Attorney General to take appropriate steps to enforce such obligation and, where appropriate, to secure the imposition of appropriate sanctions. The Secretary may, in addition, proceed as provided in section 12 of this Act to suspend or terminate the license of any person so involved.

ADJACENT COASTAL STATES

33 USC 1508.

SEC. 9. (a) (1) The Secretary, in issuing notice of application pursuant to section 5(c) of this Act, shall designate as an "adjacent coastal State" any coastal State which (A) would be directly connected by pipeline to a deepwater port as proposed in an application, or (B) would be located within 15 miles of any such proposed deepwater port.

(2) The Secretary shall, upon request of a State, and after having received the recommendations of the Administrator of the National Oceanic and Atmospheric Administration, designate such State as an "adjacent coastal State" if he determines that there is a risk of damage to the coastal environment of such State equal to or greater than the risk posed to a State directly connected by pipeline to the proposed deepwater port. This paragraph shall apply only with respect to requests made by a State not later than the 14th day after the date of

publication of notice of an application for a proposed deepwater port in the Federal Register in accordance with section 5(c) of this Act. The Secretary shall make the designation required by this paragraph not later than the 45th day after the date he receives such a request from a State.

(b) (1) Not later than 10 days after the designation of adjacent coastal States pursuant to this Act, the Secretary shall transmit a complete copy of the application to the Governor of each adjacent coastal State. The Secretary shall not issue a license without the approval of the Governor of each adjacent coastal State. If the Governor fails to transmit his approval or disapproval to the Secretary not later than 45 days after the last public hearing on applications for a particular application area, such approval shall be conclusively presumed. If the Governor notifies the Secretary that an application, which would otherwise be approved pursuant to this paragraph, is inconsistent with State programs relating to environmental protection, land and water use, and coastal zone management, the Secretary shall condition the license granted so as to make it consistent with such State programs.

Application,
submittal to Gov-
ernors of adjacent
coastal States.

(2) Any other interested State shall have the opportunity to make its views known to, and shall be given full consideration by, the Secretary regarding the location, construction, and operation of a deepwater port.

(c) The Secretary shall not issue a license unless the adjacent coastal State to which the deepwater port is to be directly connected by pipeline has developed, or is making, at the time the application is submitted, reasonable progress toward developing an approved coastal zone management program pursuant to the Coastal Zone Management Act of 1972 in the area to be directly and primarily impacted by land and water development in the coastal zone resulting from such deepwater port. For the purposes of this Act, a State shall be considered to be making reasonable progress if it is receiving a planning grant pursuant to section 305 of the Coastal Zone Management Act.

16 USC 1451
note.

16 USC 1454.

(d) The consent of Congress is given to two or more coastal States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, (1) to apply for a license for the ownership, construction, and operation of a deepwater port or for the transfer of such license, and (2) to establish such agencies, joint or otherwise, as are deemed necessary or appropriate for implementing and carrying out the provisions of any such agreement or compact. Such agreement or compact shall be binding and obligatory upon any State or party thereto without further approval by Congress.

MARINE ENVIRONMENTAL PROTECTION AND NAVIGATIONAL SAFETY

SEC. 10. (a) Subject to recognized principles of international law, the Secretary shall prescribe by regulation and enforce procedures with respect to any deepwater port, including, but not limited to, rules governing vessel movement, loading and unloading procedures, designation and marking of anchorage areas, maintenance, law enforcement, and the equipment, training, and maintenance required (A) to prevent pollution of the marine environment, (B) to clean up any pollutants which may be discharged, and (C) to otherwise prevent or minimize any adverse impact from the construction and operation of such deepwater port.

33 USC 1509.

(b) The Secretary shall issue and enforce regulations with respect to lights and other warning devices, safety equipment, and other mat-

Regulations.

ters relating to the promotion of safety of life and property in any deepwater port and the waters adjacent thereto.

Marking of components.

(c) The Secretary shall mark, for the protection of navigation, any component of a deepwater port whenever the licensee fails to mark such component in accordance with applicable regulations. The licensee shall pay the cost of such marking.

Safety zones.

(d) (1) Subject to recognized principles of international law and after consultation with the Secretary of the Interior, the Secretary of Commerce, the Secretary of State, and the Secretary of Defense, the Secretary shall designate a zone of appropriate size around and including any deepwater port for the purpose of navigational safety. In such zone, no installations, structures, or uses will be permitted that are incompatible with the operation of the deepwater port. The Secretary shall by regulation define permitted activities within such zone. The Secretary shall, not later than 30 days after publication of notice pursuant to section 5(c) of this Act, designate such safety zone with respect to any proposed deepwater port.

(2) In addition to any other regulations, the Secretary is authorized, in accordance with this subsection, to establish a safety zone to be effective during the period of construction of a deepwater port and to issue rules and regulations relating thereto.

INTERNATIONAL AGREEMENTS

33 USC 1510.

SEC. 11. The Secretary of State, in consultation with the Secretary, shall seek effective international action and cooperation in support of the policy and purposes of this Act and may formulate, present, or support specific proposals in the United Nations and other competent international organizations for the development of appropriate international rules and regulations relative to the construction, ownership, and operation of deepwater ports, with particular regard for measures that assure protection of such facilities as well as the promotion of navigational safety in the vicinity thereof.

SUSPENSION OR TERMINATION OF LICENSES

33 USC 1511.

SEC. 12. (a) Whenever a licensee fails to comply with any applicable provision of this title or any applicable rule, regulation, restriction, or condition issued or imposed by the Secretary under the authority of this title, the Attorney General, at the request of the Secretary, may file an appropriate action in the United States district court nearest to the location of the proposed or actual deepwater port, as the case may be, or in the district in which the licensee resides or may be found, to—

(1) suspend the license; or

(2) if such failure is knowing and continues for a period of thirty days after the Secretary mails notification of such failure by registered letter to the licensee at his record post office address, revoke such license.

No proceeding under this subsection is necessary if the license, by its terms, provides for automatic suspension or termination upon the occurrence of a fixed or agreed upon condition, event, or time.

(b) If the Secretary determines that immediate suspension of the construction or operation of a deepwater port or any component thereof is necessary to protect public health or safety or to eliminate imminent and substantial danger to the environment, he shall order the licensee to cease or alter such construction or operation pending the completion of a judicial proceeding pursuant to subsection (a) of this section.

RECORDKEEPING AND INSPECTION

SEC. 13. (a) Each licensee shall establish and maintain such records, make such reports, and provide such information as the Secretary, after consultation with other interested Federal departments and agencies, shall by regulation prescribe to carry out the provision of this Act. Such regulations shall not amend, contradict or duplicate regulations established pursuant to part I of the Interstate Commerce Act or any other law. Each licensee shall submit such reports and shall make such records and information available as the Secretary may request.

33 USC 1512.

49 USC 1.

(b) All United States officials, including those officials responsible for the implementation and enforcement of United States laws applicable to a deepwater port, shall at all times be afforded reasonable access to a deepwater port licensed under this Act for the purpose of enforcing laws under their jurisdiction or otherwise carrying out their responsibilities. Each such official may inspect, at reasonable times, records, files, papers, processes, controls, and facilities and may test any feature of a deepwater port. Each inspection shall be conducted with reasonable promptness, and such licensee shall be notified of the results of such inspection.

PUBLIC ACCESS TO INFORMATION

SEC. 14. (a) Copies of any communication, document, report, or information transmitted between any official of the Federal Government and any person concerning a deepwater port (other than contracts referred to in section 5(c)(2)(B) of this Act) shall be made available to the public for inspection, and shall be available for the purpose of reproduction at a reasonable cost, to the public upon identifiable request, unless such information may not be publicly released under the terms of subsection (b) of this section. Except as provided in subsection (b) of this section, nothing contained in this section shall be construed to require the release of any information of the kind described in subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

33 USC 1513.

(b) The Secretary shall not disclose information obtained by him under this Act that concerns or relates to a trade secret, referred to in section 1905 of title 18, United States Code, or to a contract referred to in section 5(c)(2)(B) of this Act, except that such information may be disclosed, in a manner which is designed to maintain confidentiality—

Information disclosure, prohibition.

(1) to other Federal and adjacent coastal State government departments and agencies for official use, upon request;

(2) to any committee of Congress having jurisdiction over the subject matter to which the information relates, upon request;

(3) to any person in any judicial proceeding, under a court order formulated to preserve such confidentiality without impairing the proceedings; and

(4) to the public in order to protect health and safety, after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to which the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

REMEDIES

Penalties.
33 USC 1514.

SEC. 15. (a) Any person who willfully violates any provision of this Act or any rule, order, or regulation issued pursuant thereto shall on conviction be fined not more than \$25,000 for each day of violation or imprisoned for not more than 1 year, or both.

(b) (1) Whenever on the basis of any information available to him the Secretary finds that any person is in violation of any provision of this Act or any rule, regulation, order, license, or condition thereof, or other requirements under this Act, he shall issue an order requiring such person to comply with such provision or requirement, or he shall bring a civil action in accordance with paragraph (3) of this subsection.

(2) Any order issued under this subsection shall state with reasonable specificity the nature of the violation and a time for compliance, not to exceed thirty days, which the Secretary determines is reasonable, taking into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(3) Upon a request by the Secretary, the Attorney General shall commence a civil action for appropriate relief, including a permanent or temporary injunction or a civil penalty not to exceed \$25,000 per day of such violation, for any violation for which the Secretary is authorized to issue a compliance order under paragraph (1) of this subsection. Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides or is doing business, and such court shall have jurisdiction to restrain such violation, require compliance, or impose such penalty.

(c) Upon a request by the Secretary, the Attorney General shall bring an action in an appropriate district court of the United States for equitable relief to redress a violation by any person of any provision of this Act, any regulation under this Act, or any license condition. The district courts of the United States shall have jurisdiction to grant such relief as is necessary or appropriate, including mandatory or prohibitive injunctive relief, interim equitable relief, compensatory damages, and punitive damages.

Vessels, liability.

(d) Any vessel, except a public vessel engaged in noncommercial activities, used in a violation of this Act or of any rule or regulation issued pursuant to this Act, shall be liable in rem for any civil penalty assessed or criminal fine imposed and may be proceeded against in any district court of the United States having jurisdiction thereof; but no vessel shall be liable unless it shall appear that one or more of the owners, or bareboat charterers, was at the time of the violation, a consenting party or privy to such violation.

CITIZEN CIVIL ACTION

33 USC 1515.

SEC. 16. (a) Except as provided in subsection (b) of this section, any person may commence a civil action for equitable relief on his own behalf, whenever such action constitutes a case or controversy—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any provision of this Act or any condition of a license issued pursuant to this Act; or

(2) against the Secretary where there is alleged a failure of the Secretary to perform any act or duty under this Act which is not discretionary with the Secretary. Any action brought against

the Secretary under this paragraph shall be brought in the district court for the District of Columbia or the district of the appropriate adjacent coastal State.

In suits brought under this Act, the district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any provision of this Act or any condition of a license issued pursuant to this Act, or to order the Secretary to perform such act or duty, as the case may be.

Jurisdiction.

(b) No civil action may be commenced—

(1) under subsection (a) (1) of this section—

(A) prior to 60 days after the plaintiff has given notice of the violation (i) to the Secretary and (ii) to any alleged violator; or

(B) if the Secretary or the Attorney General has commenced and is diligently prosecuting a civil or criminal action with respect to such matters in a court of the United States, but in any such action any person may intervene as a matter of right; or

(2) under subsection (a) (2) of this section prior to 60 days after the plaintiff has given notice of such action to the Secretary.

Notice under this subsection shall be given in such a manner as the Secretary shall prescribe by regulation.

(c) In any action under this section, the Secretary or the Attorney General, if not a party, may intervene as a matter of right.

(d) The Court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines that such an award is appropriate.

(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement or to seek any other relief.

JUDICIAL REVIEW

SEC. 17. Any person suffering legal wrong, or who is adversely affected or aggrieved by the Secretary's decision to issue, transfer, modify, renew, suspend, or revoke a license may, not later than 60 days after any such decision is made, seek judicial review of such decision in the United States Court of Appeals for the circuit within which the nearest adjacent coastal State is located. A person shall be deemed to be aggrieved by the Secretary's decision within the meaning of this Act if he—

33 USC 1516.

(A) has participated in the administrative proceedings before the Secretary (or if he did not so participate, he can show that his failure to do so was caused by the Secretary's failure to provide the required notice); and

(B) is adversely affected by the Secretary's action.

LIABILITY

SEC. 18. (a) (1) The discharge of oil into the marine environment from a vessel within any safety zone, from a vessel which has received oil from another vessel at a deepwater port, or from a deepwater port is prohibited.

Oil discharge,
prohibition.
33 USC 1517.

(2) The owner or operator of a vessel or the licensee of a deepwater port from which oil is discharged in violation of this subsection shall be assessed a civil penalty of not more than \$10,000 for each violation.

Penalty.

Notice and
hearing.

No penalty shall be assessed unless the owner or operator or the licensee has been given notice and opportunity for a hearing on such charge. Each violation is a separate offense. The Secretary of the Treasury shall withhold, at the request of the Secretary, the clearance required by section 4197 of the Revised Statutes of the United States, as amended (46 U.S.C. 91), of any vessel the owner or operator of which is subject to the foregoing penalty. Clearance may be granted in such cases upon the filing of a bond or other surety satisfactory to the Secretary.

Oil discharge,
notification.

Penalty.

(b) Any individual in charge of a vessel or a deepwater port shall notify the Secretary as soon as he has knowledge of a discharge of oil. Any such individual who fails to notify the Secretary immediately of such discharge shall, upon conviction, be fined not more than \$10,000 or imprisoned for not more than 1 year, or both. Notification received pursuant to this subsection, or information obtained by the use of such notification, shall not be used against any such individual in any criminal case, except a prosecution for perjury or for giving a false statement.

Oil removal.

(c) (1) Whenever any oil is discharged from a vessel within any safety zone, from a vessel which has received oil from another vessel at a deepwater port, or from a deepwater port, the Secretary shall remove or arrange for the removal of such oil as soon as possible, unless he determines such removal will be done properly and expeditiously by the licensee of the deepwater port or the owner or operator of the vessel from which the discharge occurs.

33 USC 1321.

(2) Removal of oil and actions to minimize damage from oil discharges shall, to the greatest extent possible, be in accordance with the National Contingency Plan for removal of oil and hazardous substances established pursuant to section 311 (c) (2) of the Federal Water Pollution Control Act, as amended.

Liability.

(3) Whenever the Secretary acts to remove a discharge of oil pursuant to this subsection, he is authorized to draw upon money available in the Deepwater Port Liability Fund established pursuant to subsection (f) of this section. Such money shall be used to pay promptly for all cleanup costs incurred by the Secretary in removing or in minimizing damage caused by such oil discharge.

(d) Notwithstanding any other provision of law, except as provided in subsection (g) of this section, the owner and operator of a vessel shall be jointly and severally liable, without regard to fault, for cleanup costs and for damages that result from a discharge of oil from such vessel within any safety zone, or from a vessel which has received oil from another vessel at a deepwater port, except when such vessel is moored at a deepwater port. Such liability shall not exceed \$150 per gross ton or \$20,000,000, whichever is lesser, except that if it can be shown that such discharge was the result of gross negligence or willful misconduct within the privity and knowledge of the owner or operator, such owner and operator shall be jointly and severally liable for the full amount of all cleanup costs and damages.

(e) Notwithstanding any other provision of law, except as provided in subsection (g) of this section, the licensee of a deepwater port shall be liable, without regard to fault, for cleanup costs and damages that result from a discharge of oil from such deepwater port or from a vessel moored at such deepwater port. Such liability shall not exceed \$50,000,000, except that if it can be shown that such damage was the result of gross negligence or willful misconduct within the privity and knowledge of the licensee, such licensee shall be liable for the full amount of all cleanup costs and damages.

(f) (1) There is established a Deepwater Port Liability Fund (hereinafter referred to as the "Fund") as a nonprofit corporate entity which may sue or be sued in its own name. The Fund shall be administered by the Secretary.

Deepwater Port
Liability Fund.
Establishment.

(2) The Fund shall be liable, without regard to fault, for all cleanup costs and all damages in excess of those actually compensated pursuant to subsections (d) and (e) of this section.

(3) Each licensee shall collect from the owner of any oil loaded or unloaded at the deepwater port operated by such licensee, at the time of loading or unloading, a fee of 2 cents per barrel, except that (A) bunker or fuel oil for the use of any vessel, and (B) oil which was transported through the trans-Alaska pipeline, shall not be subject to such collection. Such collections shall be delivered to the Fund at such times and in such manner as shall be prescribed by the Secretary. Such collections shall cease after the amount of money in the Fund has reached \$100,000,000, unless there are adjudicated claims against the Fund yet to be satisfied. Collection shall be resumed when the Fund is reduced below \$100,000,000. Whenever the money in the Fund is less than the claims for cleanup costs and damages for which it is liable under this section, the Fund shall borrow the balance required to pay such claims from the United States Treasury at an interest rate determined by the Secretary of the Treasury. Costs of administration shall be paid from the Fund only after appropriation in an appropriation bill. All sums not needed for administration and the satisfaction of claims shall be prudently invested in income-producing securities issued by the United States and approved by the Secretary of the Treasury. Income from such securities shall be applied to the principal of the Fund.

Fees.

(g) Liability shall not be imposed under subsection (d) or (e) of this section if the owner or operator of a vessel or the licensee can show that the discharge was caused solely by (1) an act of war, or (2) negligence on the part of the Federal Government in establishing and maintaining aids to navigation. In addition, liability with respect to damages claimed by a damaged party shall not be imposed under subsection (d), (e), or (f) of this section if the owner or operator of a vessel, the licensee, or the Fund can show that such damage was caused solely by the negligence of such party.

Liability.

(h) (1) In any case where liability is imposed pursuant to subsection (d) of this section, if the discharge was the result of the negligence of the licensee, the owner or operator of a vessel held liable shall be subrogated to the rights of any person entitled to recovery against such licensee.

(2) In any case where liability is imposed pursuant to subsection (e) of this section, if the discharge was the result of the unseaworthiness of a vessel or the negligence of the owner or operator of such vessel, the licensee shall be subrogated to the rights of any person entitled to recovery against such owner or operator.

(3) Payment of compensation for any damages pursuant to subsection (f) (2) of this section shall be subject to the Fund acquiring by subrogation all rights of the claimant to recover for such damages from any other person.

(4) The liabilities established in this section shall in no way affect or limit any rights which the licensee, the owner, or operator of a vessel, or the Fund may have against any third party whose act may in any way have caused or contributed to a discharge of oil.

(5) In any case where the owner or operator of a vessel or the licensee of a deepwater port from which oil is discharged acts to remove such oil in accordance with subsection (c) (1) of this section, such owner or

operator or such licensee shall be entitled to recover from the Fund the reasonable cleanup cost incurred in such removal if he can show that such discharge was caused solely by (A) an act of war or (B) negligence on the part of the Federal Government in establishing and maintaining aids to navigation.

Recovery of
claims.

(i) (1) The Attorney General may act on behalf of any group of damaged citizens he determines would be more adequately represented as a class in recovery of claims under this section. Sums recovered shall be distributed to the members of such group. If, within 90 days after a discharge of oil in violation of this section has occurred, the Attorney General fails to act in accordance with this paragraph, to sue on behalf of a group of persons who may be entitled to compensation pursuant to this section for damages caused by such discharge, any member of such group may maintain a class action to recover such damages on behalf of such group. Failure of the Attorney General to act in accordance with this subsection shall have no bearing on any class action maintained in accordance with this paragraph.

Notice, publi-
cation in Federal
Register and
newspapers.

28 USC app.

(2) In any case where the number of members in the class exceeds 1,000, publishing notice of the action in the Federal Register and in local newspapers serving the areas in which the damaged parties reside shall be deemed to fulfill the requirement for public notice established by rule 23(c) (2) of the Federal Rules of Civil Procedure.

(3) The Secretary may act on behalf of the public as trustee of the natural resources of the marine environment to recover for damages to such resources in accordance with this section. Sums recovered shall be applied to the restoration and rehabilitation of such natural resources by the appropriate agencies of Federal or State government.

Cleanup costs
and damages,
claims.

(j) (1) The Secretary shall establish by regulation procedures for the filing and payment of claims for cleanup costs and damages pursuant to this Act.

(2) No claims for payment of cleanup costs or damages which are filed with the Secretary more than 3 years after the date of the discharge giving rise to such claims shall be considered.

Appeals.

(3) Appeals from any final determination of the Secretary pursuant to this section shall be filed not later than 30 days after such determination in the United States Court of Appeals of the circuit within which the nearest adjacent coastal State is located.

(k) (1) This section shall not be interpreted to preempt the field of liability or to preclude any State from imposing additional requirements or liability for any discharge of oil from a deepwater port or a vessel within any safety zone.

(2) Any person who receives compensation for damages pursuant to this section shall be precluded from recovering compensation for the same damages pursuant to any other State or Federal law. Any person who receives compensation for damages pursuant to any other Federal or State law shall be precluded from receiving compensation for the same damages as provided in this section.

Definitions.

(l) the Secretary shall require that any owner or operator of a vessel using any deepwater port, or any licensee of a deepwater port, shall carry insurance or give evidence of other financial responsibility in an amount sufficient to meet the liabilities imposed by this section.

(m) As used in this section the term—

(1) "cleanup costs" means all actual costs, including but not limited to costs of the Federal Government, of any State or local government, of other nations or of their contractors or subcontractors incurred in the (A) removing or attempting to remove, or (B) taking other measures to reduce or mitigate damages from, any oil discharged into the marine environment in violation of subsection (a) (1) of this section;

(2) "damages" means all damages (except cleanup costs) suffered by any person, or involving real or personal property, the natural resources of the marine environment, or the coastal environment of any nation, including damages claimed without regard to ownership of any affected lands, structures, fish, wildlife, or biotic or natural resources;

(3) "discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emitting, emptying, or dumping into the marine environment of quantities of oil determined to be harmful pursuant to regulations issued by the Administrator of the Environmental Protection Agency; and

(4) "owner or operator" means any person owning, operating, or chartering by demise, a vessel.

(n)(1) The Attorney General, in cooperation with the Secretary, the Secretary of State, the Secretary of the Interior, the Administrator of the Environmental Protection Agency, the Council on Environmental Quality, and the Administrative Conference of the United States, is authorized and directed to study methods and procedures for implementing a uniform law providing liability for cleanup costs and damages from oil spills from Outer Continental Shelf operations, deepwater ports, vessels, and other ocean-related sources. The study shall give particular attention to methods of adjudicating and settling claims as rapidly, economically, and equitably as possible.

Study.

(2) The Attorney General shall report the results of his study together with any legislative recommendations to the Congress within 6 months after the date of enactment of this Act.

Report to Congress.

RELATIONSHIP TO OTHER LAWS

SEC. 19. (a) (1) The Constitution, laws, and treaties of the United States shall apply to a deepwater port licensed under this Act and to activities connected, associated, or potentially interfering with the use or operation of any such port, in the same manner as if such port were an area of exclusive Federal jurisdiction located within a State. Nothing in this Act shall be construed to relieve, exempt, or immunize any person from any other requirement imposed by Federal law, regulation, or treaty. Deepwater ports licensed under this Act do not possess the status of islands and have no territorial seas of their own.

33 USC 1518.
USC prec.
title 1.

(2) Except as otherwise provided by this Act, nothing in this Act shall in any way alter the responsibilities and authorities of a State or the United States within the territorial seas of the United States.

(b) The law of the nearest adjacent coastal State, now in effect or hereafter adopted, amended, or repealed, is declared to be the law of the United States, and shall apply to any deepwater port licensed pursuant to this Act, to the extent applicable and not inconsistent with any provision or regulation under this Act or other Federal laws and regulations now in effect or hereafter adopted, amended, or repealed. All such applicable laws shall be administered and enforced by the appropriate officers and courts of the United States. For purposes of this subsection, the nearest adjacent coastal State shall be that State whose seaward boundaries, if extended beyond 3 miles, would encompass the site of the deepwater port.

(c) Except in a situation involving force majeure, a licensee of a deepwater port shall not permit a vessel, registered in or flying the flag of a foreign state, to call at, or otherwise utilize a deepwater port licensed under this Act unless (1) the foreign state involved, by specific agreement with the United States, has agreed to recognize the jurisdiction of the United States over the vessel and its personnel, in

accordance with the provisions of this Act, while the vessel is located within the safety zone, and (2) the vessel owner or operator has designated an agent in the United States for receipt of service of process in the event of any claim or legal proceeding resulting from activities of the vessel or its personnel while located within such a safety zone.

Customs laws,
nonapplicability.

(d) The customs laws administered by the Secretary of the Treasury shall not apply to any deepwater port licensed under this Act, but all foreign articles to be used in the construction of any such deepwater port, including any component thereof, shall first be made subject to all applicable duties and taxes which would be imposed upon or by reason of their importation if they were imported for consumption in the United States. Duties and taxes shall be paid thereon in accordance with laws applicable to merchandise imported into the customs territory of the United States.

United States
district courts,
original jurisdiction.

(e) The United States district courts shall have original jurisdiction of cases and controversies arising out of or in connection with the construction and operation of deepwater ports, and proceedings with respect to any such case or controversy may be instituted in the judicial district in which any defendant resides or may be found, or in the judicial district of the adjacent coastal State nearest the place where the cause of action arose.

43 USC 1333.

(f) Section 4(a) (2) of the Act of August 7, 1953 (67 Stat. 462) is amended by deleting the words "as of the effective date of this Act" in the first sentence thereof and inserting in lieu thereof the words "now in effect or hereafter adopted, amended, or repealed".

ANNUAL REPORT BY SECRETARY TO CONGRESS

33 USC 1519.

Recommendations to Congress.

SEC. 20. Within 6 months after the end of each fiscal year, the Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives (1) a report on the administration of the Deepwater Port Act during such fiscal year, including all deepwater port development activities; (2) a summary of management, supervision, and enforcement activities; and (3) recommendations to the Congress for such additional legislative authority as may be necessary to improve the management and safety of deepwater port development and for resolution of jurisdictional conflicts or ambiguities.

PIPELINE SAFETY AND OPERATION

33 USC 1520.

Report to Congress.

SEC. 21. (a) The Secretary, in cooperation with the Secretary of the Interior, shall establish and enforce such standards and regulations as may be necessary to assure the safe construction and operation of oil pipelines on the Outer Continental Shelf.

(b) The Secretary, in cooperation with the Secretary of the Interior, is authorized and directed to report to the Congress within 60 days after the date of enactment of this Act on appropriations and staffing needed to monitor pipelines on Federal lands and the Outer Continental Shelf so as to assure that they meet all applicable standards for construction, operation, and maintenance.

Review.

Report to Congress.

(c) The Secretary, in cooperation with the Secretary of the Interior, is authorized to review all laws and regulations relating to the construction, operation, and maintenance of pipelines on Federal lands and the Outer Continental Shelf and to report to Congress thereon within 6 months after the date of enactment of this Act on administrative changes needed and recommendations for new legislation.

NEGOTIATIONS WITH CANADA AND MEXICO

SEC. 22. The President of the United States is authorized and requested to enter into negotiations with the Governments of Canada and Mexico to determine:

33 USC 1521.

(1) the need for intergovernmental understandings, agreements, or treaties to protect the interests of the people of Canada, Mexico, and the United States and of any party or parties involved with the construction or operation of deepwater ports; and

(2) the desirability of undertaking joint studies and investigations designed to insure protection of the environment and to eliminate any legal and regulatory uncertainty, to assure that the interests of the people of Canada, Mexico, and the United States are adequately met.

The President shall report to the Congress the actions taken, the progress achieved, the areas of disagreement, and the matters about which more information is needed, together with his recommendations for further action.

Report to Congress.

PUBLIC LAW 93-153

SEC. 23. Nothing in this Act shall be construed to amend, restrict, or otherwise limit the application of section 28(u) of the Mineral Leasing Act of 1920, as amended by Public Law 93-153.

33 USC 1522.

30 USC 185.

GENERAL PROCEDURES

SEC. 24. The Secretary or his delegate shall have the authority to issue and enforce orders during proceedings brought under this Act. Such authority shall include the authority to issue subpoenas, administer oaths, compel the attendance and testimony of witnesses and the production of books, papers, documents, and other evidence, to take depositions before any designated individual competent to administer oaths, and to examine witnesses.

33 USC 1523.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 25. There is authorized to be appropriated for administration of this Act not to exceed \$2,500,000 for the fiscal year ending June 30, 1975, not to exceed \$2,500,000 for the fiscal year ending June 30, 1976, and not to exceed \$2,500,000 for the fiscal year ending June 30, 1977.

33 USC 1524.

Approved January 3, 1975.

Public Law 93-628

AN ACT

To amend title 10, United States Code, to enable the Naval Sea Cadet Corps and the Young Marines of the Marine Corps League to obtain, to the same extent as the Boy Scouts of America, obsolete and surplus naval material.

January 3, 1975
[H. R. 11144]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 7541 of title 10, United States Code, is amended—

Naval Sea Cadet
Corps and Young
Marines.
Surplus naval
material, recipi-
ents.

(1) in the first sentence, by inserting immediately before the period at the end thereof the following: “, to the Naval Sea Cadet Corps for the sea cadets, and to the Young Marines of the Marine Corps League for the young marines”; and

(2) by striking out the second sentence and inserting in lieu thereof the following: “The cost of transportation and delivery of material given or sold under this section shall be charged to the Boy Scouts of America, to the Naval Sea Cadets, or to the Young

Marines of the Marine Corps League, as the case may be.”.

(b) The catchline and the chapter analysis item for section 7541 are amended by inserting immediately after “**Boy Scouts of America**” the following: “**Naval Sea Cadet Corps and Young Marines of the Marine Corps League.**”

Effective date.
10 USC 7541
note.

SEC. 2. The amendments made by the first section shall take effect on the date of the enactment of this Act.

Approved January 3, 1975.

Public Law 93-629

AN ACT

January 3, 1975
[H. R. 11273]

To provide for the control and eradication of noxious weeds, and the regulation of the movement in interstate or foreign commerce of noxious weeds and potential carriers thereof, and for other purposes.

Federal Noxious
Weed Act of 1974.
7 USC 2801
note.
7 USC 2801.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Federal Noxious Weed Act of 1974”.

SEC. 2. The importation or distribution in interstate commerce of noxious weeds, except under controlled conditions, allows the growth and spread of such weeds which interfere with the growth of useful plants, clog waterways and interfere with navigation, cause disease, or have other adverse effects upon man or his environment and therefore is detrimental to the agriculture and commerce of the United States and to the public health. The uncontrolled distribution within the United States of noxious weeds after their importation or interstate distribution has like detrimental effects and allowing such distribution encourages and facilitates the burdening and obstructing of interstate and foreign commerce, and is inimical to the public interest. Accordingly, the Congress hereby determines that the regulation of transactions in, and movement of, noxious weeds as provided in this Act is necessary to prevent and eliminate burdens upon and obstructions to interstate and foreign commerce and to protect the public welfare.

Definitions.
7 USC 2802.

SEC. 3. As used in this Act, except where the context otherwise requires:

(a) “Secretary” means the Secretary of Agriculture of the United States or any other person to whom authority may be delegated to act in his stead.

(b) “Authorized inspector” means any employee of the Department of Agriculture, or any employee of any other agency of the Federal Government or of any State or other governmental agency which is cooperating with the Department in administration of any provisions of this Act, who is authorized by the Secretary to perform assigned duties under this Act.

(c) “Noxious weed” means any living stage (including but not limited to, seeds and reproductive parts) of any parasitic or other plant of a kind, or subdivision of a kind, which is of foreign origin, is new to or not widely prevalent in the United States, and can directly or indirectly injure crops, other useful plants, livestock, or poultry or other interests of agriculture, including irrigation, or navigation or the fish or wildlife resources of the United States or the public health.

(d) “United States” means any of the States, territories, or districts of the United States.

(e) “Interstate” means from any State, territory, or district of the United States into or through any other State, territory, or district.

(f) “District” means the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States.

(g) “Move” means deposit for transmission in the mails, ship, offer

for shipment, offer for entry, import, receive for transportation, carry, or otherwise transport or move, or allow to be moved, by mail or otherwise.

SEC. 4. (a) No person shall knowingly move any noxious weed, identified in a regulation promulgated by the Secretary, into or through the United States or interstate, unless such movement is authorized under general or specific permit from the Secretary and is made in accordance with such conditions as the Secretary may prescribe in the permit and in such regulations as he may promulgate under this Act to prevent the dissemination into the United States, or interstate, of such noxious weeds.

Prohibitions.
7 USC 2803.

(b) The Secretary may refuse to issue a permit for the movement of any such noxious weed when, in his opinion, such movement would involve a danger of dissemination of such noxious weeds into the United States or interstate.

(c) No person shall knowingly sell, purchase, barter, exchange, give, or receive any such noxious weed which has been moved in violation of subsection (a), or knowingly deliver or receive for transportation or transport, in interstate or foreign commerce, any advertisement to sell, purchase, barter, exchange, give, or receive any such noxious weed which is prohibited from movement in such commerce under this Act.

SEC. 5. (a) The Secretary may promulgate such quarantines and other regulations requiring inspection of products and articles of any character whatsoever and means of conveyance, specified in the regulations, as a condition of their movement into or through the United States and otherwise restricting or prohibiting such movement, as he deems necessary to prevent the dissemination into the United States of any noxious weeds, and it shall be unlawful for any person to move any products, articles, or means of conveyance into or through the United States contrary to any such regulation.

Quarantines and
regulations.
7 USC 2804.

(b) Whenever the Secretary has reason to believe that an infestation of noxious weeds exists in any State, territory, or district, he may by regulation temporarily quarantine such jurisdiction, or a portion thereof, and by regulation may restrict or prohibit the interstate movement from the quarantined area of any products and articles of any character whatsoever and means of conveyance, capable of carrying such noxious weeds, and after promulgation of such quarantine and other regulations, it shall be unlawful for any person to move interstate from a quarantined area any such products, articles, or means of conveyance, specified in the regulations, except in accordance with such regulations: *Provided, however*, That such quarantine and regulations shall expire at the close of the ninetieth day after their promulgation.

Temporary quar-
antine.

(c) However, if, after public hearing, the Secretary determines, on the basis of the information received at the hearing and other information available to him, that such a quarantine and regulations are necessary in order to prevent the interstate spread of noxious weeds from any State, territory, or district in which he determines an infestation of noxious weeds exists, and to protect the agriculture, commerce, fish, or wildlife resources of the United States or the public health, he shall promulgate such quarantine and other regulations as he determines are appropriate for such purposes, and thereafter it shall be unlawful for any person to move interstate from any quarantined area any regulated products, articles, or means of conveyance except in accordance with such regulations.

Expiration.

Hearing.

SEC. 6. (a) Except as provided in paragraph (c) of this section, the Secretary may, whenever he deems it necessary as an emergency measure in order to prevent the dissemination of any noxious weed, seize, quarantine, treat, destroy, or otherwise dispose of, in such manner as he deems appropriate, any product or article of any char-

Disposal.
7 USC 2805.

acter whatsoever, or means of conveyance, which is moving into or through the United States or interstate, in bond or otherwise, and which he has reason to believe is infested by any noxious weed or contains any such weed, or which has moved into the United States, or interstate, and which he has reason to believe was infested by or contained any noxious weed at the time of such movement; and any noxious weed, product, article, or means of conveyance which is moving into or through the United States, or interstate, or has moved into the United States, or interstate, in violation of this Act or any regulation hereunder.

(b) Except as provided in subsection (c) of this section, the Secretary may order the owner of any product, article, means of conveyance, or noxious weed subject to disposal under subsection (a) of this section, or his agent, to treat, destroy, or make other disposal of such product, article, means of conveyance, or noxious weed, without cost to the Federal Government and in such manner as the Secretary deems appropriate. The Secretary may apply to the United States District Court, or to the United States court of any territory or possession, for the judicial district in which such person resides or transacts business or in which the product, article, means of conveyance, or noxious weed is found, for enforcement of such order by injunction, mandatory or otherwise. Process in any such case may be served in any judicial district wherein the defendant resides or transacts business or may be found, and subpoenas for witnesses who are required to attend a court in any judicial district in such a case may run to any other judicial district.

(c) No product, article, means of conveyance, or noxious weed shall be destroyed, exported, or returned to shipping point of origin, or ordered to be destroyed, exported, or so returned under this section, unless in the opinion of the Secretary there is no less drastic action which would be adequate to prevent the dissemination of noxious weeds into the United States or interstate.

Civil action.

(d) The owner of any product, article, means of conveyance, or noxious weed destroyed, or otherwise disposed of, by the Secretary under this section, may bring an action against the United States in the United States District Court for the District of Columbia, within one year after such destruction or disposal, and recover just compensation for such destruction or disposal of such product, article, means of conveyance, or noxious weed (not including compensation for loss due to delays incident to determining its eligibility for movement under this Act) if the owner establishes that such destruction or disposal was not authorized under this Act. Any judgment rendered in favor of such owner shall be paid out of the money in the Treasury appropriated for administration of this Act.

Authorized inspectors.
7 USC 2806.

SEC. 7. Any authorized inspector, when properly identified, shall have authority (a) without a warrant, to stop any person or means of conveyance moving into the United States, and inspect any noxious weeds and any products and articles of any character whatsoever, carried thereby, and inspect such means of conveyance, to determine whether such person or means of conveyance is moving any noxious weed, product, article, or means of conveyance contrary to this Act or any regulation under this Act; (b) without a warrant, to stop any person or means of conveyance moving through the United States or interstate, and inspect any noxious weeds and any products and articles of any character whatsoever carried thereby, and inspect such means of conveyance, to determine whether such person or means of conveyance is moving any noxious weed, product, article, or means of conveyance contrary to this Act or any regulation thereunder, if such inspector has probable cause to believe that such person or means of conveyance is moving any noxious weed regulated under this Act; and (c) to

enter, with a warrant, any premises in the United States, for purposes of any inspections or other actions necessary under this Act. Any judge of the United States or of a court of record of any State, territory, or district, or a United States commissioner, may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause to believe that there are on certain premises any products, articles, means of conveyance, or noxious weeds subject to this Act, issue warrants for the entry of such premises for purposes of any inspection or other action necessary under this Act, except as otherwise provided in section 9 of this Act. Such warrants may be executed by any authorized inspector or any United States marshal.

Warrants, issuance.

SEC. 8. Any person who knowingly violates section 4 or 5 of this Act, or any regulation promulgated under this Act, shall be guilty of a misdemeanor and shall be punished by a fine not exceeding \$5,000, or by imprisonment not exceeding one year, or both.

Penalty.
7 USC 2807.

SEC. 9. (a) The Secretary is authorized to cooperate with other Federal agencies, agencies of States, territories, or districts, or political subdivisions thereof, farmers' associations, and similar organizations, and individuals in carrying out operations or measures in the United States to eradicate, suppress, control, or prevent or retard the spread of any noxious weed. The Secretary is authorized to appoint employees of other agencies of the Federal Government or any agencies of any State, territory, or district, or political subdivisions thereof, as collaborators to assist in administration of the provisions of this Act, pursuant to cooperative agreements with such agencies, whenever he determines that such appointments would facilitate administration of this Act.

Federal agencies, cooperation.
7 USC 2808.

(b) In performing the operations or measures authorized by subsection (a) of this section, the cooperating State or other governmental agency shall be responsible for the authority necessary to carry out the operations or measures on all lands and properties within the State or other jurisdiction involved, other than those owned or controlled by the United States Government, and for such other facilities and means as in the discretion of the Secretary are necessary.

SEC. 10. The Secretary is authorized to promulgate regulations necessary to effectuate the provisions of this Act. However, any regulation identifying a noxious weed under section 4 of this Act shall be promulgated only after publication of a notice of the proposed regulation and, when requested by any interested person, a public hearing on the proposal. Any such regulation shall be based upon the information received at any such hearing and other information available to the Secretary and a determination by the Secretary that the plant is within the definition of a noxious weed in section 3(c) of this Act and that its dissemination in the United States may reasonably be expected to have, to a serious degree, any effect specified in section 3(c).

Regulations.
7 USC 2809.

Hearing.

SEC. 11. There are hereby authorized to be appropriated such sums as Congress may from time to time determine to be necessary for the administration of this Act. Any sums so appropriated shall be available for expenditures for the purchase, hire, maintenance, operation, and exchange of aircraft and other means of conveyance, and for such other expenses as may be necessary to carry out the purposes of this Act. However, unless specifically authorized in other legislation or provided for in appropriations, no part of such sums shall be used to pay the cost or value of property injured or destroyed under section 9 of this Act.

Appropriation.
7 USC 2810.

Nonapplicabil-
ity.
7 USC 2811.

SEC. 12. The provisions of this Act shall not apply to shipments of seed subject to the Federal Seed Act (53 Stat. 1275, as amended; 7 U.S.C. 1551 et seq.) and this Act shall not amend or repeal any of the provisions of said Act or of the Plant Quarantine Act of August 20, 1912 (37 Stat. 315, as amended; 7 U.S.C. 151-154, 156-164a, 167), the Federal Plant Pest Act (71 Stat. 31; 7 U.S.C. 150aa-150jj), or any other Federal laws.

7 USC 2812.

SEC. 13. The provisions of this Act shall not invalidate the provisions of the laws of any State or political subdivision thereof, or of any territory or district of the United States relating to noxious weeds, except that no such jurisdiction may permit any action that is prohibited under this Act.

Separability.
7 USC 2813.

SEC. 14. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

Approved January 3, 1975.

Public Law 93-630

AN ACT

January 3, 1975
[H. R. 11796]

To provide for the duty-free entry of a 3.60 meter telescope and associated articles for the use of the Canada-France-Hawaii Telescope Project at Mauna Kea, Hawaii.

Telescope and
articles for the
Canada-France-
Hawaii Telescope
Project.
Duty-free entry.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury is authorized and directed to admit free of duty imported articles required by the Canada-France-Hawaii Telescope Project to complete the installation on Mauna Kea, Hawaii, of an optical telescope of 3.60 meters diameter, and the laboratories, equipment, and installations necessary for its operation, as provided for in a memorandum of understanding, signed at Ottawa on October 25, 1973, among the Centre National de la Recherche Scientifique of France, the National Research Council of Canada, and the University of Hawaii.

(b) The admission free of duty provided for in subsection (a) shall be accorded to any article imported by or for the account of the Canada-France-Hawaii Telescope Project if such article is certified by the Executive Director or the Associate Executive Director of the Canada-France-Hawaii Telescope Corporation as being required for the completion of the project in accordance with the memorandum of understanding referred to in subsection (a).

SEC. 2. (a) The provisions of the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption, on or before June 30, 1980.

(b) Upon appropriate request therefore filed by the Executive Director or the Associate Executive Director of the Canada-France-Hawaii Telescope Corporation with the customs officer concerned on or before the one hundred and twentieth day after the date of the enactment of this Act, the entry or withdrawal of any article described in the first section of this Act which was made before the date of the enactment of this Act shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 or any other provision of law, be liquidated or reliquidated in accordance with the provisions of such first section.

19 USC 1514.

Approved January 3, 1975.

Public Law 93-631

AN ACT

Designating the Laneport Dam and Lake on the San Gabriel River as the "Granger Dam and Lake".

January 3, 1975
[H. R. 11802]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Laneport Dam and Lake on the San Gabriel River near Granger, Texas, authorized by the Flood Control Act of 1954, shall hereafter be known as the Granger Dam and Lake, and any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held to refer to such project under and by the name of "Granger Dam and Lake".

Laneport Dam
and Lake, San
Gabriel River,
Tex.
Name change.
68 Stat. 1256.

Approved January 3, 1975.

Public Law 93-632

AN ACT

To designate certain lands as wilderness.

January 3, 1975
[H. R. 12884]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Wilderness
areas.
Designation.

DESIGNATION OF WILDERNESS AREAS WITHIN THE NATIONAL WILDLIFE REFUGE SYSTEM

SECTION 1. That in accordance with subsection (c) of section 3 of the Wilderness Act (78 Stat. 890, 892), the following lands are hereby designated as wilderness and, therefore, as components of the national wilderness preservation system:

16 USC 1132.

(a) certain lands in the Chamisso National Wildlife Refuge, Alaska, which comprise approximately four hundred and fifty-five acres, which are depicted on a map entitled "Chamisso Wilderness Proposal", dated November 1969, and which shall be known as the Chamisso Wilderness;

Chamisso.

(b) certain lands in the National Key Deer Refuge, Great White Heron National Wildlife Refuge, and the Key West National Wildlife Refuge, Florida, which comprise approximately four thousand seven hundred and forty acres, which are depicted on a map entitled "Florida Keys Wilderness—Proposed", dated August 1969, and which shall be known as the Florida Keys Wilderness;

Florida Keys.

(c) certain lands in the St. Marks Wildlife Refuge, Florida, which comprise approximately seventeen thousand seven hundred and forty-six acres, which are depicted on a map entitled "St. Marks Wilderness Proposal—Florida", dated September 1971, revised December 1971, and which shall be known as the St. Marks Wilderness;

St. Marks.

(d) certain lands in the Blackbeard Island National Wildlife Refuge, Georgia, which comprise approximately three thousand acres, which are depicted on a map entitled "Blackbeard Island Wilderness—Proposed", dated December 1971, and which shall be known as the "Blackbeard Island Wilderness";

Blackbeard
Island.

(e) certain lands in the Wolf Island National Wildlife Refuge, Georgia, which comprise approximately five thousand one hundred and twenty-six acres, which are depicted on a map entitled "Wolf Island Wilderness Proposal", dated March 1971, revised March 1973, further revised March 1974, and which shall be known as the Wolf Island Wilderness;

Wolf Island.

- Breton. (f) certain lands in the Breton National Wildlife Refuge, Louisiana, which comprise approximately five thousand acres, which are depicted on a map entitled "Breton Wilderness—Proposed", dated December 1970, revised January 1974, and which shall be known as the Breton Wilderness;
- Moosehorn. (g) certain lands in the Moosehorn National Wildlife Refuge, Maine, which comprise approximately four thousand seven hundred and nineteen acres and which are depicted on a map entitled "Moosehorn Wilderness (Baring Unit)—Proposed", dated September 1971, revised December 1971, further revised September 1974, and which shall be known as the Moosehorn Wilderness (Baring Unit);
- Brigantine. (h) certain lands in the Brigantine National Wildlife Refuge, New Jersey, which comprise approximately six thousand six hundred and three acres, which are depicted on the map entitled "Brigantine Wilderness—Proposed", dated August 1971, revised September 1974, and which shall be known as the Brigantine Wilderness;
- Bosque del Apache. (i) certain lands in the Bosque del Apache National Wildlife Refuge, New Mexico, which comprise approximately thirty thousand eight hundred and fifty acres, which are depicted on a map entitled "Bosque del Apache Wilderness—Proposed", dated July 1971, revised September 1974, and which shall be known as Bosque del Apache Wilderness;
- Chase Lake. (j) certain lands in the Chase Lake National Wildlife Refuge, North Dakota, which comprise approximately four thousand one hundred and fifty-five acres, which are depicted on the map entitled "Chase Lake Wilderness—Proposed", dated September 1971, and which shall be known as the Chase Lake Wilderness;
- Lostwood. (k) certain lands in the Lostwood National Wildlife Refuge, North Dakota, which comprise approximately five thousand five hundred and seventy-seven acres, which are depicted on a map entitled "Lostwood Wilderness Proposal", dated August 1971, and which shall be known as the Lostwood Wilderness;
- West Sister Island. (l) all lands in the West Sister Island National Wildlife Refuge, Ohio, which comprise approximately eighty-five acres, which are depicted on a map entitled "Proposed West Sister Island Wilderness", dated October 1969, and which shall be known as the West Sister Island Wilderness; and
- Cape Romain. (m) certain lands in the Cape Romain National Wildlife Refuge, South Carolina, which comprise approximately twenty-eight thousand acres, which are depicted on a map entitled "Cape Romain Wilderness Proposal", dated January 1971, and which shall be known as the Cape Romain Wilderness.

DESIGNATION OF WILDERNESS AREAS WITHIN THE NATIONAL FOREST SYSTEM

SEC. 2. In accordance with subsection 3(b) of the Wilderness Act (78 Stat. 891; 16 U.S.C. 1132) the following areas are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

- Agua Tibia. (a) The area in the Cleveland National Forest in California classified as the Agua Tibia Primitive Area, with deletions therefrom, which area comprises approximately sixteen thousand nine hundred and seventy-one acres, is generally depicted on a map entitled "Agua Tibia Wilderness—Proposed", dated July 1974, and shall be known as the Agua Tibia Wilderness.
- Emigrant. (b) The area in the Stanislaus National Forest in California classified as the Emigrant Basin Primitive Area, with additions thereto and deletions therefrom, which area comprises approxi-

mately one hundred and six thousand nine hundred and ten acres, is generally depicted on a map entitled "Emigrant Wilderness—Proposed, 1970" on file in the Office of the Chief, Forest Service, Department of Agriculture, and shall be known as the Emigrant Wilderness. The area commonly called the Cherry Creek exclusion, depicted on such map as Exclusion 2 and comprising approximately six thousand and forty-two acres, shall, in accordance with the provisions of subsection 3(d) of the Wilderness Act, be reviewed by the Secretary of Agriculture as to its suitability or nonsuitability for preservation as wilderness in conjunction with his review of the potential addition to the Hoover Wilderness in Toiyabe National Forest. The recommendations of the President to the Congress on the potential addition to the Hoover Wilderness shall be accompanied by the President's recommendations on the Cherry Creek exclusion. The previous classification of the Emigrant Basin Primitive Area is hereby abolished with the exception of said Exclusion 2.

Cherry Creek
exclusion, review.

16 USC 1132.

Recommendations to Congress.

(c) The area classified as the San Juan and Upper Rio Grande Primitive Areas, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Weminuche Wilderness—Proposed", dated December 1974, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the Weminuche Wilderness within and as part of the Rio Grande and San Juan National Forests comprising an area of approximately four hundred five thousand thirty-one acres.

Weminuche.

(d) The area in the Flathead National Forest in Montana classified as the Mission Mountains Primitive Area, with an addition thereto, which area comprises approximately seventy-five thousand five hundred and eighty-eight acres, is depicted on a map entitled "Mission Mountains Wilderness Area—Proposed", dated July 1974, and shall be known as the Mission Mountains Wilderness.

Mission Mountains.

ADMINISTRATIVE PROVISIONS

SEC. 3. Except as otherwise provided in this Act, all primitive area classifications of areas herein designated wilderness are hereby abolished.

Certain primitive area classifications, abolishment.

SEC. 4. As soon as practicable after this Act takes effect, a map and a legal description of each wilderness area shall be filed with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal description and map may be made.

Maps and descriptions, filing with congressional committees.

SEC. 5. Wilderness areas designated by this Act shall be administered in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and any references to the Secretary of Agriculture shall be deemed to be a reference to the Secretary who has administrative jurisdiction over the area.

Administration.

16 USC 1131 note.

Approved January 3, 1975.

Public Law 93-633

AN ACT

January 3, 1975
[H. R. 15223]

To regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes.

Transportation
Safety Act of
1974.

49 USC 1801

note.

Hazardous Mate-
rials Transporta-
tion Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Transportation Safety Act of 1974".

TITLE I—HAZARDOUS MATERIALS

SHORT TITLE

49 USC 1801
note.

SEC. 101. This title may be cited as the "Hazardous Materials Transportation Act".

DECLARATION OF POLICY

49 USC 1801.

SEC. 102. It is declared to be the policy of Congress in this title to improve the regulatory and enforcement authority of the Secretary of Transportation to protect the Nation adequately against the risks to life and property which are inherent in the transportation of hazardous materials in commerce.

DEFINITIONS

49 USC 1802.

SEC. 103. As used in this title, the term—

(1) "commerce" means trade, traffic, commerce, or transportation, within the jurisdiction of the United States, (A) between a place in a State and any place outside of such State, or (B) which affects trade, traffic, commerce, or transportation described in clause (A);

(2) "hazardous material" means a substance or material in a quantity and form which may pose an unreasonable risk to health and safety or property when transported in commerce;

(3) "Secretary" means the Secretary of Transportation, or his delegate;

(4) "serious harm" means death, serious illness, or severe personal injury;

(5) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, or Guam;

(6) "transports" or "transportation" means any movement of property by any mode, and any loading, unloading, or storage incidental thereto; and

(7) "United States" means all of the States.

DESIGNATION OF HAZARDOUS MATERIALS

49 USC 1803.

SEC. 104. Upon a finding by the Secretary, in his discretion, that the transportation of a particular quantity and form of material in commerce may pose an unreasonable risk to health and safety or property, he shall designate such quantity and form of material or group or class of such materials as a hazardous material. The materials so designated may include, but are not limited to, explosives, radioactive materials, etiologic agents, flammable liquids or solids, combustible liquids or solids, poisons, oxidizing or corrosive materials, and compressed gases.

REGULATIONS GOVERNING TRANSPORTATION OF HAZARDOUS MATERIALS

SEC. 105. (a) GENERAL.—The Secretary may issue, in accordance with the provisions of section 553 of title 5, United States Code, including an opportunity for informal oral presentation, regulations for the safe transportation in commerce of hazardous materials. Such regulations shall be applicable to any person who transports, or causes to be transported or shipped, a hazardous material, or who manufactures, fabricates, marks, maintains, reconditions, repairs, or tests a package or container which is represented, marked, certified, or sold by such person for use in the transportation in commerce of certain hazardous materials. Such regulations may govern any safety aspect of the transportation of hazardous materials which the Secretary deems necessary or appropriate, including, but not limited to, the packing, repacking, handling, labeling, marking, placarding, and routing (other than with respect to pipelines) of hazardous materials, and the manufacture, fabrication, marking, maintenance, reconditioning, repairing, or testing of a package or container which is represented, marked, certified, or sold by such person for use in the transportation of certain hazardous materials.

49 USC 1804.

(b) COOPERATION.—In addition to other applicable requirements, the Secretary shall consult and cooperate with representatives of the Interstate Commerce Commission and shall consider any relevant suggestions made by such Commission, before issuing any regulation with respect to the routing of hazardous materials. Such Commission shall, to the extent of its lawful authority, take such action as is necessary or appropriate to implement any such regulation.

(c) REPRESENTATION.—No person shall, by marking or otherwise, represent that a container or package for the transportation of hazardous materials is safe, certified, or in compliance with the requirements of this Act, unless it meets the requirements of all applicable regulations issued under this Act.

HANDLING OF HAZARDOUS MATERIALS

SEC. 106. (a) CRITERIA.—The Secretary is authorized to establish criteria for handling hazardous materials. Such criteria may include, but need not be limited to, a minimum number of personnel; a minimum level of training and qualification for such personnel; type and frequency of inspection; equipment to be used for detection, warning, and control of risks posed by such materials; specifications regarding the use of equipment and facilities used in the handling and transportation of such materials; and a system of monitoring safety assurance procedures for the transportation of such materials. The Secretary may revise such criteria as required.

49 USC 1805.

(b) REGISTRATION.—Each person who transports or causes to be transported or shipped in commerce hazardous materials or who manufactures, fabricates, marks, maintains, reconditions, repairs, or tests packages or containers which are represented, marked, certified, or sold by such person for use in the transportation in commerce of certain hazardous materials (designated by the Secretary) may be required by the Secretary to prepare and submit to the Secretary a registration statement not more often than once every 2 years. Such a registration statement shall include, but need not be limited to, such person's name; principal place of business; the location of each activity handling such hazardous materials; a complete list of all such hazardous materials handled; and an averment that such person is in compliance with all applicable criteria established under subsection (a) of this section.

The Secretary shall by regulation prescribe the form of any such statement and the information required to be included. The Secretary shall make any registration statement filed pursuant to this subsection available for inspection by any person, without charge, except that nothing in this sentence shall be deemed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

(c) **REQUIREMENT.**—No person required to file a registration statement under subsection (b) of this section may transport or cause to be transported or shipped extremely hazardous materials, or manufacture, fabricate, mark, maintain, recondition, repair, or test packages or containers for use in the transportation of extremely hazardous materials, unless he has on file a registration statement.

EXEMPTIONS

49 USC 1806.

SEC. 107. (a) GENERAL.—The Secretary, in accordance with procedures prescribed by regulation, is authorized to issue or renew, to any person subject to the requirements of this title, an exemption from the provisions of this title, and from regulations issued under section 105 of this title, if such person transports or causes to be transported or shipped hazardous materials in a manner so as to achieve a level of safety (1) which is equal to or exceeds that level of safety which would be required in the absence of such exemption, or (2) which would be consistent with the public interest and the policy of this title in the event there is no existing level of safety established. The maximum period of an exemption issued or renewed under this section shall not exceed 2 years, but any such exemption may be renewed upon application to the Secretary. Each person applying for such an exemption or renewal shall, upon application, provide a safety analysis as prescribed by the Secretary to justify the grant of such exemption. A notice of an application for issuance or renewal of such exemption shall be published in the Federal Register. The Secretary shall afford access to any such safety analysis and an opportunity for public comment on any such application, except that nothing in this sentence shall be deemed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

Publication in
Federal Register.

Exclusion.

(b) **VESSELS.**—The Secretary shall exclude, in whole or in part, from any applicable provisions and regulations under this title, any vessel which is excepted from the application of section 201 of the Ports and Waterways Safety Act of 1972 by paragraph (2) of such section (46 U.S.C. 391a(2)), or any other vessel regulated under such Act, to the extent of such regulation.

(c) **FIREARMS AND AMMUNITION.**—Nothing in this title, or in any regulation issued under this title, shall be construed to prohibit or regulate the transportation by any individual, for personal use, of any firearm (as defined in paragraph (4) of section 232 of title 18, United States Code) or any ammunition therefor, or to prohibit any transportation of firearms or ammunition in commerce.

(d) **LIMITATION ON AUTHORITY.**—Except when the Secretary determines that an emergency exists, exemptions or renewals granted pursuant to this section shall be the only means by which a person subject to the requirements of this title may be exempted from or relieved of the obligation to meet any requirements imposed under this title.

TRANSPORTATION OF RADIOACTIVE MATERIALS ON PASSENGER-CARRYING
AIRCRAFT

SEC. 108. (a) GENERAL.—Within 120 days after the date of enactment of this section, the Secretary shall issue regulations, in accordance with this section and pursuant to section 105 of this title, with respect to the transportation of radioactive materials on any passenger-carrying aircraft in air commerce, as defined in section 101(4) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301(4)). Such regulations shall prohibit any transportation of radioactive materials on any such aircraft unless the radioactive materials involved are intended for use in, or incident to, research, or medical diagnosis or treatment, so long as such materials as prepared for and during transportation do not pose an unreasonable hazard to health and safety. The Secretary shall further establish effective procedures for monitoring and enforcing the provisions of such regulations.

Regulations.
49 USC 1807.

(b) DEFINITION.—As used in this section, “radioactive materials” means any materials or combination of materials which spontaneously emit ionizing radiation. The term does not include materials in which (1) the estimated specific activity is not greater than 0.002 microcuries per gram of material; and (2) the radiation is distributed in an essentially uniform manner.

POWERS AND DUTIES OF THE SECRETARY

SEC. 109. (a) GENERAL.—The Secretary is authorized, to the extent necessary to carry out his responsibilities under this title, to conduct investigations, make reports, issue subpoenas, conduct hearings, require the production of relevant documents, records, and property, take depositions, and conduct, directly or indirectly, research, development, demonstration, and training activities. The Secretary is further authorized, after notice and an opportunity for a hearing, to issue orders directing compliance with this title or regulations issued under this title; the district courts of the United States shall have jurisdiction, upon petition by the Attorney General, to enforce such orders by appropriate means.

49 USC 1808.

(b) RECORDS.—Each person subject to requirements under this title shall establish and maintain such records, make such reports, and provide such information as the Secretary shall by order or regulation prescribe, and shall submit such reports and shall make such records and information available as the Secretary may request.

Notice and
hearing.

(c) INSPECTION.—The Secretary may authorize any officer, employee, or agent to enter upon, inspect, and examine, at reasonable times and in a reasonable manner, the records and properties of persons to the extent such records and properties relate to—

(1) the manufacture, fabrication, marking, maintenance, reconditioning, repair, testing, or distribution of packages or containers for use by any person in the transportation of hazardous materials in commerce; or

(2) the transportation or shipment by any person of hazardous materials in commerce.

Any such officer, employee, or agent shall, upon request, display proper credentials.

(d) FACILITIES AND DUTIES.—The Secretary shall—

(1) establish and maintain facilities and technical staff sufficient to provide, within the Federal government, the capability of evaluating risks connected with the transportation of hazardous materials and materials alleged to be hazardous;

(2) establish and maintain a central reporting system and data center so as to be able to provide the law-enforcement and firefighting personnel of communities, and other interested persons and government officers, with technical and other information and advice for meeting emergencies connected with the transportation of hazardous materials; and

(3) conduct a continuing review of all aspects of the transportation of hazardous materials in order to determine and to be able to recommend appropriate steps to assure the safe transportation of hazardous materials.

Report to
President, trans-
mittal to Con-
gress.

Contents.

(e) ANNUAL REPORT.—The Secretary shall prepare and submit to the President for transmittal to the Congress on or before May 1 of each year a comprehensive report on the transportation of hazardous materials during the preceding calendar year. Such report shall include, but need not be limited to—

(1) a thorough statistical compilation of any accidents and casualties involving the transportation of hazardous materials;

(2) a list and summary of applicable Federal regulations, criteria, orders, and exemptions in effect;

(3) a summary of the basis for any exemptions granted or maintained;

(4) an evaluation of the effectiveness of enforcement activities and the degree of voluntary compliance with applicable regulations;

(5) a summary of outstanding problems confronting the administration of this title, in order of priority; and

(6) such recommendations for additional legislation as are deemed necessary or appropriate.

PENALTIES

49 USC 1809.

SEC. 110. (a) CIVIL.—(1) Any person (except an employee who acts without knowledge) who is determined by the Secretary, after notice and an opportunity for a hearing, to have knowingly committed an act which is a violation of a provision of this title or of a regulation issued under this title, shall be liable to the United States for a civil penalty. Whoever knowingly commits an act which is a violation of any regulation, applicable to any person who transports or causes to be transported or shipped hazardous materials, shall be subject to a civil penalty of not more than \$10,000 for each violation, and if any such violation is a continuing one, each day of violation constitutes a separate offense. Whoever knowingly commits an act which is a violation of any regulation applicable to any person who manufactures, fabricates, marks, maintains, reconditions, repairs, or tests a package or container which is represented, marked, certified, or sold by such person for use in the transportation in commerce of hazardous materials shall be subject to a civil penalty of not more than \$10,000 for each violation. The amount of any such penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(2) Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States in the appropriate district court of the United States or, prior to referral to the Attorney General, such civil penalty may be compromised by the Secretary.

The amount of such penalty, when finally determined (or agreed upon in compromise), may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

(b) **CRIMINAL.**—A person is guilty of an offense if he willfully violates a provision of this title or a regulation issued under this title. Upon conviction, such person shall be subject, for each offense, to a fine of not more than \$25,000, imprisonment for a term not to exceed 5 years, or both.

SPECIFIC RELIEF

SEC. 111. (a) GENERAL.—The Attorney General, at the request of the Secretary, may bring an action in an appropriate district court of the United States for equitable relief to redress a violation by any person of a provision of this title, or an order or regulation issued under this title. Such district courts shall have jurisdiction to determine such actions and may grant such relief as is necessary or appropriate, including mandatory or prohibitive injunctive relief, interim equitable relief, and punitive damages.

49 USC 1810.

(b) **IMMINENT HAZARD.**—If the Secretary has reason to believe that an imminent hazard exists, he may petition an appropriate district court of the United States, or upon his request the Attorney General shall so petition, for an order suspending or restricting the transportation of the hazardous material responsible for such imminent hazard, or for such other order as is necessary to eliminate or ameliorate such imminent hazard. As used in this subsection, an “imminent hazard” exists if there is substantial likelihood that serious harm will occur prior to the completion of an administrative hearing or other formal proceeding initiated to abate the risk of such harm.

“Imminent hazard.”

RELATIONSHIP TO OTHER LAWS

SEC. 112. (a) GENERAL.—Except as provided in subsection (b) of this section, any requirement, of a State or political subdivision thereof, which is inconsistent with any requirement set forth in this title, or in a regulation issued under this title, is preempted.

49 USC 1811.

(b) **STATE LAWS.**—Any requirement, of a State or political subdivision thereof, which is not consistent with any requirement set forth in this title, or in a regulation issued under this title, is not preempted if, upon the application of an appropriate State agency, the Secretary determines, in accordance with procedures to be prescribed by regulation, that such requirement (1) affords an equal or greater level of protection to the public than is afforded by the requirements of this title or of regulations issued under this title and (2) does not unreasonably burden commerce. Such requirement shall not be preempted to the extent specified in such determination by the Secretary for so long as such State or political subdivision thereof continues to administer and enforce effectively such requirement.

(c) **OTHER FEDERAL LAWS.**—The provisions of this title shall not apply to pipelines which are subject to regulation under the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1671 et seq.) or to pipelines which are subject to regulation under chapter 39 of title 18, United States Code.

18 USC 831.

CONFORMING AMENDMENTS

SEC. 113. (a) Section 4472 of title 52 of the Revised Statutes of the United States, as amended (46 U.S.C. 170) is amended—

Penalty.

(1) by inserting, in the first sentence of paragraph (14) thereof, "criminal" before the word "penalty" and "or imprisoned not more than 5 years, or both" before the phrase "for each violation"; and

(2) by adding at the end thereof the following new paragraph:

"(17) (A) Any person (except an employee who acts without knowledge) who is determined by the Secretary, after notice and an opportunity for a hearing, to have knowingly committed an act which is a violation of any provision of this section, or of any regulation issued under this section, shall be liable to the United States for a civil penalty of not more than \$10,000 for each day of each violation. The amount of such civil penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(B) Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States, in the appropriate district court of the United States or, prior to referral to the Attorney General, such civil penalty may be compromised by the Secretary. The amount of such penalty, when finally determined (or agreed upon in compromise), may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts."

(b) Section 901(a)(1) of the Federal Aviation Act of 1958 (49 U.S.C. 1471(a)(1)) is amended—

(1) by inserting immediately before the period at the end of the first sentence thereof and inserting in lieu thereof: ", except that the amount of such civil penalty shall not exceed \$10,000 for each such violation which relates to the transportation of hazardous materials."; and

(2) by deleting in the second sentence thereof ": *Provided, That this*" and inserting in lieu thereof the following: ". The amount of any such civil penalty which relates to the transportation of hazardous materials shall be assessed by the Secretary, or his delegate, upon written notice upon a finding of violation by the Secretary, after notice and an opportunity for a hearing. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require. This".

(c) Section 902(h) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472(h)) is amended to read as follows:

"HAZARDOUS MATERIALS

Ante, p. 2157.

"(h)(1) In carrying out his responsibilities under this Act, the Secretary of Transportation may exercise the authority vested in him by section 105 of the Hazardous Materials Transportation Act to provide by regulation for the safe transportation of hazardous materials by air.

Penalty.

"(2) A person is guilty of an offense if he willfully delivers or causes to be delivered to an air carrier or to the operator of a civil aircraft for transportation in air commerce, or if he recklessly causes the transportation in air commerce of, any shipment, baggage, or other

property which contains a hazardous material, in violation of any rule, regulation, or requirement with respect to the transportation of hazardous materials issued by the Secretary of Transportation under this Act. Upon conviction, such person shall be subject, for each offense, to a fine of not more than \$25,000, imprisonment for a term not to exceed 5 years, or both.

“(3) Nothing in this subsection shall be construed to prohibit or regulate the transportation by any individual, for personal use, of any firearm (as defined in paragraph (4) of section 232 of title 18, United States Code) or any ammunition therefor.”.

(d) Section 6(c)(1) of the Department of Transportation Act (49 U.S.C. 1655(c)(1)) is amended by inserting in the first sentence thereof after “aviation safety” and before “as set forth in” the following: (other than those relating to the transportation, packaging, marking, or description of hazardous materials)”.

(e) (1) Section 6(f)(3)(A) of the Department of Transportation Act (49 U.S.C. 1655(f)(3)(A)) is amended by striking out the period at the end thereof and by inserting in lieu thereof “(other than subsection (e)(4)).”.

(2) Section 6(f)(3)(B) of the Department of Transportation Act (49 U.S.C. 1655(f)(3)(B)) is amended by striking out the period at the end thereof and by inserting in lieu thereof “(other than subsection (e)(4)).”.

(f) Subsection (6) of section 4472 of the Revised Statutes, as amended (46 U.S.C. 170(6)), is amended—

(1) in paragraph (a) thereof, by striking out “inflammable” each place it appears and inserting in lieu thereof at each such place “flammable”; by inserting before “liquids” the following: “or combustible”; and by deleting the colon and the proviso in its entirety and by inserting in lieu thereof a period and the following two new sentences: “The provisions of this subsection shall apply to the transportation, carriage, conveyance, storage, stowing, or use on board any passenger vessel of any barrel, drum, or other package containing any flammable or combustible liquid which has a lower flash point than that which is defined as safe pursuant to regulations establishing the defining flash-point criteria for flammable and combustible liquids. Such regulations shall be prescribed, and revised as necessary, by the Secretary of Transportation.”.

(2) in paragraph (b) thereof, by striking out in clause (iv) thereof “inflammable liquids” and inserting in lieu thereof “flammable or combustible liquids”.

(g) The Hazardous Materials Transportation Control Act of 1970 (Pub. L. 91-458, title III; 49 U.S.C. 1761-1762) is repealed.

Repeal.

EFFECTIVE DATE

SEC. 114. (a) Except as provided in this section, the provisions of this title shall take effect on the date of enactment.

49 USC 1801
note.

(b) (1) Except as provided in section 108 of this title or paragraph (2) of this subsection, any order, determination, rule, regulation, permit, contract, certificate, license, or privilege issued, granted, or otherwise authorized or allowed, prior to the date of enactment of this title, pursuant to any provision of law amended or repealed by this title, shall continue in effect according to its terms or until repealed, terminated, withdrawn, amended, or modified by the Secretary or a court of competent jurisdiction.

(2) The Secretary shall take all steps necessary to bring orders, determinations, rules, and regulations into conformity with the purposes and provisions of this title as soon as practicable, but in any event no permits, contracts, certificates, licenses, or privileges granted prior to the date of enactment of this title, or renewed or extended thereafter, shall be of any effect more than 2 years after the date of enactment of this title, unless there is full compliance with the purposes and provisions of this Act and regulations thereunder.

(c) Proceedings pending upon the date of enactment of this title shall not be affected by the provisions of this title and shall be completed as if this title had not been enacted, unless the Secretary makes a determination that the public health and safety otherwise require.

AUTHORIZATION FOR APPROPRIATIONS

49 USC 1812.

SEC. 115. There is authorized to be appropriated for the purposes of this title, not to exceed \$7,000,000 for the fiscal year ending June 30, 1975.

Rail Safety
Improvement Act
of 1974.

TITLE II—RAIL SAFETY

SHORT TITLE

45 USC 440
note.

SEC. 201. This title may be cited as the "Rail Safety Improvement Act of 1974".

DECLARATION OF POLICY

45 USC 440
note.
45 USC 431
note.

SEC. 202. The Congress finds that more effective realization of the purposes of the Federal Railroad Safety Act of 1970 requires that Act to be amended to mandate comprehensive analysis and evaluation of the rail safety program, to increase the amount and percentage of available resources for inspection, investigation, and enforcement, and to increase the enforcement powers of the Secretary of Transportation.

COMPREHENSIVE RAILROAD SAFETY REPORT

SEC. 203. Section 211 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440) is amended by adding at the end thereof the following new subsection:

Report to
President and
Congress.
Contents.

"(c) SPECIAL REPORT.—The Secretary shall prepare and submit to the President and the Congress, not later than March 17, 1976, a comprehensive railroad safety report. Such report shall—

"(1) contain a description of the areas of railroad safety with respect to which Federal safety standards issued under this Act are in effect (as of June 30, 1975);

"(2) identify any area of railroad safety with respect to which Federal safety standards have been proposed but have not been issued under this Act (as of June 30, 1975);

"(3) identify any area of railroad safety with respect to which Federal safety standards have not been issued under this Act (as of June 30, 1975);

"(4) identify alternative and more cost-effective methods for inspection and enforcement of Federal safety standards, including mechanical and electronic inspection, and contain an evaluation of problems involved in implementing such alternatives, with specific attention to the need for cooperation with the railroad industry;

"(5) identify the areas of railroad safety listed in accordance with paragraphs (1) through (3) of this subsection which involve, or which may involve, State participation under section 206 of this Act;

45 USC 435.

“(6) contain a description of the railroad safety program which is in effect or planned in each State (as of June 30, 1975), including—

“(A) State program development;

“(B) State plans to participate in program areas listed in accordance with paragraph (1) of this subsection, which are not covered by a State certification or agreement;

“(C) State interest in participating in each program area listed in accordance with paragraphs (2) and (3) of this subsection, following issuance of the applicable safety standards;

“(D) annual projections of each State agency's needs for personnel, equipment, and activities reasonably required to carry out its State program during each fiscal year from 1976 through 1980 together with estimates of the annual costs thereof separately stated as to projections under subparagraphs (B) and (C) of this paragraph;

“(E) the sources from which the State expects to draw the funds to finance such programs; and

“(F) the amount of State funds and of Federal financial assistance needed during each such fiscal year, by category;

“(7) contain a detailed analysis of (A) the number of safety inspectors needed (by industry and Government respectively) to maintain an adequate and reasonable railroad safety program and record; (B) the minimum training and other qualifications needed for each such inspector; (C) the present and projected availability of such personnel in comparison to the need therefor; (D) the salary levels of such personnel in relation to salary levels for comparable positions in industry, State governments, and the Federal Government;

“(8) evaluate alternative methods of allotting Federal funds among the States applying for Federal financial assistance, including recommendations, if needed, for a formula for such apportionment;

“(9) contain a discussion of other problems affecting cooperation among the States that relate to effective participation of State agencies in the nationwide railroad safety program; and

“(10) contain recommendations for any additional Federal and State legislation needed to further realization of the objectives of this Act.

Such report shall be prepared by the Secretary, directly or indirectly, after research, examination, study, and consultation with the national associations representing railroad employee unions, railroad management, cooperating State agencies, the national organization of State commissions, universities, and other persons having special expertise or experience with respect to railroad safety. Such report shall include, in an appendix, a statement of the views of the national associations representing railroad employee unions, of the carriers, and of the national organization of State commissions with respect to the content of such report in its final form.”.

ACCIDENT REPORTS

SEC. 204. (a) Section 209(b) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 438(b)) is amended by inserting after “for violation thereof” and before “in such amount” the following: “or for violation of section 2 of the Act of May 6, 1910 (45 U.S.C. 39)”.

(b) Section 2 of the Act of May 6, 1910 (45 U.S.C. 39) is amended by adding at the end thereof the following new sentence: "In lieu of the foregoing, any such carrier may be required to pay a civil penalty pursuant to subsections (b) and (c) of section 209 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 438(b)).".

AUTHORIZATION FOR APPROPRIATIONS

SEC. 205. Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended to read as follows:

"(a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed \$35,000,000 for the fiscal year ending June 30, 1975.

"(b) Subject to the provisions of subsection (c), amounts appropriated under subsection (a) of this section shall be available for expenditure as follows:

"(1) Not to exceed \$18,000,000 for the Office of Safety, including salaries and expenses for up to 350 safety inspectors and up to 80 clerical personnel.

45 USC 435.

"(2) Not to exceed \$3,500,000 to carry out the provisions of section 206(d) of this Act.

"(3) Not to exceed \$3,500,000 for the Federal Railroad Administration, for salaries and expenses not otherwise provided for.

"(4) Not to exceed \$10,000,000 for conducting research and development activities under this Act.

"(c) The aggregate of amounts obligated and expended in fiscal year 1975 for conducting research and development activities under this Act shall not exceed the aggregate of amounts expended in such fiscal year for the investigation and enforcement of railroad safety rules, regulations, orders, and standards prescribed or in effect under this Act."

ENFORCEMENT

SEC. 206. Section 208(a) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 437(a)) is amended by adding at the end thereof the following new sentence: "The Secretary is further authorized to issue orders directing compliance with this Act or with any railroad safety rule, regulation, order, or standard issued under this Act; the district courts of the United States shall have jurisdiction, upon petition by the Attorney General, to enforce such orders by appropriate means."

Independent
Safety Board Act
of 1974.

TITLE III—INDEPENDENT SAFETY BOARD

SHORT TITLE

49 USC 1901
note.

SEC. 301. This title may be cited as the "Independent Safety Board Act of 1974".

FINDINGS

49 USC 1901.

SEC. 302. The Congress finds and declares:

49 USC 1654.

(1) The National Transportation Safety Board was established by statute in 1966 (Public Law 89-670; 80 Stat. 935) as an independent Government agency, located within the Department of Transportation, to promote transportation safety by conducting independent accident investigations and by formulating safety improvement recommendations.

(2) Proper conduct of the responsibilities assigned to this Board requires vigorous investigation of accidents involving transportation modes regulated by other agencies of Government; demands

continual review, appraisal, and assessment of the operating practices and regulations of all such agencies; and calls for the making of conclusions and recommendations that may be critical of or adverse to any such agency or its officials. No Federal agency can properly perform such functions unless it is totally separate and independent from any other department, bureau, commission, or agency of the United States.

NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 303. (a) ESTABLISHMENT.—The National Transportation Safety Board (hereafter in this title referred to as the “Board”), previously established within the Department of Transportation, shall be an independent agency of the United States, in accordance with this section, on and after April 1, 1975.

49 USC 1902.

(b) ORGANIZATION.—(1) The Board shall consist of five members, including a Chairman. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than three members of the Board shall be of the same political party. At any given time, no less than two members of the Board shall be individuals who have been appointed in the field of accident reconstruction, safety engineering, or transportation safety.

Membership.

(2) The terms of office of members of the Board shall be 5 years, except as otherwise provided in this paragraph. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his predecessor was appointed shall be appointed for the remainder of that term. Upon the expiration of his term of office, a member shall continue to serve until his successor is appointed and shall have qualified. Individuals serving as members of the National Transportation Safety Board on the date of enactment of this title shall continue to serve as members of the Board until the expiration of their then current term of office. Any member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

Term.

(3) On or before January 1, 1976 (and thereafter as required), the President shall—

(A) designate, by and with the advice and consent of the Senate, an individual to serve as the Chairman of the Board (hereafter in this title referred to as the “Chairman”); and

(B) an individual to serve as Vice Chairman.

The Chairman and Vice Chairman each shall serve for a term of 2 years. The Chairman shall be the chief executive officer of the Board and shall exercise the executive and administrative functions of the Board with respect to the appointment and supervision of personnel employed by the Board; the distribution of business among such personnel and among any administrative units of the Board; and the use and expenditure of funds. The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman. The Chairman or Acting Chairman shall be governed by the general policies established by the Board, including any decisions, findings, determinations, rules, regulations, and formal resolutions.

(4) Three members of the Board shall constitute a quorum for the transaction of any function of the Board.

(5) The Board shall establish and maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report on accidents involving each of the following modes of transportation:

(A) aviation; (B) highway and motor vehicle; (C) railroad and tracked vehicle; and (D) pipeline. The Board shall, in addition, establish and maintain any other such office as is needed, including an office to investigate and report on the safe transportation of hazardous materials.

(c) GENERAL.—(1) The General Services Administration shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

(2) The Board shall have a seal which shall be judicially recognized.

(3) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as shall be necessary to carry out its powers and duties under this title.

GENERAL PROVISIONS

49 USC 1903.

SEC. 304. (a) DUTIES OF BOARD.—The Board shall—

(1) investigate or cause to be investigated (in such detail as it shall prescribe), and determine the facts, conditions, and circumstances and the cause or probable cause or causes of any—

49 USC 1655.

(A) aircraft accident which is within the scope of the functions, powers, and duties transferred from the Civil Aeronautics Board under section 6(d) of the Department of Transportation Act (49 U.S.C. 4655(d)) pursuant to title VII of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1441);

(B) highway accident, including any railroad grade crossing accident, that it selects in cooperation with the States;

(C) railroad accident in which there is a fatality, substantial property damage, or which involves a passenger train;

(D) pipeline accident in which there is a fatality or substantial property damage;

(E) major marine casualty, except one involving only public vessels, occurring on the navigable waters or territorial seas of the United States, or involving a vessel of the United States, in accordance with regulations to be prescribed jointly by the Board and the Secretary of the department in which the Coast Guard is operating. Nothing in this subparagraph shall be construed to eliminate or diminish any responsibility under any other Federal statute of the Secretary of the department in which the Coast Guard is operating: *Provided*, That any marine accident involving a public vessel and any other vessel shall be investigated and the facts, conditions, and circumstances, and the cause or probable cause determined and made available to the public by either the Board or the Secretary of the Department in which the Coast Guard is operating; and

(F) other accident which occurs in connection with the transportation of people or property which, in the judgment of the Board, is catastrophic, involves problems of a recurring character, or would otherwise carry out the policy of this title.

Report.

The Board may request the Secretary of Transportation (hereafter in this title referred to as the "Secretary") to make investigations with regard to such accidents and to report to the

Board the facts, conditions, and circumstances thereof (except in accidents where misfeasance or nonfeasance by the Federal Government is alleged), and the Secretary or his designees are authorized to make such investigations. Thereafter, the Board, utilizing such reports, shall make its determination of cause or probable cause under this paragraph;

(2) report in writing on the facts, conditions, and circumstances of each accident investigated pursuant to paragraph (1) of this subsection and cause such reports to be made available to the public at reasonable cost and to cause notice of the issuance and availability of such reports to be published in the Federal Register;

Report; publication in Federal Register.

(3) issue periodic reports to the Congress, Federal, State, and local agencies concerned with transportation safety, and other interested persons recommending and advocating meaningful responses to reduce the likelihood of recurrence of transportation accidents similar to those investigated by the Board and proposing corrective steps to make the transportation of persons as safe and free from risk of injury as is possible, including steps to minimize human injuries from transportation accidents;

Reports to Congress, Federal, State, and local agencies.

(4) initiate and conduct special studies and special investigations on matters pertaining to safety in transportation including human injury avoidance;

(5) assess and reassess techniques and methods of accident investigation and prepare and publish from time to time recommended procedures for accident investigations;

(6) establish by regulation requirements binding on persons reporting accidents subject to the Board's investigatory jurisdiction under this subsection;

(7) evaluate, assess the effectiveness, and publish the findings of the Board with respect to the transportation safety consciousness and efficacy in preventing accidents of other Government agencies;

(8) evaluate the adequacy of safeguards and procedures concerning the transportation of hazardous materials and the performance of other Government agencies charged with assuring the safe transportation of such materials; and

(9) review on appeal (A) the suspension, amendment, modification, revocation, or denial of any operating certificate or license issued by the Secretary of Transportation under sections 602, 609, or 611(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1422, 1429, or 1431(c)); and (B) the decisions of the Commandant of the Coast Guard, on appeals from the orders of any administrative law judge revoking, suspending, or denying a license, certificate, document, or register in proceedings under section 4450 of the Revised Statutes of the United States (46 U.S.C. 239); the Act of July 15, 1954 (46 U.S.C. 239 (a) and (b)); or section 4 of the Great Lakes Pilotage Act (46 U.S.C. 216(b)).

46 USC 239a,
239b,
46 USC 216b.

(b) **POWERS OF BOARD.**—(1) The Board, or upon the authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Chairman, may, for the purpose of carrying out this title, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise the attendance and testimony of such witnesses and the production of such evidence as the Board or such officer or employee deems advisable. Subpoenas shall be issued under the signature of the Chairman, or his delegate, and may

be served by any person designated by the Chairman. Witnesses summoned to appear before the Board shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing in the United States.

Inspections.

(2) Any employee of the Board, upon presenting appropriate credentials and a written notice of inspection authority, is authorized to enter any property wherein a transportation accident has occurred or wreckage from any such accident is located and do all things therein necessary for a proper investigation. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such accident. Each inspection shall be commenced and completed with reasonable promptness and the results of such inspection made available.

(3) In case of contumacy or refusal to obey a subpoena, an order, or an inspection notice of the Board, or of any duly designated employee thereof, by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon the request of the Board, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

Contract authority.

(4) The Board is authorized to enter into, without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the functions and the duties of the Board under this title, with any government entity or any person.

Autopsy report.

(5) The Board is authorized to obtain, and shall be furnished, with or without reimbursement, a copy of the report of the autopsy performed by State or local officials on any person who dies as a result of having been involved in a transportation accident within the jurisdiction of the Board and, if necessary, the Board may order the autopsy or seek other tests of such persons as may be necessary to the investigation of the accident: *Provided*, That to the extent consistent with the need of the accident investigation, provisions of local law protecting religious beliefs with respect to autopsies shall be observed.

(6) The Board is authorized to (A) use, on a reimbursable basis or otherwise, when appropriate, available services, equipment, personnel, and facilities of the Department of Transportation and of other civilian or military agencies and instrumentalities of the Federal Government; (B) confer with employees and use available services, records, and facilities of State, municipal, or local governments and agencies; (C) employ experts and consultants in accordance with section 3109 of title 5, United States Code; (D) appoint one or more advisory committees composed of qualified private citizens or officials of Federal, State, or local governments as it deems necessary or appropriate, in accordance with the Federal Advisory Committee Act (5 U.S.C. App. I); (E) accept voluntary and uncompensated services notwithstanding any other provision of law; (F) accept gifts or donations of money or property (real, personal, mixed, tangible, or intangible); and (G) enter into contracts with public or private nonprofit entities for the conduct of studies related to any of its functions.

Budget estimates, transmittal to Congress.

(7) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information, legislative recommendation, prepared testimony for congressional hearings, or comment on legislation to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States

shall have any authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(8) The Board is empowered to designate representatives to serve or assist on such committees as the Chairman determines to be necessary or appropriate to maintain effective liaison with other Federal agencies, and with State and local government agencies, and with independent standard-setting bodies carrying out programs and activities related to transportation safety.

(9) The Board, or an employee of the Board duly designated by the Chairman, may conduct an inquiry to secure data with respect to any matter pertinent to transportation safety, upon publication of notice of such inquiry in the Federal Register; and may require, by special or general orders, Federal, State, and local government agencies and persons engaged in the transportation of people or property in commerce to submit written reports and answers to such requests and questions as are propounded with respect to any matter pertinent to any function of the Board. Such reports and answers shall be submitted to the Board or to such employee within such reasonable period of time and in such form as the Board may determine. Copies thereof shall be made available for inspection by the public.

Publication in
Federal Register.

(10) Establish such rules and regulations as may be necessary to the exercise of its functions.

Rules and regu-
lations.

(c) **USE OF REPORTS AS EVIDENCE.**—No part of any report of the Board, relating to any accident or the investigation thereof, shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report or reports.

(d) **JUDICIAL REVIEW.**—Any order, affirmative or negative, issued by the Board under this title shall be subject to review by the appropriate court of appeals of the United States or the United States Court of Appeals for the District of Columbia, upon petition filed within 60 days after the entry of such order, by any person disclosing a substantial interest in such order. Such review shall be conducted in accordance with the provisions of chapter 7 of title 5, United States Code.

5 USC 701.

ANNUAL REPORT

SEC. 305. The Board shall report to the Congress on July 1 of each year. Such report shall include, but need not be limited to—

49 USC 1904.

(1) a statistical and analytical summary of the transportation accident investigations conducted and reviewed by the Board during the preceding calendar year;

(2) a survey and summary, in such detail as the Board deems advisable, of the recommendations made by the Board to reduce the likelihood of recurrence of such accidents together with the observed response to each such recommendation;

(3) an appraisal in detail of the accident investigation and accident prevention activities of other government agencies charged by Federal or State law with responsibility in this field; and

(4) a biennial appraisal and evaluation and review, and recommendations for legislative and administrative action and change, with respect to transportation safety.

PUBLIC ACCESS TO INFORMATION

49 USC 1905.

SEC. 306. (a) GENERAL.—Copies of any communication, document, investigation, or other report, or information received or sent by the Board, or any member or employee of the Board, shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released pursuant to subsection (b) of this section. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

Information
disclosure, pro-
hibition.

(b) EXCEPTION.—The Board shall not disclose information obtained under this title which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve confidentiality—

(1) upon request, to other Federal Government departments and agencies for official use;

(2) upon request, to any committee of Congress having jurisdiction over the subject matter to which the information relates;

(3) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect health and safety, after notice to any interested person to whom the information pertains and an opportunity for such person to comment in writing, or orally in closed session, on such proposed disclosure (if the delay resulting from such notice and opportunity for comment would not be detrimental to health and safety).

RESPONSE TO BOARD RECOMMENDATIONS

49 USC 1906.

SEC. 307. Whenever the Board submits a recommendation regarding transportation safety to the Secretary, he shall respond to each such recommendation formally and in writing not later than 90 days after receipt thereof. The response to the Board by the Secretary shall indicate his intention to—

(1) initiate and conduct procedures for adopting such recommendation in full, pursuant to a proposed timetable, a copy of which shall be included;

(2) initiate and conduct procedures for adopting such recommendation in part, pursuant to a proposed timetable, a copy of which shall be included. Such response shall set forth in detail the reasons for the refusal to proceed as to the remainder of such recommendation; or

(3) refuse to initiate or conduct procedures for adopting such recommendation. Such response shall set forth in detail the reasons for such refusal.

Publication in
Federal Register.

The Board shall cause notice of the issuance of each such recommendation and of each receipt of a response thereto to be published in the Federal Register, and shall make copies thereof available to the public at reasonable cost.

CONFORMING AMENDMENTS

SEC. 308. The Department of Transportation Act is amended—

(1) by deleting section 5 (49 U.S.C. 1654);

(2) by amending section 4(c) thereof (49 U.S.C. 1653(c)) by deleting “or the National Transportation Safety Board” in the first sentence thereof; and by deleting in the second sentence thereof “, the Administrators, or the National Transportation Safety Board.” and by inserting in lieu thereof “or the Administrators.”; and

(3) by amending section 4(d) thereof (49 U.S.C. 1653(d)) by deleting “, the Administrators, and the National Transportation Safety Board” and by inserting in lieu thereof “and the Administrators”.

AUTHORIZATION OF APPROPRIATIONS

SEC. 309. There are authorized to be appropriated for the purposes of this Act not to exceed \$12,000,000 for the fiscal year ending June 30, 1975; and \$12,000,000 for the fiscal year ending June 30, 1976, such sums to remain available until expended.

49 USC 1907.

Approved January 3, 1975.

Public Law 93-634

AN ACT

Designating San Angelo Dam and Reservoir on the North Concho River as the “O. C. Fisher Dam and Lake”.

January 3, 1974
[H. R. 15322]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the San Angelo Dam and Reservoir, North Concho River, Texas, authorized by the Flood Control Act approved August 18, 1941, shall hereafter be known as the O. C. Fisher Dam and Lake, and any law, regulation, document, or record of the United States in which such project is designated or referred to shall be held to refer to such project under and by the name of “O. C. Fisher Dam and Lake”.

San Angelo Dam
and Reservoir,
North Concho
River, Tex.
Name change.
55 Stat. 638.

Approved January 3, 1975.

Public Law 93-635

AN ACT

To make technical amendments to the Act of September 3, 1974, relating to salary increases for District of Columbia police, firemen, and teachers, and to the District of Columbia Real Property Tax Revision Act of 1974, and for other purposes.

January 3, 1975
[H. R. 16925]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective on the first day of the first pay period beginning on or after July 1, 1974, the salary schedule in section 101(a) of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-823(a)) is amended by striking out “16,510” in service step 2 of class 4 of such schedule and inserting in lieu thereof “16,540”.

D.C.
Police, firemen
and teachers,
salary increases;
real property
taxes.

Technicians' positions.

SEC. 2. (a) Effective on and after the first day of the first pay period beginning on or after July 1, 1974, subsections (a), (b), (c), and (d) of section 302 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code, sec. 4-828) are amended to read as follows:

"SEC. 302. (a) The Commissioner of the District of Columbia, in the case of the Metropolitan Police force and the Fire Department of the District of Columbia, the Secretary of the Treasury, in the case of the Executive Protective Service, and the Secretary of the Interior, in the case of the United States Park Police force, are authorized to establish and determine, from time to time, the positions in salary classes 1, 2, and 4 to be included as technicians' positions.

"(b) Each officer or member—

D.C. Code
4-823 note.

"(1) who immediately prior to the effective date of the District of Columbia Police and Firemen's Salary Act Amendments of 1972—

"(A) was in a position assigned to subclass (b) of salary class 1 or 2 or subclass (c) of salary class 4, or

"(B) was in salary class 4 and was performing the duty of a dog handler, or

"(2) whose position is determined under subsection (a) to be included in salary class 1, 2, or 4 on or after such date as a technician's position,

Dog handler.

shall on or after such date receive, in addition to his scheduled rate of basic compensation, \$735 per annum. An officer or member described in paragraph (1) (A) or (2) shall receive the additional compensation authorized by this subsection until his position is determined under subsection (a) not to be included in salary class 1, 2, or 4, as a technician's position or until he no longer occupies such position, whichever occurs first. An officer or member described in paragraph (1) (B) shall receive such compensation until the position of dog handler is determined under subsection (a) not to be included in salary class 4 as a technician's position or until he no longer performs the duty of dog handler, whichever first occurs. If the position of dog handler is included under subsection (a) as a technician's position, an officer or member performing the duty of a dog handler may not receive both the additional compensation authorized for an officer or member occupying a technician's position and the additional compensation authorized for officers and members performing the duty of a dog handler.

Detective sergeant.

"(c) Each officer or member who immediately prior to the effective date of the District of Columbia Police and Firemen's Salary Act Amendments of 1972 was assigned as a detective sergeant in subclass (b) of salary class 4 shall on or after such date, receive, in addition to his scheduled rate of basic compensation, \$540 per annum so long as he remains in such assignment. Each officer or member who is promoted after such date to the rank of detective sergeant shall receive, in addition to his scheduled rate of basic compensation, \$540 per annum so long as he remains in such assignment.

"(d) The additional compensation authorized by subsections (b) and (c) shall be paid to an officer or member in the same manner as he is paid the basic compensation to which he is entitled."

(b) Effective on and after the first day of the first pay period beginning on or after January 1, 1974, section 302 of that Act is amended by adding at the end thereof the following:

Additional compensation.
D.C. Code 4-828.

“(e) Whenever any officer or member receiving additional compensation authorized by subsection (b) or (c) is no longer entitled to receive such additional compensation, without a change in salary class, he shall receive, irrespective of any subsequent salary schedule or service step adjustment authorized by this Act, basic compensation equal to the sum of his existing scheduled rate of basic compensation and the amount of such additional compensation until his scheduled rate of basic compensation equals or exceeds such sum.

“(f) The loss of the additional compensation authorized by subsection (b) or (c) shall not constitute an adverse action for the purposes of section 7511 of title 5 of the United States Code.”

(c) Effective on and after the date of enactment of this Act paragraphs (5), (6), and (7) of section 101(a) of the Act of September 3, 1974 (relating to District of Columbia police and firemen's salaries) are repealed.

Repeal.
D.C. Code 4-828.

Ante, p. 1036.

SEC. 3. (a) Section 103(a) of the Act of September 3, 1974 (relating to salary increases for District of Columbia police, firemen, and teachers), is amended by striking out “this title” and inserting in lieu thereof “this part”.

Ante, p. 1038.

(b) Section 124(a) of that Act is amended by striking out “subsections (a), (b), and (d)” and inserting in lieu thereof “subsections (a) and (b)”.

Ante, p. 1041.

(c) Section 124(c) of that Act is amended by striking out “Section 122” and inserting in lieu thereof “Sections 122, 123, and 124”.

(d) The amendments made by this section shall take effect on and after September 3, 1974.

Effective date.
D.C. Code 4-823
note.
Teachers, salary increase.

SEC. 4. Effective on the first day of the first pay period beginning on or after September 1, 1974, the salary schedule contained in section 1 of the District of Columbia Teachers' Salary Act of 1955 (D.C. Code, sec. 31-1501) is amended by

(1) striking out “\$29,900” in service step 5 of class 3 and inserting in lieu thereof “\$29,990”;

(2) striking out “13,620” in service step 9 of Group A-1 of class 15 and inserting in lieu thereof “13,520”;

(3) striking out “Group B, master's degree” in class 15 and inserting in lieu thereof “Group B, bachelor's degree + 30 or master's degree”;

(4) striking out “14,780” in service step 8 of Group C of class 15 and inserting in lieu thereof “14,730”; and

(5) striking out “17,180” in service step 12 of Group C of class 15 and inserting in lieu thereof “17,130”.

SEC. 5. Effective on and after September 3, 1974, the amendment made by section 202(2) of the Teachers' Salary Act Amendments of 1974 to the salary schedule contained in section 1 of the District of Columbia Teachers' Salary Act of 1955 is amended (1) by striking out “10,410” in service step 6 of Group A-1 of class 15 and inserting in lieu thereof “12,410”; and (2) by striking out “20,559” in Longevity step Y of Group D of class 15 and inserting in lieu thereof “20,550”.

Ante, p. 1042.
D.C. Code 31-1501.

Ante, p. 1052. SEC. 6. (a) (1) Subsections (c) and (d) of section 413 of the District of Columbia Real Property Tax Revision Act of 1974 are each amended by striking out "subsection (a)" and inserting in lieu thereof "subsection (b) (3)".

Effective date.
D.C. Code 47-633 note. (2) The amendments made by paragraph (1) shall take effect January 2, 1975.

(b) Section 413(e) of that Act is amended by striking out "Act" and inserting in lieu thereof "title".

Ante, p. 1053. (c) The first sentence of section 421(a) of that Act is amended by striking out "this part" and inserting in lieu thereof "this subpart".

(d) The first sentence of section 421(f) of that Act is amended by striking out "Act" and inserting in lieu thereof "title".

Ante, p. 1054. (e) The first sentence of section 422(b) of that Act is amended by striking out "this title" the first place it appears and inserting in lieu thereof "this subpart".

Ante, p. 1055.
D.C. Code 47-646. (f) The last sentence of section 426(f) of that Act is amended by striking out "423" and inserting in lieu thereof "424".

(g) Section 426(i) of that Act is amended by deleting "sections 3 and 14 of title IX of the Act of August 17, 1937 (D.C. Code, sec. 47-2404, 47-24143)" and inserting in lieu thereof "sections 3 and 4 of title IX of the Act of August 17, 1937 (D.C. Code, secs. 47-2403, 47-2404)".

Effective date.
D.C. Code 47-633 note. (h) The amendments made by subsections (b), (c), (d), (e), (f), and (g) shall take effect as provided in section 478 of that Act as if the sections (as amended) amended by such subsections had been included in Public Law 93-407 on the date of its enactment.

Ante, p. 1060. SEC. 7. (a) (1) Section 451 of the District of Columbia Real Property Tax Revision Act of 1974 is amended by (A) inserting "of article I" immediately after "title VI", and (B) inserting "Tax" immediately after "Franchise".

Effective date.
D.C. Code 47-1567g note. (2) The amendments made by paragraph (1) shall take effect on and after September 3, 1974.

(b) (1) Section 7 of title VI of article I of the District of Columbia Income and Franchise Tax Act of 1947, added by section 451 of the District of Columbia Real Property Tax Revision Act of 1974, is amended by striking out "SEC. 7.", and inserting in lieu thereof "SEC. 8".

(2) The table of contents of such article I is amended by adding at the end of the part of such table relating to title VI the following: "Sec. 8. Credit for property taxes accrued and payable by District of Columbia residents."

Effective date.
D.C. Code 47-1567g note. *Supra*. (3) The amendments made by paragraphs (1) and (2) shall take effect on and after January 1, 1975.

(c) Subsection (f) of section 8 of title VI of such article I (as redesignated by the amendment made by subsection (b)(1)) is amended by striking out "the first section of the Act of September 14, 1965 (D.C. Code, secs. 20-2101 and 20-2102), the claim shall not be allowed." and inserting in lieu thereof "sections 2101 and 2102 of title 20 of the District of Columbia Code, the claim shall not be allowed."

(d) Subsection (p) of such section 8 is amended by striking out "paragraph (1)" and inserting in lieu thereof "subsection (n)(1)".

(e) Subsection (s) of such section 8 is amended by striking out "section 7(a) of this title" and inserting in lieu thereof "subsection (a) of this section".

Effective date.
D.C. Code 47-1567g note. (f) The amendments made by subsections (c), (d), and (e) shall take effect as provided in section 451 of that Act as if the sections (as amended) amended by such subsections had been included in Public Law 93-407 on the date of its enactment.

Ante, p. 1060.
Ante, p. 1036.

SEC. 8. (a) Section 441 of the District of Columbia Real Property Tax Revision Act of 1974 is amended by striking out "(D.C. Code, sec. 47-801(a))" and inserting in lieu thereof "(D.C. Code, sec. 47-801a.)".

Ante, p. 1060.

(b) Section 473 of that Act is amended by striking out "(D.C. Code, sec. 47-2601(a)(8))" and inserting in lieu thereof "(D.C. Code, sec. 47-2601.14(a)(8))".

Ante, p. 1064.

(c) Section 474(b) of that Act is amended by striking out "(D.C. Code, sec. 47-601)" and inserting in lieu thereof "(D.C. Code, secs. 47-301, 47-601)".

Ante, p. 1065.

(d) Section 477 of that Act is amended by striking out "this Act" and inserting in lieu thereof "this title".

Ante, p. 1065.

(e) The amendments made by this section shall take effect on and after September 3, 1974.

Effective date.
D.C. Code 47-661 note.
Repeals.

SEC. 9. Effective June 30, 1975, section 5(a) of title IX of the Act of August 17, 1937 (D.C. Code, secs. 47-708, 47-709), and section 4 of the Act of July 3, 1926 (D.C. Code, sec. 47-713), are repealed.

SEC. 10. (a) Subsection (f) of the Policemen and Firemen's Retirement and Disability Act (D.C. Code, sec. 4-521) is amended by striking out "basic salary at time of retirement" and inserting in lieu thereof "average pay".

Police and firemen, disability retirement.
D.C. Code 4-526.

(b) The amendment made by subsection (a) shall apply with respect to any annuity which begins on or after July 1, 1975.

Applicability.
D.C. Code 4-526 note.

SEC. 11. Effective on and after September 3, 1974, the amendment made by section 202(4) of the Teachers' Salary Act Amendments of 1974 to the schedule of pay rates in section 13(a) of the District of Columbia Teachers' Salary Act of 1955 is amended by striking out "9.61" in step 1 for Teachers in Adult Education Schools and inserting in lieu thereof "9.67".

Adult education schools, teachers.
Ante, p. 1042.
D.C. Code 31-1542.

SEC. 12. The second sentence of section 301(a) of the District of Columbia Campaign Finance Reform and Conflict of Interest Act is amended to read as follows: "The Commissioner of the District of Columbia shall appoint, by and with the advice and consent of the Senate, the Director, except that on and after January 2, 1975, appointments to the Office of Director, including vacancies therein, shall be made by the Mayor, with the advice and consent of the Council. The Director shall serve for a term of four years, subject to removal for cause by the Commissioner or the Mayor, as the case may be, and may be reappointed for a like term or terms, with the advice and consent of the Council, except that in the case of the Director serving as such on January 1, 1975, such Director's term shall terminate upon the expiration of June 1, 1979, unless sooner so removed for cause. Any appointment to fill a vacancy in the Office of Director shall be for the unexpired portion of the term."

Director of Campaign Finance, term.
Ante, p. 454.
D.C. Code 1-1151.

SEC. 13. (a) Section 5(e) of the District of Columbia Election Act (D.C. Code, sec. 1-1105) is amended by adding at the end thereof the following new sentences: "The Board, at the request of the Director of Campaign Finance, shall provide such employees, subject to the compensation provisions of this subsection, as requested to carry out the powers and duties of the Director. Employees so assigned to the Director shall, while so assigned, be under the direction and control of the Director."

Board of Elections and Ethics.

(b) Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

Regulations.

"(g) The Board shall prescribe such regulations as may be necessary to insure that all persons responsible for the proper administration of this Act maintain a position of strict impartiality and refrain from any activity which would imply support of or opposition to (1) a candidate or group of candidates for office in the District of Columbia, or

- Definitions. (2) any political party or political committee. As used in this subsection, the terms 'office', 'political party', and 'political committee' shall have the same meaning as that prescribed in section 102 of the District of Columbia Campaign Finance Reform and Conflict of Interest Act".
- Ante*, p. 447. SEC. 14. (a) Section 306(b)(2) of the Act of August 14, 1974, is amended by deleting "chapter 5 of title 5, United States Code" and inserting "the District of Columbia Administrative Procedure Act (D.C. Code, sec. 1-1501 et seq.)".
- Ante*, p. 458. *D.C. Code* 1-1156.
- Ante*, p. 465. (b) Section 601(c) of the Act of August 14, 1974, is amended by inserting immediately before the period at the end thereof a comma and the following: "except for political contributions publicly reported pursuant to section 206 of this Act and transactions made in the ordinary course of business of the person offering or giving the thing of value".
- Ante*, p. 452. SEC. 15. (a) Section 431(a) of the District of Columbia Real Property Tax Revision Act of 1974 is amended by deleting "historic property" and inserting in lieu thereof "historic buildings".
- Historic buildings. *Ante*, p. 1057. (b) Section 431(b) of such Act is amended by deleting "historic property" and inserting "historic buildings".
- Ante*, p. 1058. (c) Section 432 of such Act is amended by deleting "property" wherever it appears therein and inserting in lieu thereof "buildings".
- Ante*, p. 1058. (d) Section 433 of such Act is amended to read as follows: "SEC. 433. To be eligible for historic property tax relief, real property must be a historic building designated by the Joint Committee on Landmarks of the National Capital and, in addition, must be approved by the Commissioner under section 434."
- Ante*, p. 1058. (e) Section 434 of such Act is amended to read as follows: "SEC. 434. The Council may provide that the owners of historic buildings which have been so designated by the Joint Committee on Landmarks of the National Capital may enter into agreements with the government of the District of Columbia for periods of at least twenty years which will assure the continued maintenance of historic buildings in return for property tax relief. Such a provision shall, as a condition for tax relief, require reasonable assurance that such buildings will be used and properly maintained and such other conditions as the Council finds to be necessary to encourage the preservation of historic buildings. The Council shall also provide for the recovery of back taxes, with interest, which would have been due and payable in the absence of the exemption, if the conditions for such exemption are not fulfilled."
- Repeal. SEC. 16. Section 4(a) of the Act entitled "An Act to amend the Controlled Substances Act to extend for three fiscal years the authorization of appropriations for the administration and enforcement of that Act", approved October 26, 1974 (Public Law 93-481), is amended by striking out "chapter 6" and inserting in lieu thereof "chapter 5".
- Ante*, p. 1455. SEC. 17. Section 493(b) of the Act of December 24, 1973, is amended to read as follows:
- Public Service Commission, commissioners. *D.C. Code* 43-201. (b) Paragraph 97(a) of section 8 of the Act of March 4, 1913 (making appropriations for the government of the District of Columbia) (D.C. Code, sec. 43-201), is amended as follows:
- "(1) The first sentence of such paragraph is amended to read as follows: 'The Public Service Commission of the District of Columbia shall be composed of three commissioners appointed by the Mayor, by and with the advice and consent of the Council, except that the members (other than the Commissioner of the District of Columbia) serving as commissioners of such Commission on January 1, 1975, by virtue of their appointment by the President, by and with the advice and consent of the Senate, shall

continue to serve until the expiration of the terms for which they were so appointed. The member first appointed by the Mayor, by and with the advice and consent of the Council, on or after January 2, 1975, shall serve until June 30, 1978.

"(2) The third sentence of such paragraph is repealed.

Repeal.

"(3) The sixth sentence of such paragraph is amended to read as follows: 'No Commissioner shall, during his term of office, hold any other public office.'

"(4) The seventh sentence of such paragraph is amended by deleting 'The Commissioners of the District of Columbia' and inserting in lieu thereof 'The Mayor'.

"(5) The eighth sentence of such paragraph is amended to read as follows: 'No person shall be eligible to the office of Commissioner of the Public Service Commission of the District of Columbia who has not been a bona fide resident of the District of Columbia for a period of at least three years next preceding his appointment or who has voted or claimed residence elsewhere during such period.' "

SEC. 18. (a) Section 103(a) of the Act of September 3, 1974 (77 Stat. 1036), relating to police and firemen's compensation, is amended by deleting "subsections (b) and (c)" and inserting in lieu thereof "subsections (b), (c), and (d)".

Ante, p. 1038.

(b) Section 103(a) of such Act is further amended by adding at the end thereof the following:

"(d) The amendment made by paragraph (4) of section 101 shall take effect on and after the first day of the first pay period beginning on or after June 1, 1974."

Ante, p. 1036.

SEC. 19. Section 122 of the Act of September 3, 1974 (relating to police and firemen's compensation), is amended by adding at the end thereof the following new subsection:

Police and Firemen's Retirement and Relief Board, membership.

Ante, p. 1041.

"(d) In addition to the members and alternates of the Board designated by subsection (a) of this section, in all cases of retirement, disability, or other relief involving a member of the Executive Protective Service or a member of the United States Secret Service, who contribute to the Policemen and Firemen's Relief Fund of the District of Columbia, a member and alternate of the Executive Protective Service or a member and alternate of the United States Secret Service, as designated by the Director, United States Secret Service, as appropriate shall sit as a member of the Police and Firemen's Retirement and Relief Board."

Approved January 3, 1975.

Public Law 93-636

AN ACT

Making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

January 3, 1975
[H. R. 17468]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1975, for military construction functions administered by the Department of Defense, and for other purposes, namely:

Military Construction Appropriation Act, 1975.

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Army as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, \$656,825,000, to remain available until expended.

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, and facilities for the Navy as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, \$606,376,000, to remain available until expended.

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, and facilities for the Air Force as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, \$456,439,000, to remain available until expended.

MILITARY CONSTRUCTION, DEFENSE AGENCIES

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, and facilities for activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency), as currently authorized in military public works or military construction Acts, and in sections 2673 and 2675 of title 10, United States Code, \$31,260,000, to remain available until expended; and, in addition, not to exceed \$20,000,000 to be derived by transfer from the appropriation "Research, development, test, and evaluation, Defense Agencies" as determined by the Secretary of Defense: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, \$59,000,000, to remain available until expended.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, \$35,500,000, to remain available until expended.

10 USC 2231.

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, \$43,700,000, to remain available until expended.

MILITARY CONSTRUCTION, NAVAL RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, \$22,135,000, to remain available until expended.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, \$16,000,000, to remain available until expended.

FAMILY HOUSING, DEFENSE

For expenses of family housing for the Army, Navy, Marine Corps, Air Force, and Defense agencies, for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation, maintenance, and debt payment, including leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, \$1,245,790,000, to be obligated and expended in the Family Housing Management Account established pursuant to section 501(a) of Public Law 87-554, in not to exceed the following amounts:

42 USC 1594a-1.

For the Army:

Construction, \$122,500,000;

For the Navy and Marine Corps:

Construction, \$127,275,000;

For the Air Force:

Construction, \$60,500,000;

For Department of Defense:

Debt payment, \$162,348,000;

Operation, maintenance, \$773,167,000.

Provided, That the amounts provided under this head for construction and for debt payment shall remain available until expended.

HOMEOWNERS ASSISTANCE FUND, DEFENSE

For use in the Homeowners Assistance Fund established pursuant to section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89-754, as amended), \$5,000,000.

42 USC 3374.

GENERAL PROVISIONS

Prior appropriations.

SEC. 101. Funds appropriated to the Department of Defense for construction in prior years are hereby made available for construction authorized for each such department by the authorizations enacted into law during the second session of the Ninety-third Congress.

Contracts.

SEC. 102. None of the funds appropriated in this Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed \$25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

Construction costs, expedition.

SEC. 103. None of the funds appropriated in this Act shall be expended for additional costs involved in expediting construction unless the Secretary of Defense certifies such costs to be necessary to protect the national interest and establishes a reasonable completion date for each project, taking into consideration the urgency of the requirement, the type and location of the project, the climatic and seasonal conditions affecting the construction, and the application of economical construction practices.

Service facilities.

SEC. 104. None of the funds appropriated in this Act shall be used for the construction, replacement, or reactivation of any bakery, laundry, or drycleaning facility in the United States, its territories, or possessions, as to which the Secretary of Defense does not certify, in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates.

Motor vehicles, hire.

SEC. 105. Funds herein appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

31 USC 638f.
Access roads,
construction.
31 USC 700b.

SEC. 106. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

New bases.

SEC. 107. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

Land purchases
or easements.

SEC. 108. No part of the funds provided in this Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Naval Facilities Engineering Command, except: (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than \$25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.

Foreign projects.

SEC. 109. None of the funds appropriated in this Act may be used to make payments under contracts for any project in a foreign country unless the Secretary of Defense or his designee, after consultation with the Secretary of the Treasury or his designee, certifies to the Congress that the use, by purchase from the Treasury, of currencies of such country acquired pursuant to law is not feasible for the purpose, stating the reason therefor.

SEC. 110. None of the funds appropriated in this Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts: *Provided*, That funds in this Act may be available for family housing in accordance with section 502 of the Military Construction Authorization Act, 1975, excluding the costs of design and supervision, inspection and overhead.

Family housing limitations.

Ante, p. 1758.

SEC. 111. Notwithstanding any other provision of law, funds available to the Department of Defense during the current fiscal year for the construction of family housing units may be used to purchase sole interest in privately owned and Federal Housing Commissioner held family housing units if the Secretary of Defense determines it is in the best interests of the Government to do so: *Provided*, That family housing units so purchased do not exceed annual Military Construction Authorization Act limitations on unit cost and numbers and are at the locations authorized: *Provided further*, That housing units so purchased are within the size limitations of title 10, United States Code, section 2684.

This Act may be cited as the "Military Construction Appropriation Act, 1975".

Short title.

Approved January 3, 1975.

Public Law 93-637

AN ACT

January 4, 1975
[S. 356]

To provide minimum disclosure standards for written consumer product warranties; to define minimum Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Magnuson-Moss Warranty—Federal Trade Commission Improvement Act".

Magnuson-Moss
Warranty—Federal
Trade Commission
Improvement Act.
15 USC 2301
note.

TITLE I—CONSUMER PRODUCT WARRANTIES

DEFINITIONS

SEC. 101. For the purposes of this title:

15 USC 2301.

(1) The term "consumer product" means any tangible personal property which is distributed in commerce and which is normally used for personal, family, or household purposes (including any such property intended to be attached to or installed in any real property without regard to whether it is so attached or installed).

(2) The term "Commission" means the Federal Trade Commission.

(3) The term "consumer" means a buyer (other than for purposes of resale) of any consumer product, any person to whom such product is transferred during the duration of an implied or written warranty (or service contract) applicable to the product, and any other person who is entitled by the terms of such warranty (or service contract) or under applicable State law to enforce against the warrantor (or service contractor) the obligations of the warranty (or service contract).

(4) The term "supplier" means any person engaged in the business of making a consumer product directly or indirectly available to consumers.

(5) The term "warrantor" means any supplier or other person who gives or offers to give a written warranty or who is or may be obligated under an implied warranty.

(6) The term "written warranty" means—

(A) any written affirmation of fact or written promise made in connection with the sale of a consumer product by a supplier to a buyer which relates to the nature of the material or workmanship and affirms or promises that such material or workmanship is defect free or will meet a specified level of performance over a specified period of time, or

(B) any undertaking in writing in connection with the sale by a supplier of a consumer product to refund, repair, replace, or take other remedial action with respect to such product in the event that such product fails to meet the specifications set forth in the undertaking,

which written affirmation, promise, or undertaking becomes part of the basis of the bargain between a supplier and a buyer for purposes other than resale of such product.

(7) The term "implied warranty" means an implied warranty arising under State law (as modified by sections 108 and 104(a)) in connection with the sale by a supplier of a consumer product.

(8) The term "service contract" means a contract in writing to perform, over a fixed period of time or for a specified duration, services relating to the maintenance or repair (or both) of a consumer product.

(9) The term "reasonable and necessary maintenance" consists of those operations (A) which the consumer reasonably can be expected to perform or have performed and (B) which are necessary to keep any consumer product performing its intended function and operating at a reasonable level of performance.

(10) The term "remedy" means whichever of the following actions the warrantor elects:

- (A) repair,
- (B) replacement, or
- (C) refund;

except that the warrantor may not elect refund unless (i) the warrantor is unable to provide replacement and repair is not commercially practicable or cannot be timely made, or (ii) the consumer is willing to accept such refund.

(11) The term "replacement" means furnishing a new consumer product which is identical or reasonably equivalent to the warranted consumer product.

(12) The term "refund" means refunding the actual purchase price (less reasonable depreciation based on actual use where permitted by rules of the Commission).

(13) The term "distributed in commerce" means sold in commerce, introduced or delivered for introduction into commerce, or held for sale or distribution after introduction into commerce.

(14) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(15) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, or American Samoa. The term "State law" includes a law of the United States applicable only to the District of Columbia or only to a territory or possession of the United States; and the term "Federal law" excludes any State law.

WARRANTY PROVISIONS

SEC. 102. (a) In order to improve the adequacy of information available to consumers, prevent deception, and improve competition in the marketing of consumer products, any warrantor warranting a consumer product to a consumer by means of a written warranty shall, to the extent required by rules of the Commission, fully and conspicuously disclose in simple and readily understood language the terms and conditions of such warranty. Such rules may require inclusion in the written warranty of any of the following items among others:

15 USC :

(1) The clear identification of the names and addresses of the warrantors.

(2) The identity of the party or parties to whom the warranty is extended.

(3) The products or parts covered.

(4) A statement of what the warrantor will do in the event of a defect, malfunction, or failure to conform with such written warranty—at whose expense—and for what period of time.

(5) A statement of what the consumer must do and expenses he must bear.

(6) Exceptions and exclusions from the terms of the warranty.

(7) The step-by-step procedure which the consumer should take in order to obtain performance of any obligation under the warranty, including the identification of any person or class of persons authorized to perform the obligations set forth in the warranty.

(8) Information respecting the availability of any informal dispute settlement procedure offered by the warrantor and a recital, where the warranty so provides, that the purchaser may be

required to resort to such procedure before pursuing any legal remedies in the courts.

(9) A brief, general description of the legal remedies available to the consumer.

(10) The time at which the warrantor will perform any obligations under the warranty.

(11) The period of time within which, after notice of a defect, malfunction, or failure to conform with the warranty, the warrantor will perform any obligations under the warranty.

(12) The characteristics or properties of the products, or parts thereof, that are not covered by the warranty.

(13) The elements of the warranty in words or phrases which would not mislead a reasonable, average consumer as to the nature or scope of the warranty.

Availability
prior to sale.

(b)(1)(A) The Commission shall prescribe rules requiring that the terms of any written warranty on a consumer product be made available to the consumer (or prospective consumer) prior to the sale of the product to him.

Information,
presentation.

(B) The Commission may prescribe rules for determining the manner and form in which information with respect to any written warranty of a consumer product shall be clearly and conspicuously presented or displayed so as not to mislead the reasonable, average consumer, when such information is contained in advertising, labeling, point-of-sale material, or other representations in writing.

(2) Nothing in this title (other than paragraph (3) of this subsection) shall be deemed to authorize the Commission to prescribe the duration of written warranties given or to require that a consumer product or any of its components be warranted.

Time extension.

(3) The Commission may prescribe rules for extending the period of time a written warranty or service contract is in effect to correspond with any period of time in excess of a reasonable period (not less than 10 days) during which the consumer is deprived of the use of such consumer product by reason of failure of the product to conform with the written warranty or by reason of the failure of the warrantor (or service contractor) to carry out such warranty (or service contract) within the period specified in the warranty (or service contract).

Conditions.

(c) No warrantor of a consumer product may condition his written or implied warranty of such product on the consumer's using, in connection with such product, any article or service (other than article or service provided without charge under the terms of the warranty) which is identified by brand, trade, or corporate name; except that the prohibition of this subsection may be waived by the Commission if—

(1) the warrantor satisfies the Commission that the warranted product will function properly only if the article or service so identified is used in connection with the warranted product, and

(2) the Commission finds that such a waiver is in the public interest.

Publication in
Federal Register.

The Commission shall identify in the Federal Register, and permit public comment on, all applications for waiver of the prohibition of this subsection, and shall publish in the Federal Register its disposition of any such application, including the reasons therefor.

(d) The Commission may by rule devise detailed substantive warranty provisions which warrantors may incorporate by reference in their warranties.

(e) The provisions of this section apply only to warranties which pertain to consumer products actually costing the consumer more than \$5.

DESIGNATION OF WARRANTIES

SEC. 103. (a) Any warrantor warranting a consumer product by means of a written warranty shall clearly and conspicuously designate such warranty in the following manner, unless exempted from doing so by the Commission pursuant to subsection (c) of this section:

15 USC 2303.

(1) If the written warranty meets the Federal minimum standards for warranty set forth in section 104 of this Act, then it shall be conspicuously designated a "full (statement of duration) warranty".

"Full warranty."

(2) If the written warranty does not meet the Federal minimum standards for warranty set forth in section 104 of this Act, then it shall be conspicuously designated a "limited warranty".

"Limited warranty."

(b) Sections 102, 103, and 104 shall not apply to statements or representations which are similar to expressions of general policy concerning customer satisfaction and which are not subject to any specific limitations.

(c) In addition to exercising the authority pertaining to disclosure granted in section 102 of this Act, the Commission may by rule determine when a written warranty does not have to be designated either "full (statement of duration)" or "limited" in accordance with this section.

(d) The provisions of subsections (a) and (c) of this section apply only to warranties which pertain to consumer products actually costing the consumer more than \$10 and which are not designated "full (statement of duration) warranties".

FEDERAL MINIMUM STANDARDS FOR WARRANTY

SEC. 104. (a) In order for a warrantor warranting a consumer product by means of a written warranty to meet the Federal minimum standards for warranty—

15 USC 2304.

(1) such warrantor must as a minimum remedy such consumer product within a reasonable time and without charge, in the case of a defect, malfunction, or failure to conform with such written warranty;

(2) notwithstanding section 108(b), such warrantor may not impose any limitation on the duration of any implied warranty on the product;

(3) such warrantor may not exclude or limit consequential damages for breach of any written or implied warranty on such product, unless such exclusion or limitation conspicuously appears on the face of the warranty; and

(4) if the product (or a component part thereof) contains a defect or malfunction after a reasonable number of attempts by the warrantor to remedy defects or malfunctions in such product, such warrantor must permit the consumer to elect either a refund for, or replacement without charge of, such product or part (as the case may be). The Commission may by rule specify for purposes of this paragraph, what constitutes a reasonable number of attempts to remedy particular kinds of defects or malfunctions under different circumstances. If the warrantor replaces a component part of a consumer product, such replacement shall include installing the part in the product without charge.

(b)(1) In fulfilling the duties under subsection (a) respecting a written warranty, the warrantor shall not impose any duty other than notification upon any consumer as a condition of securing remedy of any consumer product which malfunctions, is defective, or does not conform to the written warranty, unless the warrantor has demonstrated in a rulemaking proceeding, or can demonstrate in an administrative or judicial enforcement proceeding (including private enforcement), or in an informal dispute settlement proceeding, that such a duty is reasonable.

(2) Notwithstanding paragraph (1), a warrantor may require, as a condition to replacement of, or refund for, any consumer product under subsection (a), that such consumer product shall be made available to the warrantor free and clear of liens and other encumbrances, except as otherwise provided by rule or order of the Commission in cases in which such a requirement would not be practicable.

(3) The Commission may, by rule define in detail the duties set forth in section 104(a) of this Act and the applicability of such duties to warrantors of different categories of consumer products with "full (statement of duration)" warranties.

(4) The duties under subsection (a) extend from the warrantor to each person who is a consumer with respect to the consumer product.

(c) The performance of the duties under subsection (a) of this section shall not be required of the warrantor if he can show that the defect, malfunction, or failure of any warranted consumer product to conform with a written warranty, was caused by damage (not resulting from defect or malfunction) while in the possession of the consumer, or unreasonable use (including failure to provide reasonable and necessary maintenance).

"Without charge."

(d) For purposes of this section and of section 102(c), the term "without charge" means that the warrantor may not assess the consumer for any costs the warrantor or his representatives incur in connection with the required remedy of a warranted consumer product. An obligation under subsection (a)(1)(A) to remedy without charge does not necessarily require the warrantor to compensate the consumer for incidental expenses; however, if any incidental expenses are incurred because the remedy is not made within a reasonable time or because the warrantor imposed an unreasonable duty upon the consumer as a condition of securing remedy, then the consumer shall be entitled to recover reasonable incidental expenses which are so incurred in any action against the warrantor.

(e) If a supplier designates a warranty applicable to a consumer product as a "full (statement of duration)" warranty, then the warranty on such product shall, for purposes of any action under section 110(d) or under any State law, be deemed to incorporate at least the minimum requirements of this section and rules prescribed under this section.

FULL AND LIMITED WARRANTING OF A CONSUMER PRODUCT

15 USC 2305.

SEC. 105. Nothing in this title shall prohibit the selling of a consumer product which has both full and limited warranties if such warranties are clearly and conspicuously differentiated.

SERVICE CONTRACTS

15 USC 2306.

SEC. 106. (a) The Commission may prescribe by rule the manner and form in which the terms and conditions of service contracts shall be fully, clearly, and conspicuously disclosed.

(b) Nothing in this title shall be construed to prevent a supplier or warrantor from entering into a service contract with the consumer

in addition to or in lieu of a written warranty if such contract fully, clearly, and conspicuously discloses its terms and conditions in simple and readily understood language.

DESIGNATION OF REPRESENTATIVES

SEC. 107. Nothing in this title shall be construed to prevent any warrantor from designating representatives to perform duties under the written or implied warranty: *Provided*, That such warrantor shall make reasonable arrangements for compensation of such designated representatives, but no such designation shall relieve the warrantor of his direct responsibilities to the consumer or make the representative a cowarrantor.

15 USC 2307.

LIMITATION ON DISCLAIMER OF IMPLIED WARRANTIES

SEC. 108. (a) No supplier may disclaim or modify (except as provided in subsection (b)) any implied warranty to a consumer with respect to such consumer product if (1) such supplier makes any written warranty to the consumer with respect to such consumer product, or (2) at the time of sale, or within 90 days thereafter, such supplier enters into a service contract with the consumer which applies to such consumer product.

15 USC 2308.

(b) For purposes of this title (other than section 104(a)(2)), implied warranties may be limited in duration to the duration of a written warranty of reasonable duration, if such limitation is conscionable and is set forth in clear and unmistakable language and prominently displayed on the face of the warranty.

(c) A disclaimer, modification, or limitation made in violation of this section shall be ineffective for purposes of this title and State law.

COMMISSION RULES

SEC. 109. (a) Any rule prescribed under this title shall be prescribed in accordance with section 553 of title 5, United States Code; except that the Commission shall give interested persons an opportunity for oral presentations of data, views, and arguments, in addition to written submissions. A transcript shall be kept of any oral presentation. Any such rule shall be subject to judicial review under section 18(e) of the Federal Trade Commission Act (as amended by section 202 of this Act) in the same manner as rules prescribed under section 18(a)(1)(B) of such Act, except that section 18(e)(3)(B) of such Act shall not apply.

15 USC 2309.

Ante, p. 2193.

(b) The Commission shall initiate within one year after the date of enactment of this Act a rulemaking proceeding dealing with warranties and warranty practices in connection with the sale of used motor vehicles; and, to the extent necessary to supplement the protections offered the consumer by this title, shall prescribe rules dealing with such warranties and practices. In prescribing rules under this subsection, the Commission may exercise any authority it may have under this title, or other law, and in addition it may require disclosure that a used motor vehicle is sold without any warranty and specify the form and content of such disclosure.

Used motor vehicles.

REMEDIES

SEC. 110. (a)(1) Congress hereby declares it to be its policy to encourage warrantors to establish procedures whereby consumer disputes are fairly and expeditiously settled through informal dispute settlement mechanisms.

Informal dispute settlements.
15 USC 2310.

Rules.

(2) The Commission shall prescribe rules setting forth minimum requirements for any informal dispute settlement procedure which is incorporated into the terms of a written warranty to which any provision of this title applies. Such rules shall provide for participation in such procedure by independent or governmental entities.

(3) One or more warrantors may establish an informal dispute settlement procedure which meets the requirements of the Commission's rules under paragraph (2). If—

(A) a warrantor establishes such a procedure,

(B) such procedure, and its implementation, meets the requirements of such rules, and

(C) he incorporates in a written warranty a requirement that the consumer resort to such procedure before pursuing any legal remedy under this section respecting such warranty,

then (i) the consumer may not commence a civil action (other than a class action) under subsection (d) of this section unless he initially resorts to such procedure; and (ii) a class of consumers may not proceed in a class action under subsection (d) except to the extent the court determines necessary to establish the representative capacity of the named plaintiffs, unless the named plaintiffs (upon notifying the defendant that they are named plaintiffs in a class action with respect to a warranty obligation) initially resort to such procedure. In the case of such a class action which is brought in a district court of the United States, the representative capacity of the named plaintiffs shall be established in the application of rule 23 of the Federal Rules of Civil Procedure. In any civil action arising out of a warranty obligation and relating to a matter considered in such a procedure, any decision in such procedure shall be admissible in evidence.

28 USC app.

Review of dispute settlement procedures.

(4) The Commission on its own initiative may, or upon written complaint filed by any interested person shall, review the bona fide operation of any dispute settlement procedure resort to which is stated in a written warranty to be a prerequisite to pursuing a legal remedy under this section. If the Commission finds that such procedure or its implementation fails to comply with the requirements of the rules under paragraph (2), the Commission may take appropriate remedial action under any authority it may have under this title or any other provision of law.

(5) Until rules under paragraph (2) take effect, this subsection shall not affect the validity of any informal dispute settlement procedure respecting consumer warranties, but in any action under subsection (d), the court may invalidate any such procedure if it finds that such procedure is unfair.

(b) It shall be a violation of section 5(a)(1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person to fail to comply with any requirement imposed on such person by this title (or a rule thereunder) or to violate any prohibition contained in this title (or a rule thereunder).

Judicial enforcement.

(c)(1) The district courts of the United States shall have jurisdiction of any action brought by the Attorney General (in his capacity as such), or by the Commission by any of its attorneys designated by it for such purpose, to restrain (A) any warrantor from making a deceptive warranty with respect to a consumer product, or (B) any person from failing to comply with any requirement imposed on such person by or pursuant to this title or from violating any prohibition contained in this title. Upon proper showing that, weighing the equities and considering the Commission's or Attorney General's likelihood of ultimate success, such action would be in the public interest and after notice to the defendant, a temporary restraining order or preliminary injunction may be granted without bond. In the case of an

action brought by the Commission, if a complaint under section 5 of the Federal Trade Commission Act is not filed within such period (not exceeding 10 days) as may be specified by the court after the issuance of the temporary restraining order or preliminary injunction, the order or injunction shall be dissolved by the court and be of no further force and effect. Any suit shall be brought in the district in which such person resides or transacts business. Whenever it appears to the court that the ends of justice require that other persons should be parties in the action, the court may cause them to be summoned whether or not they reside in the district in which the court is held, and to that end process may be served in any district.

15 USC 45.

(2) For the purposes of this subsection, the term "deceptive warranty" means (A) a written warranty which (i) contains an affirmation, promise, description, or representation which is either false or fraudulent, or which, in light of all of the circumstances, would mislead a reasonable individual exercising due care; or (ii) fails to contain information which is necessary in light of all of the circumstances, to make the warranty not misleading to a reasonable individual exercising due care; or (B) a written warranty created by the use of such terms as "guaranty" or "warranty", if the terms and conditions of such warranty so limit its scope and application as to deceive a reasonable individual.

"Deceptive warranty."

(d)(1) Subject to subsections (a)(3) and (e), a consumer who is damaged by the failure of a supplier, warrantor, or service contractor to comply with any obligation under this title, or under a written warranty, implied warranty, or service contract, may bring suit for damages and other legal and equitable relief—

Civil suit.

(A) in any court of competent jurisdiction in any State or the District of Columbia; or

(B) in an appropriate district court of the United States, subject to paragraph (3) of this subsection.

(2) If a consumer finally prevails in any action brought under paragraph (1) of this subsection, he may be allowed by the court to recover as part of the judgment a sum equal to the aggregate amount of cost and expenses (including attorneys' fees based on actual time expended) determined by the court to have been reasonably incurred by the plaintiff for or in connection with the commencement and prosecution of such action, unless the court in its discretion shall determine that such an award of attorneys' fees would be inappropriate.

(3) No claim shall be cognizable in a suit brought under paragraph (1)(B) of this subsection—

(A) if the amount in controversy of any individual claim is less than the sum or value of \$25;

(B) if the amount in controversy is less than the sum or value of \$50,000 (exclusive of interests and costs) computed on the basis of all claims to be determined in this suit; or

(C) if the action is brought as a class action, and the number of named plaintiffs is less than one hundred.

(e) No action (other than a class action or an action respecting a warranty to which subsection (a)(3) applies) may be brought under subsection (d) for failure to comply with any obligation under any written or implied warranty or service contract, and a class of consumers may not proceed in a class action under such subsection with respect to such a failure except to the extent the court determines necessary to establish the representative capacity of the named plaintiffs, unless the person obligated under the warranty or service contract is afforded a reasonable opportunity to cure such failure to comply. In the case of such a class action (other than a class action respecting a warranty to which subsection (a)(3) applies) brought

28 USC app.

under subsection (d) for breach of any written or implied warranty or service contract, such reasonable opportunity will be afforded by the named plaintiffs and they shall at that time notify the defendant that they are acting on behalf of the class. In the case of such a class action which is brought in a district court of the United States, the representative capacity of the named plaintiffs shall be established in the application of rule 23 of the Federal Rules of Civil Procedure.

(f) For purposes of this section, only the warrantor actually making a written affirmation of fact, promise, or undertaking shall be deemed to have created a written warranty, and any rights arising thereunder may be enforced under this section only against such warrantor and no other person.

EFFECT ON OTHER LAWS

15 USC 2311.

SEC. 111. (a) (1) Nothing contained in this title shall be construed to repeal, invalidate, or supersede the Federal Trade Commission Act (15 U.S.C. 41 et seq.) or any statute defined therein as an Antitrust Act.

(2) Nothing in this title shall be construed to repeal, invalidate, or supersede the Federal Seed Act (7 U.S.C. 1551-1611) and nothing in this title shall apply to seed for planting.

(b) (1) Nothing in this title shall invalidate or restrict any right or remedy of any consumer under State law or any other Federal law.

(2) Nothing in this title (other than sections 108 and 104(a) (2) and (4)) shall (A) affect the liability of, or impose liability on, any person for personal injury, or (B) supersede any provision of State law regarding consequential damages for injury to the person or other injury.

(c) (1) Except as provided in subsection (b) and in paragraph (2) of this subsection, a State requirement—

(A) which relates to labeling or disclosure with respect to written warranties or performance thereunder;

(B) which is within the scope of an applicable requirement of sections 102, 103, and 104 (and rules implementing such sections), and

(C) which is not identical to a requirement of section 102, 103, or 104 (or a rule thereunder),

shall not be applicable to written warranties complying with such sections (or rules thereunder).

(2) If, upon application of an appropriate State agency, the Commission determines (pursuant to rules issued in accordance with section 109) that any requirement of such State covering any transaction to which this title applies (A) affords protection to consumers greater than the requirements of this title and (B) does not unduly burden interstate commerce, then such State requirement shall be applicable (notwithstanding the provisions of paragraph (1) of this subsection) to the extent specified in such determination for so long as the State administers and enforces effectively any such greater requirement.

(d) This title (other than section 102(c)) shall be inapplicable to any written warranty the making or content of which is otherwise governed by Federal law. If only a portion of a written warranty is so governed by Federal law, the remaining portion shall be subject to this title.

EFFECTIVE DATE

15 USC 2312.

SEC. 112. (a) Except as provided in subsection (b) of this section, this title shall take effect 6 months after the date of its enactment but shall not apply to consumer products manufactured prior to such date.

(b) Section 102(a) shall take effect 6 months after the final publication of rules respecting such section; except that the Commission, for good cause shown, may postpone the applicability of such sections until one year after such final publication in order to permit any designated classes of suppliers to bring their written warranties into compliance with rules promulgated pursuant to this title.

(c) The Commission shall promulgate rules for initial implementation of this title as soon as possible after the date of enactment of this Act but in no event later than one year after such date.

Rules.

TITLE II—FEDERAL TRADE COMMISSION IMPROVEMENTS

JURISDICTION OF COMMISSION

SEC. 201. (a) Section 5 of the Federal Trade Commission Act (15 U.S.C. 45) is amended by striking out “in commerce” wherever it appears and inserting in lieu thereof “in or affecting commerce”.

(b) Subsections (a) and (b) of section 6 of the Federal Trade Commission Act (15 U.S.C. 46(a), (b)) are each amended by striking out “in commerce” and inserting in lieu thereof “in or whose business affects commerce”.

(c) Section 12 of the Federal Trade Commission Act (15 U.S.C. 52) is amended by striking out “in commerce” wherever it appears and inserting in lieu thereof in subsection (a) “in or having an effect upon commerce,” and in lieu thereof in subsection (b) “in or affecting commerce”.

RULEMAKING

SEC. 202. (a) The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by redesignating section 18 as section 21, and inserting after section 17 the following new section:

15 USC 58.

“SEC. 18. (a) (1) The Commission may prescribe—

15 USC 57a.

“(A) interpretive rules and general statements of policy with respect to unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1) of this Act), and

“(B) rules which define with specificity acts or practices which are unfair or deceptive acts or practices in or affecting commerce (within the meaning of such section 5(a)(1)). Rules under this subparagraph may include requirements prescribed for the purpose of preventing such acts or practices.

“(2) The Commission shall have no authority under this Act, other than its authority under this section, to prescribe any rule with respect to unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1)). The preceding sentence shall not affect any authority of the Commission to prescribe rules (including interpretive rules), and general statements of policy, with respect to unfair methods of competition in or affecting commerce.

“(b) When prescribing a rule under subsection (a)(1)(B) of this section, the Commission shall proceed in accordance with section 553 of title 5, United States Code (without regard to any reference in such section to sections 556 and 557 of such title), and shall also (1) publish a notice of proposed rulemaking stating with particularity the reason for the proposed rule; (2) allow interested persons to submit written data, views, and arguments, and make all such submissions publicly available; (3) provide an opportunity for an informal hearing in accordance with subsection (c); and (4) promul-

gate, if appropriate, a final rule based on the matter in the rulemaking record (as defined in subsection (e) (1) (B)), together with a statement of basis and purpose.

Hearing procedure.

“(c) The Commission shall conduct any informal hearings required by subsection (b) (3) of this section in accordance with the following procedure:

“(1) Subject to paragraph (2) of this subsection, an interested person is entitled—

“(A) to present his position orally or by documentary submissions (or both), and

“(B) if the Commission determines that there are disputed issues of material fact it is necessary to resolve, to present such rebuttal submissions and to conduct (or have conducted under paragraph (2) (B)) such cross-examination of persons as the Commission determines (i) to be appropriate, and (ii) to be required for a full and true disclosure with respect to such issues.

Rules.

“(2) The Commission may prescribe such rules and make such rulings concerning proceedings in such hearings as may tend to avoid unnecessary costs or delay. Such rules or rulings may include (A) imposition of reasonable time limits on each interested person's oral presentations, and (B) requirements that any cross-examination to which a person may be entitled under paragraph (1) be conducted by the Commission on behalf of that person in such manner as the Commission determines (i) to be appropriate, and (ii) to be required for a full and true disclosure with respect to disputed issues of material fact.

“(3) (A) Except as provided in subparagraph (B), if a group of persons each of whom under paragraphs (1) and (2) would be entitled to conduct (or have conducted) cross-examination and who are determined by the Commission to have the same or similar interests in the proceeding cannot agree upon a single representative of such interests for purposes of cross-examination, the Commission may make rules and rulings (i) limiting the representation of such interest, for such purposes, and (ii) governing the manner in which such cross-examination shall be limited.

“(B) When any person who is a member of a group with respect to which the Commission has made a determination under subparagraph (A) is unable to agree upon group representation with the other members of the group, then such person shall not be denied under the authority of subparagraph (A) the opportunity to conduct (or have conducted) cross-examination as to issues affecting his particular interests if (i) he satisfies the Commission that he has made a reasonable and good faith effort to reach agreement upon group representation with the other members of the group and (ii) the Commission determines that there are substantial and relevant issues which are not adequately presented by the group representative.

“(4) A verbatim transcript shall be taken of any oral presentation, and cross-examination, in an informal hearing to which this subsection applies. Such transcript shall be available to the public.

Statement of basis and purpose, requirements.

“(d) (1) The Commission's statement of basis and purpose to accompany a rule promulgated under subsection (a) (1) (B) shall include (A) a statement as to the prevalence of the acts or practices treated by the rule; (B) a statement as to the manner and context in which such acts or practices are unfair or deceptive; and (C) a statement as to the economic effect of the rule, taking into account the effect on small business and consumers.

“(2) (A) The term ‘Commission’ as used in this subsection and subsections (b) and (c) includes any person authorized to act in behalf of the Commission in any part of the rulemaking proceeding.

“‘Commission.’”

“(B) A substantive amendment to, or repeal of, a rule promulgated under subsection (a)(1)(B) shall be prescribed, and subject to judicial review, in the same manner as a rule prescribed under such subsection. An exemption under subsection (g) shall not be treated as an amendment or repeal of a rule.

“(3) When any rule under subsection (a)(1)(B) takes effect a subsequent violation thereof shall constitute an unfair or deceptive act or practice in violation of section 5(a)(1) of this Act, unless the Commission otherwise expressly provides in such rule.

“(e)(1)(A) Not later than 60 days after a rule is promulgated under subsection (a)(1)(B) by the Commission, any interested person (including a consumer or consumer organization) may file a petition, in the United States Court of Appeals for the District of Columbia circuit or for the circuit in which such person resides or has his principal place of business, for judicial review of such rule. Copies of the petition shall be forthwith transmitted by the clerk of the court to the Commission or other officer designated by it for that purpose. The provisions of section 2112 of title 28, United States Code, shall apply to the filing of the rulemaking record of proceedings on which the Commission based its rule and to the transfer of proceedings in the courts of appeals.

Judicial review.

“(B) For purposes of this section, the term ‘rulemaking record’ means the rule, its statement of basis and purpose, the transcript required by subsection (c)(4), any written submissions, and any other information which the Commission considers relevant to such rule.

“‘Rulemaking record.’”

“(2) If the petitioner or the Commission applies to the court for leave to make additional oral submissions or written presentations and shows to the satisfaction of the court that such submissions and presentations would be material and that there were reasonable grounds for the submissions and failure to make such submissions and presentations in the proceeding before the Commission, the court may order the Commission to provide additional opportunity to make such submissions and presentations. The Commission may modify or set aside its rule or make a new rule by reason of the additional submissions and presentations and shall file such modified or new rule, and the rule’s statement of basis of purpose, with the return of such submissions and presentations. The court shall thereafter review such new or modified rule.

“(3) Upon the filing of the petition under paragraph (1) of this subsection, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief, including interim relief, as provided in such chapter. The court shall hold unlawful and set aside the rule on any ground specified in subparagraphs (A), (B), (C), or (D) of section 706(2) of title 5, United States Code (taking due account of the rule of prejudicial error), or if—

5 USC 701.

“(A) the court finds that the Commission’s action is not supported by substantial evidence in the rulemaking record (as defined in paragraph (1)(B) of this subsection) taken as a whole, or

“(B) the court finds that—

“(i) a Commission determination under subsection (c) that the petitioner is not entitled to conduct cross-examination or make rebuttal submissions, or

“(ii) a Commission rule or ruling under subsection (c) limiting the petitioner’s cross-examination or rebuttal submissions,

has precluded disclosure of disputed material facts which was necessary for fair determination by the Commission of the rule-making proceeding taken as a whole.

“Evidence.”

The term ‘evidence’, as used in this paragraph, means any matter in the rulemaking record.

“(4) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

“(5) (A) Remedies under the preceding paragraphs of this subsection are in addition to and not in lieu of any other remedies provided by law.

“(B) The United States Courts of Appeal shall have exclusive jurisdiction of any action to obtain judicial review (other than in an enforcement proceeding) of a rule prescribed under subsection (a) (1) (B), if any district court of the United States would have had jurisdiction of such action but for this subparagraph. Any such action shall be brought in the United States Court of Appeals for the District of Columbia circuit, or for any circuit which includes a judicial district in which the action could have been brought but for this subparagraph.

“(C) A determination, rule, or ruling of the Commission described in paragraph (3) (B) (i) or (ii) may be reviewed only in a proceeding under this subsection and only in accordance with paragraph (3) (B). Section 706(2) (E) of title 5, United States Code, shall not apply to any rule promulgated under subsection (a) (1) (B). The contents and adequacy of any statement required by subsection (b) (4) shall not be subject to judicial review in any respect.

Banks.

“(f) (1) In order to prevent unfair or deceptive acts or practices in or affecting commerce (including acts or practices which are unfair or deceptive to consumers) by banks, each agency specified in paragraph (2) of this subsection shall establish a separate division of consumer affairs which shall receive and take appropriate action upon complaints with respect to such acts or practices by banks subject to its jurisdiction. The Board of Governors of the Federal Reserve System shall prescribe regulations to carry out the purposes of this section, including regulations defining with specificity such unfair or deceptive acts or practices, and containing requirements prescribed for the purpose of preventing such acts or practices. Whenever the Commission prescribes a rule under subsection (a) (1) (B) of this section, then within 60 days after such rule takes effect such Board shall promulgate substantially similar regulations prohibiting acts or practices of banks which are substantially similar to those prohibited by rules of the Commission and which impose substantially similar requirements, unless such Board finds that (A) such acts or practices of banks are not unfair or deceptive, or (B) that implementation of similar regulations with respect to banks would seriously conflict with essential monetary and payments systems policies of the Board, and publishes any such finding, and the reasons therefor, in the Federal Register.

Regulations.

Publication in
Federal Register.

“(2) Compliance with regulations prescribed under this subsection shall be enforced under section 8 of the Federal Deposit Insurance Act, in the case of—

12 USC 1818.

“(A) national banks and banks operating under the code of law for the District of Columbia, by the division of consumer affairs established by the Comptroller of the Currency;

“(B) member banks of the Federal Reserve System (other than banks referred to in subparagraph (A)) by the division of consumer affairs established by the Board of Governors of the Federal Reserve System; and

“(C) banks insured by the Federal Deposit Insurance Corporation (other than banks referred to in subparagraph (A) or (B)), by the division of consumer affairs established by the Board of Directors of the Federal Deposit Insurance Corporation.

“(3) For the purpose of the exercise by any agency referred to in paragraph (2) of its powers under any Act referred to in that paragraph, a violation of any regulation prescribed under this subsection shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in paragraph (2), each of the agencies referred to in that paragraph may exercise, for the purpose of enforcing compliance with any regulation prescribed under this subsection, any other authority conferred on it by law.

“(4) The authority of the Board of Governors of the Federal Reserve System to issue regulations under this subsection does not impair the authority of any other agency designated in this subsection to make rules respecting its own procedures in enforcing compliance with regulations prescribed under this subsection.

“(5) Each agency exercising authority under this subsection shall transmit to the Congress not later than March 15 of each year a detailed report on its activities under this paragraph during the preceding calendar year.

Report to Congress.

“(g)(1) Any person to whom a rule under subsection (a)(1)(B) of this section applies may petition the Commission for an exemption from such rule.

Exemptions.

“(2) If, on its own motion or on the basis of a petition under paragraph (1), the Commission finds that the application of a rule prescribed under subsection (a)(1)(B) to any person or class or persons is not necessary to prevent the unfair or deceptive act or practice to which the rule relates, the Commission may exempt such person or class from all or part of such rule. Section 553 of title 5, United States Code, shall apply to action under this paragraph.

“(3) Neither the pendency of a proceeding under this subsection respecting an exemption from a rule, nor the pendency of judicial proceedings to review the Commission's action or failure to act under this subsection, shall stay the applicability of such rule under subsection (a)(1)(B).

“(h)(1) The Commission may, pursuant to rules prescribed by it, provide compensation for reasonable attorneys fees, expert witness fees, and other costs of participating in a rulemaking proceeding under this section to any person (A) who has, or represents, an interest (i) which would not otherwise be adequately represented in such proceeding, and (ii) representation of which is necessary for a fair determination of the rulemaking proceeding taken as a whole, and (B) who is unable effectively to participate in such proceeding because such person cannot afford to pay costs of making oral presentations, conducting cross-examination, and making rebuttal submissions in such proceeding.

Compensation.

“(2) The aggregate amount of compensation paid under this subsection in any fiscal year to all persons who, in rulemaking proceedings in which they receive compensation, are persons who either (A) would be regulated by the proposed rule, or (B) represent persons who would

be so regulated, may not exceed 25 percent of the aggregate amount paid as compensation under this subsection to all persons in such fiscal year.

“(3) The aggregate amount of compensation paid to all persons in any fiscal year under this subsection may not exceed \$1,000,000.”

(b) Section 6(g) of the Federal Trade Commission Act (15 U.S.C. 46(g)) is amended by inserting “(except as provided in section 18 (a) (2) of this Act)” before “to make rules and regulations”.

15 USC 57a
note.

(c) (1) The amendments made by subsections (a) and (b) of this section shall not affect the validity of any rule which was promulgated under section 6(g) of the Federal Trade Commission Act prior to the date of enactment of this section. Any proposed rule under section 6(g) of such Act with respect to which presentation of data, views, and arguments was substantially completed before such date may be promulgated in the same manner and with the same validity as such rule could have been promulgated had this section not been enacted.

Ante, p. 2193.

(2) If a rule described in paragraph (1) of this subsection is valid and if section 18 of the Federal Trade Commission Act would have applied to such rule had such rule been promulgated after the date of enactment of this Act, any substantive change in the rule after it has been promulgated shall be made in accordance with such section 18.

15 USC 57a
note.
Study and evaluation.
Report to Congress.

(d) The Federal Trade Commission and the Administrative Conference of the United States shall each conduct a study and evaluation of the rulemaking procedures under section 18 of the Federal Trade Commission Act and each shall submit a report of its study (including any legislative recommendations) to the Congress not later than 18 months after the date of enactment of this Act.

INVESTIGATIVE AUTHORITY

SEC. 203. (a) (1) Section 6(a) of the Federal Trade Commission Act (15 U.S.C. 46(a)) is amended by striking out “corporation” and inserting “person, partnership, or corporation”; and by striking out “corporations and to individuals, associations, and partnerships”, and inserting in lieu thereof “persons, partnerships, and corporations”.

(2) Section 6(b) of such Act is amended by striking out “corporations” where it first appears and inserting in lieu thereof “persons, partnerships, and corporations,”; and by striking out “respective corporations” and inserting in lieu thereof “respective persons, partnerships, and corporations”.

(3) The proviso at the end of section 6 of such Act is amended by striking out “any such corporation to the extent that such action is necessary to the investigation of any corporation, group of corporations,” and inserting in lieu thereof “any person, partnership, or corporation to the extent that such action is necessary to the investigation of any person, partnership, or corporation, group of persons, partnerships, or corporations,”.

(b) (1) The first paragraph of section 9 of such Act (15 U.S.C. 49) is amended by striking out “corporation” where it first appears and inserting in lieu thereof “person, partnership, or corporation”.

(2) The third paragraph of section 9 of such Act is amended by striking out “corporation or other person” both places where it appears and inserting in each such place “person, partnership, or corporation”.

(3) The fourth paragraph of section 9 of such Act is amended by striking out “person or corporation” and inserting in lieu thereof “person, partnership, or corporation”.

(c)(1) The second paragraph of section 10 (15 U.S.C. 50) of such Act is amended by striking out "corporation" each place where it appears and inserting in lieu thereof in each such place "person, partnership, or corporation".

(2) The third paragraph of section 10 of such Act is amended by striking out "corporation" where it first appears and inserting in lieu thereof "persons, partnership, or corporation"; and by striking out "in the district where the corporation has its principal office or in any district in which it shall do business" and inserting in lieu thereof "in the case of a corporation or partnership in the district where the corporation or partnership has its principal office or in any district in which it shall do business, and in the case of any person in the district where such person resides or has his principal place of business".

REPRESENTATION

SEC. 204. (a) Section 16 of the Federal Trade Commission Act is amended to read as follows:

15 USC 56.

"SEC. 16. (a) (1) Except as otherwise provided in paragraph (2) or (3), if—

"(A) before commencing, defending, or intervening in, any civil action involving this Act (including an action to collect a civil penalty) which the Commission, or the Attorney General on behalf of the Commission, is authorized to commence, defend, or intervene in, the Commission gives written notification and undertakes to consult with the Attorney General with respect to such action; and

"(B) the Attorney General fails within 45 days after receipt of such notification to commence, defend, or intervene in, such action;

the Commission may commence, defend, or intervene in, and supervise the litigation of, such action and any appeal of such action in its own name by any of its attorneys designated by it for such purpose.

"(2) Except as otherwise provided in paragraph (3), in any civil action—

"(A) under section 13 of this Act (relating to injunctive relief);

15 USC 53.

"(B) under section 19 of this Act (relating to consumer redress);

Post, p. 2201.

"(C) to obtain judicial review of a rule prescribed by the Commission, or a cease and desist order issued under section 5 of this Act; or

15 USC 45.

"(D) under the second paragraph of section 9 of this Act (relating to enforcement of a subpoena) and under the fourth paragraph of such section (relating to compliance with section 6 of this Act);

15 USC 49.

the Commission shall have exclusive authority to commence or defend, and supervise the litigation of, such action and any appeal of such action in its own name by any of its attorneys designated by it for such purpose, unless the Commission authorizes the Attorney General to do so. The Commission shall inform the Attorney General of the exercise of such authority and such exercise shall not preclude the Attorney General from intervening on behalf of the United States in such action and any appeal of such action as may be otherwise provided by law.

"(3) (A) If the Commission makes a written request to the Attorney General, within the 10-day period which begins on the date of the entry of the judgment in any civil action in which the Commission

represented itself pursuant to paragraph (1) or (2), to represent itself through any of its attorneys designated by it for such purpose before the Supreme Court in such action, it may do so, if—

“(i) the Attorney General concurs with such request; or

“(ii) the Attorney General, within the 60-day period which begins on the date of the entry of such judgment—

“(a) refuses to appeal or file a petition for writ of certiorari with respect to such civil action, in which case he shall give written notification to the Commission of the reasons for such refusal within such 60-day period; or

“(b) the Attorney General fails to take any action with respect to the Commission’s request.

“(B) In any case where the Attorney General represents the Commission before the Supreme Court in any civil action in which the Commission represented itself pursuant to paragraph (1) or (2), the Attorney General may not agree to any settlement, compromise, or dismissal of such action, or confess error in the Supreme Court with respect to such action, unless the Commission concurs.

“Attorney General.”

“(C) For purposes of this paragraph (with respect to representation before the Supreme Court), the term ‘Attorney General’ includes the Solicitor General.

“(4) If, prior to the expiration of the 45-day period specified in paragraph (1) of this section or a 60-day period specified in paragraph (3), any right of the Commission to commence, defend, or intervene in, any such action or appeal may be extinguished due to any procedural requirement of any court with respect to the time in which any pleadings, notice of appeal, or other acts pertaining to such action or appeal may be taken, the Attorney General shall have one-half of the time required to comply with any such procedural requirement of the court (including any extension of such time granted by the court) for the purpose of commencing, defending, or intervening in the civil action pursuant to paragraph (1) or for the purpose of refusing to appeal or file a petition for writ of certiorari and the written notification or failing to take any action pursuant to paragraph 3(A)(ii).

28 USC 501.

“(5) The provisions of this subsection shall apply notwithstanding chapter 31 of title 28, United States Code, or any other provision of law.

“(b) Whenever the Commission has reason to believe that any person, partnership, or corporation is liable for a criminal penalty under this Act, the Commission shall certify the facts to the Attorney General, whose duty it shall be to cause appropriate criminal proceedings to be brought.”

15 USC 45.

15 USC 56 note.

(b) Section 5(m) of such Act is repealed.

(c) The amendment and repeal made by this section shall not apply to any civil action commenced before the date of enactment of this Act.

CIVIL PENALTIES FOR KNOWING VIOLATIONS

SEC. 205. (a) Section 5 of the Federal Trade Commission Act (15 U.S.C. 45(a)) is amended by inserting after subsection (l) the following new subsection:

“(m)(1)(A) The Commission may commence a civil action to recover a civil penalty in a district court of the United States against any person, partnership, or corporation which violates any rule under this Act respecting unfair or deceptive acts or practices (other than an interpretive rule or a rule violation of which the Commission has provided is not an unfair or deceptive act or practice in violation of

subsection (a) (1)) with actual knowledge or knowledge fairly implied on the basis of objective circumstances that such act is unfair or deceptive and is prohibited by such rule. In such action, such person, partnership, or corporation shall be liable for a civil penalty of not more than \$10,000 for each violation.

“(B) If the Commission determines in a proceeding under subsection (b) that any act or practice is unfair or deceptive, and issues a final cease and desist order with respect to such act or practice, then the Commission may commence a civil action to obtain a civil penalty in a district court of the United States against any person, partnership, or corporation which engages in such act or practice—

“(1) after such cease and desist order becomes final (whether or not such person, partnership, or corporation was subject to such cease and desist order), and

“(2) with actual knowledge that such act or practice is unfair or deceptive and is unlawful under subsection (a) (1) of this section.

In such action, such person, partnership, or corporation shall be liable for a civil penalty of not more than \$10,000 for each violation.

“(C) In the case of a violation through continuing failure to comply with a rule or with section 5(a) (1), each day of continuance of such failure shall be treated as a separate violation, for purposes of subparagraphs (A) and (B). In determining the amount of such a civil penalty, the court shall take into account the degree of culpability, any history of prior such conduct, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

“(2) If the cease and desist order establishing that the act or practice is unfair or deceptive was not issued against the defendant in a civil penalty action under paragraph (1) (B) the issues of fact in such action against such defendant shall be tried de novo.

“(3) The Commission may compromise or settle any action for a civil penalty if such compromise or settlement is accompanied by a public statement of its reasons and is approved by the court.”

(b) The amendment made by subsection (a) of this section shall not apply to any violation, act, or practice to the extent that such violation, act, or practice occurred before the date of enactment of this Act.

15 USC 45 note.

CONSUMER REDRESS

SEC. 206. (a) The Federal Trade Commission Act (15 U.S.C. 45(a)) is amended by inserting after section 18 the following new section:

“SEC. 19. (a) (1) If any person, partnership, or corporation violates any rule under this Act respecting unfair or deceptive acts or practices (other than an interpretive rule, or a rule violation of which the Commission has provided is not an unfair or deceptive act or practice in violation of section 5(a)), then the Commission may commence a civil action against such person, partnership, or corporation for relief under subsection (b) in a United States district court or in any court of competent jurisdiction of a State.

15 USC 57b.

“(2) If any person, partnership, or corporation engages in any unfair or deceptive act or practice (within the meaning of section 5(a)(1)) with respect to which the Commission has issued a final cease and desist order which is applicable to such person, partnership, or corporation, then the Commission may commence a civil action against such person, partnership, or corporation in a United States district court or in any court of competent jurisdiction of a State. If the Commission satisfies the court that the act or practice to which the cease and desist order relates is one which a reasonable man would

have known under the circumstances was dishonest or fraudulent, the court may grant relief under subsection (b).

“(b) The court in an action under subsection (a) shall have jurisdiction to grant such relief as the court finds necessary to redress injury to consumers or other persons, partnerships, and corporations resulting from the rule violation or the unfair or deceptive act or practice, as the case may be. Such relief may include, but shall not be limited to, rescission or reformation of contracts, the refund of money or return of property, the payment of damages, and public notification respecting the rule violation or the unfair or deceptive act or practice, as the case may be; except that nothing in this subsection is intended to authorize the imposition of any exemplary or punitive damages.

“(c) (1) If (A) a cease and desist order issued under section 5(b) has become final under section 5(g) with respect to any person’s, partnership’s, or corporation’s rule violation or unfair or deceptive act or practice, and (B) an action under this section is brought with respect to such person’s partnership’s, or corporation’s rule violation or act or practice, then the findings of the Commission as to the material facts in the proceeding under section 5(b) with respect to such person’s, partnership’s, or corporation’s rule violation or act or practice, shall be conclusive unless (i) the terms of such cease and desist order expressly provide that the Commission’s findings shall not be conclusive, or (ii) the order became final by reason of section 5(g) (1), in which case such finding shall be conclusive if supported by evidence.

Notice.

“(2) The court shall cause notice of an action under this section to be given in a manner which is reasonably calculated, under all of the circumstances, to apprise the persons, partnerships, and corporations allegedly injured by the defendant’s rule violation or act or practice of the pendency of such action. Such notice may, in the discretion of the court, be given by publication.

Statute of limitations.

“(d) No action may be brought by the Commission under this section more than 3 years after the rule violation to which an action under subsection (a) (1) relates, or the unfair or deceptive act or practice to which an action under subsection (a) (2) relates; except that if a cease and desist order with respect to any person’s, partnership’s, or corporation’s rule violation or unfair or deceptive act or practice has become final and such order was issued in a proceeding under section 5(b) which was commenced not later than 3 years after the rule violation or act or practice occurred, a civil action may be commenced under this section against such person, partnership, or corporation at any time before the expiration of one year after such order becomes final.

“(e) Remedies provided in this section are in addition to, and not in lieu of, any other remedy or right of action provided by State or Federal law. Nothing in this section shall be construed to affect any authority of the Commission under any other provision of law.”

15 USC 57b
note.

(b) The amendment made by subsection (a) of this section shall not apply to—

(1) any violation of a rule to the extent that such violation occurred before the date of enactment of this Act, or

(2) any act or practice with respect to which the Commission issues a cease-and-desist order, to the extent that such act or practice occurred before the date of enactment of this Act, unless such order was issued after such date and the person, partnership or corporation against whom such an order was issued had been notified in the complaint, or in the notice or order attached thereto, that consumer redress may be sought.

AUTHORIZATION OF APPROPRIATIONS

SEC. 207. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 19 the following new section:

Ante, p. 2201.

15 USC 57c.

“SEC. 20. There are authorized to be appropriated to carry out the functions, powers, and duties of the Federal Trade Commission not to exceed \$42,000,000 for the fiscal year ending June 30, 1975; not to exceed \$46,000,000 for the fiscal year ending June 30, 1976; and not to exceed \$50,000,000 for the fiscal year ending in 1977. For fiscal years ending after 1977, there may be appropriated to carry out such functions, powers, and duties, only such sums as the Congress may hereafter authorize by law.”

Approved January 4, 1975.

Public Law 93-638

AN ACT

January 4, 1975

[S. 1017]

To provide maximum Indian participation in the Government and education of the Indian people; to provide for the full participation of Indian tribes in programs and services conducted by the Federal Government for Indians and to encourage the development of human resources of the Indian people; to establish a program of assistance to upgrade Indian education; to support the right of Indian citizens to control their own educational activities; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Indian Self-Determination and Education Assistance Act”.

Indian Self-Determination and Education Assistance Act.
25 USC 450
note.

CONGRESSIONAL FINDINGS

SEC. 2. (a) The Congress, after careful review of the Federal Government's historical and special legal relationship with, and resulting responsibilities to, American Indian people, finds that—

25 USC 450.

(1) the prolonged Federal domination of Indian service programs has served to retard rather than enhance the progress of Indian people and their communities by depriving Indians of the full opportunity to develop leadership skills crucial to the realization of self-government, and has denied to the Indian people an effective voice in the planning and implementation of programs for the benefit of Indians which are responsive to the true needs of Indian communities; and

(2) the Indian people will never surrender their desire to control their relationships both among themselves and with non-Indian governments, organizations, and persons.

(b) The Congress further finds that—

(1) true self-determination in any society of people is dependent upon an educational process which will insure the development of qualified people to fulfill meaningful leadership roles;

(2) the Federal responsibility for and assistance to education of Indian children has not effected the desired level of educational achievement or created the diverse opportunities and personal satisfaction which education can and should provide; and

(3) parental and community control of the educational process is of crucial importance to the Indian people.

DECLARATION OF POLICY

SEC. 3. (a) The Congress hereby recognizes the obligation of the

25 USC 450a.

United States to respond to the strong expression of the Indian people for self-determination by assuring maximum Indian participation in the direction of educational as well as other Federal services to Indian communities so as to render such services more responsive to the needs and desires of those communities.

(b) The Congress declares its commitment to the maintenance of the Federal Government's unique and continuing relationship with and responsibility to the Indian people through the establishment of a meaningful Indian self-determination policy which will permit an orderly transition from Federal domination of programs for and services to Indians to effective and meaningful participation by the Indian people in the planning, conduct, and administration of those programs and services.

(c) The Congress declares that a major national goal of the United States is to provide the quantity and quality of educational services and opportunities which will permit Indian children to compete and excel in the life areas of their choice, and to achieve the measure of self-determination essential to their social and economic well-being.

DEFINITIONS

25 USC 450b.

SEC. 4. For the purposes of this Act, the term—

(a) "Indian" means a person who is a member of an Indian tribe;

(b) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688) which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(c) "Tribal organization" means the recognized governing body of any Indian tribe; any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body or which is democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities: *Provided*, That in any case where a contract is let or grant made to an organization to perform services benefitting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to the letting or making of such contract or grant;

(d) "Secretary", unless otherwise designated, means the Secretary of the Interior;

(f) "State education agency" means the State board of education or other agency or officer primarily responsible for supervision by the State of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

REPORTING AND AUDIT REQUIREMENTS

Recordkeeping.
25 USC 450c.

SEC. 5. (a) Each recipient of Federal financial assistance from the Secretary of Interior or the Secretary of Health, Education, and Welfare, under this Act, shall keep such records as the appropriate Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and

such other records as will facilitate an effective audit.

(b) The Comptroller General and the appropriate Secretary, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in the preceding subsection of this section, have access (for the purpose of audit and examination) to any books, documents, papers, and records of such recipients which in the opinion of the Comptroller General or the appropriate Secretary may be related or pertinent to the grants, contracts, subcontracts, subgrants, or other arrangements referred to in the preceding subsection.

(c) Each recipient of Federal financial assistance referred to in subsection (a) of this section shall make such reports and information available to the Indian people served or represented by such recipient as and in a manner determined to be adequate by the appropriate Secretary.

(d) Any funds paid to a financial assistance recipient referred to in subsection (a) of this section and not expended or used for the purposes for which paid shall be repaid to the Treasury of the United States.

PENALTIES

SEC. 6. Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of a contract, subcontract, grant, or subgrant pursuant to this Act or the Act of April 16, 1934 (48 Stat. 596), as amended, embezzles, willfully misapplies, steals, or obtains by fraud any of the money, funds, assets, or property which are the subject of such a grant, subgrant, contract, or subcontract, shall be fined not more than \$10,000 or imprisoned for not more than two years, or both, but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

25 USC 450d.

25 USC 452.

WAGE AND LABOR STANDARDS

SEC. 7. (a) All laborers and mechanics employed by contractors of subcontractors in the construction, alteration, or repair, including painting or decorating of buildings or other facilities in connection with contracts or grants entered into pursuant to this Act, shall be paid wages at not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494), as amended. With respect to construction, alteration, or repair work to which the Act of March 3, 1921 is applicable under the terms of this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (48 Stat. 948, 40 U.S.C. 276c).

25 USC 450e.

40 USC 276a
note.

5 USC app. II.

(b) Any contract, subcontract, grant, or subgrant pursuant to this Act, the Act of April 16, 1934 (48 Stat. 596), as amended, or any other Act authorizing Federal contracts with or grants to Indian organizations or for the benefit of Indians, shall require that to the greatest extent feasible—

25 USC 452.

(1) preferences and opportunities for training and employment in connection with the administration of such contracts or grants shall be given to Indians; and

(2) preference in the award of subcontracts and subgrants in connection with the administration of such contracts or grants shall be given to Indian organizations and to Indian-owned economic enterprises as defined in section 3 of the Indian Financing Act of 1974 (88 Stat. 77).

25 USC 1452.

CARRYOVER OF FUNDS

25 USC 13a.

25 USC 13, 52a.

SEC. 8. The provisions of any other laws to the contrary notwithstanding, any funds appropriated pursuant to the Act of November 2, 1921 (42 Stat. 208), for any fiscal year which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

TITLE I—INDIAN SELF-DETERMINATION ACT

Citation of title.
25 USC 450f
note.

SEC. 101. This title may be cited as the "Indian Self-Determination Act".

CONTRACTS BY THE SECRETARY OF THE INTERIOR

25 USC 450f.

25 USC 452.

25 USC 13, 52a.

SEC. 102. (a) The Secretary of the Interior is directed, upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organization of any such Indian tribe to plan, conduct, and administer programs, or portions thereof, provided for in the Act of April 16, 1934 (48 Stat. 596), as amended by this Act, any other program or portion thereof which the Secretary of the Interior is authorized to administer for the benefit of Indians under the Act of November 2, 1921 (42 Stat. 208), and any Act subsequent thereto: *Provided, however,* That the Secretary may initially decline to enter into any contract requested by an Indian tribe if he finds that: (1) the service to be rendered to the Indian beneficiaries of the particular program or function to be contracted will not be satisfactory; (2) adequate protection of trust resources is not assured, or (3) the proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract: *Provided further,* That in arriving at his finding, the Secretary shall consider whether the tribe or tribal organization would be deficient in performance under the contract with respect to (A) equipment, (B) bookkeeping and accounting procedures, (C) substantive knowledge of the program to be contracted for, (D) community support for the contract, (E) adequately trained personnel, or (F) other necessary components of contract performance.

(b) Whenever the Secretary declines to enter into a contract or contracts pursuant to subsection (a) of this section, he shall (1) state his objections in writing to the tribe within sixty days, (2) provide to the extent practicable assistance to the tribe or tribal organization to overcome his stated objections, and (3) provide the tribe with a hearing, under such rules and regulations as he may promulgate, and the opportunity for appeal on the objections raised.

(c) The Secretary is authorized to require any tribe requesting that he enter into a contract pursuant to the provisions of this title to obtain adequate liability insurance: *Provided, however,* That each such policy of insurance shall contain a provision that the insurance carrier shall waive any right it may have to raise as a defense the tribe's sovereign immunity from suit, but that such waiver shall extend only to claims the amount and nature of which are within the coverage and limits of the policy and shall not authorize or empower such insurance carrier to waive or otherwise limit the tribe's sovereign immunity outside or beyond the coverage and limits of the policy of insurance.

CONTRACTS BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

25 USC 450g.

SEC. 103. (a) The Secretary of Health, Education, and Welfare is directed, upon the request of any Indian tribe, to enter into a contract or contracts with any tribal organization of any such Indian tribe to carry out any or all of his functions, authorities, and responsibilities

under the Act of August 5, 1954 (68 Stat. 674), as amended: *Provided, however*, That the Secretary may initially decline to enter into any contract requested by an Indian tribe if he finds that: (1) the service to be rendered to the Indian beneficiaries of the particular program or function to be contracted for will not be satisfactory; (2) adequate protection of trust resources is not assured; or (3) the proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract: *Provided further*, That the Secretary of Health, Education, and Welfare, in arriving at his finding, shall consider whether the tribe or tribal organization would be deficient in performance under the contract with respect to (A) equipment, (B) bookkeeping and accounting procedures, (C) substantive knowledge of the program to be contracted for, (D) community support for the contract, (E) adequately trained personnel, or (F) other necessary components of contract performance.

42 USC 2001.

(b) Whenever the Secretary of Health, Education, and Welfare declines to enter into a contract or contracts pursuant to subsection (a) of this section, he shall (1) state his objections in writing to the tribe within sixty days; (2) provide, to the extent practicable, assistance to the tribe or tribal organization to overcome his stated objections; and (3) provide the tribe with a hearing, under such rules and regulations as he shall promulgate, and the opportunity for appeal on the objections raised.

Hearing.

(c) The Secretary of Health, Education, and Welfare is authorized to require any tribe requesting that he enter into a contract pursuant to the provisions of this title to obtain adequate liability insurance: *Provided, however*, That each such policy of insurance shall contain a provision that the insurance carrier shall waive any right it may have to raise as a defense the tribe's sovereign immunity from suit, but that such waiver shall extend only to claims the amount and nature of which are within the coverage and limits of the policy and shall not authorize or empower such insurance carrier to waive or otherwise limit the tribe's sovereign immunity outside or beyond the coverage and limits of the policy of insurance.

Liability insurance.

GRANTS TO INDIAN TRIBAL ORGANIZATIONS

SEC. 104. (a) The Secretary of the Interior is authorized, upon the request of any Indian tribe (from funds appropriated for the benefit of Indians pursuant to the Act of November 2, 1921 (42 Stat. 208), and any Act subsequent thereto) to contract with or make a grant or grants to any tribal organization for—

25 USC 450h.

25 USC 13, 52a.

(1) the strengthening or improvement of tribal government (including, but not limited to, the development, improvement, and administration of planning, financial management, or merit personnel systems; the improvement of tribally funded programs or activities; or the development, construction, improvement, maintenance, preservation, or operation of tribal facilities or resources);

(2) the planning, training, evaluation of other activities designed to improve the capacity of a tribal organization to enter into a contract or contracts pursuant to section 102 of this Act and the additional costs associated with the initial years of operation under such a contract or contracts;

(3) the acquisition of land in connection with items (1) and (2) above: *Provided*, That in the case of land within reservation boundaries or which adjoins on at least two sides lands held in trust by the United States for the tribe or for individual Indians, the Secretary of Interior may (upon request of the tribe) acquire such land in trust for the tribe; or

(4) the planning, designing, monitoring, and evaluating of Federal programs serving the tribe.

(b) The Secretary of Health, Education, and Welfare may, in accordance with regulations adopted pursuant to section 107 of this Act, make grants to any Indian tribe or tribal organization for—

(1) the development, construction, operation, provision, or maintenance of adequate health facilities or services including the training of personnel for such work, from funds appropriated to the Indian Health Service for Indian health services or Indian health facilities; or

(2) planning, training, evaluation or other activities designed to improve the capacity of a tribal organization to enter into a contract or contracts pursuant to section 103 of this Act.

(c) The provisions of any other Act notwithstanding, any funds made available to a tribal organization under grants pursuant to this section may be used as matching shares for any other Federal grant programs which contribute to the purposes for which grants under this section are made.

PERSONNEL

SEC. 105. (a) Section 3371(2) of chapter 33 of title 5, United States Code, is amended (1) by deleting the word “and” immediately after the semicolon in clause (A); (2) by deleting the period at the end of clause (B) and inserting in lieu thereof a semicolon and the word “and”; and (3) by adding at the end thereof the following new clause:

“(C) any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village as defined in the Alaska Native Claims Settlement Act (85 Stat. 688), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians and includes any tribal organization as defined in section 4(c) of the Indian Self-Determination and Education Assistance Act.”

(b) The Act of August 5, 1954 (68 Stat. 674), as amended, is further amended by adding a new section 8 after section 7 of the Act, as follows:

“SEC. 8. In accordance with subsection (d) of section 214 of the Public Health Service Act (58 Stat. 690), as amended, upon the request of any Indian tribe, band, group, or community, commissioned officers of the Service may be assigned by the Secretary for the purpose of assisting such Indian tribe, group, band, or community in carrying out the provisions of contracts with, or grants to, tribal organizations pursuant to section 102, 103, or 104 of the Indian Self-Determination and Education Assistance Act”.

(c) Paragraph (2) of subsection (a) of section 6 of the Military Selective Service Act of 1967 (81 Stat. 100), as amended, is amended by inserting after the words “Environmental Science Services Administration” the words “or who are assigned to assist Indian tribes, groups, bands, or communities pursuant to the Act of August 5, 1954 (68 Stat. 674), as amended”.

(d) Section 502 of the Intergovernmental Personnel Act of 1970 (84 Stat. 1909, 1925) is amended—

(1) by deleting the word “and” after paragraph (3);

(2) by deleting the period after paragraph (4) and inserting in lieu thereof a semicolon and the word “and”; and

(3) by adding at the end thereof the following new paragraph:

“(5) Notwithstanding the population requirements of section 203(a) and 303(c) of this Act, a ‘local government’ and a ‘general local government’ also mean the recognized governing body of an Indian tribe, band, pueblo, or other organized group or com-

43 USC 1601
note.

Ante, p. 2204.

42 USC 2004a.

42 USC 2004b.

42 USC 215.

Ante, pp. 2206,
2207.

50 USC app.
456.

42 USC 2001.

42 USC 4762.

42 USC 4723,
4743.

munity, including any Alaska Native village, as defined in the Alaska Native Claims Settlement Act (85 Stat. 688), which performs substantial governmental functions. The requirements of sections 203(c) and 303(d) of this Act, relating to reviews by the Governor of a State, do not apply to grant applications from the governing body of an Indian tribe, although nothing in this Act is intended to discourage or prohibit voluntary communication and cooperation between Indian tribes and State and local governments."

43 USC 1601
note.
42 USC 4723,
4743.

(e) Notwithstanding any other law, executive order, or administrative regulation, an employee serving under an appointment not limited to one year or less who leaves Federal employment to be employed by a tribal organization on or before December 31, 1985, in connection with governmental or other activities which are or have been performed by employees in or for Indian communities is entitled, if the employee and the tribal organization so elect, to the following:

Certain tribal
organization
employees, cover-
age, rights, and
benefits.
25 USC 450i.

(1) To retain coverage, rights, and benefits under subchapter I of chapter 81 ("Compensation for Work Injuries") of title 5, United States Code, and for this purpose his employment with the tribal organization shall be deemed employment by the United States. However, if an injured employee, or his dependents in case of his death, receives from the tribal organization any payment (including an allowance, gratuity, payment under an insurance policy for which the premium is wholly paid by the tribal organization, or other benefit of any kind) on account of the same injury or death, the amount of that payment shall be credited against any benefit payable under subchapter I of chapter 81 of title 5, United States Code, as follows:

Work injuries,
compensation.
5 USC 8101.

(A) payments on account of injury or disability shall be credited against disability compensation payable to the injured employee; and

(B) payments on account of death shall be credited against death compensation payable to dependents of the deceased employee.

(2) To retain coverage, rights, and benefits under chapter 83 ("Retirement") of title 5, United States Code, if necessary employee deductions and agency contributions in payment for coverage, rights, and benefits for the period of employment with the tribal organization are currently deposited in the Civil Service Retirement and Disability Fund (section 8348 of title 5, United States Code); and the period during which coverage, rights, and benefits are retained under this paragraph is deemed creditable service under section 8332 of title 5, United States Code. Days of unused sick leave to the credit of an employee under a formal leave system at the time the employee leaves Federal employment to be employed by a tribal organization remain to his credit for retirement purposes during covered service with the tribal organization.

Retirement.
5 USC 8301.

(3) To retain coverage, rights, and benefits under chapter 89 ("Health Insurance") of title 5, United States Code, if necessary employee deductions and agency contributions in payment for the coverage, rights, and benefits for the period of employment with the tribal organization are currently deposited in the Employee's Health Benefit Fund (section 8909 of title 5, United States Code); and the period during which coverage, rights, and benefits are retained under this paragraph is deemed service as an employee under chapter 89 of title 5, United States Code.

Health insur-
ance.
5 USC 8901.

(4) To retain coverage, rights, and benefits under chapter 87 ("Life Insurance") of title 5, United States Code, if necessary

Life insurance.
5 USC 8701.

5 USC 8701.

employee deductions and agency contributions in payment for the coverage, rights, and benefits for the period of employment with the tribal organizations are currently deposited in the Employee's Life Insurance Fund (section 8714 of title 5, United States Code); and the period during which coverage, rights, and benefits are retained under this paragraph is deemed service as an employee under chapter 87 of title 5, United States Code.

(f) During the period an employee is entitled to the coverage, rights, and benefits pursuant to the preceding subsection, the tribal organization employing such employee shall deposit currently in the appropriate funds the employee deductions and agency contributions required by paragraphs (2), (3), and (4) of such preceding subsection.

(g) An employee who is employed by a tribal organization under subsection (e) of this section and such tribal organization shall make the election to retain the coverages, rights, and benefits in paragraphs (1), (2), (3), and (4) of such subsection (e) before the date of his employment by a tribal organization. An employee who is employed by a tribal organization under subsection (e) of this section shall continue to be entitled to the benefits of such subsection if he is employed by another tribal organization to perform service in activities of the type described in such subsection.

"Employee."

(h) For the purposes of subsections (e), (f), and (g) of this section, the term "employee" means an employee as defined in section 2105 of title 5, United States Code.

Regulations.

(i) The President may prescribe regulations necessary to carry out the provisions of subsections (e), (f), (g), and (h) of this section and to protect and assure the compensation, retirement, insurance, leave, reemployment rights, and such other similar civil service employment rights as he finds appropriate.

(j) Anything in sections 205 and 207 of title 18, United States Code to the contrary notwithstanding, officers and employees of the United States assigned to an Indian tribe as authorized under section 3372 of title 5, United States Code, or section 2072 of the Revised Statutes (25 U.S.C. 48) and former officers and employees of the United States employed by Indian tribes may act as agents or attorneys for or appear on behalf of such tribes in connection with any matter pending before any department, agency, court, or commission, including any matter in which the United States is a party or has a direct and substantial interest: *Provided*, That each such officer or employee or former officer or employee must advise in writing the head of the department, agency, court, or commission with which he is dealing or appearing on behalf of the tribe of any personal and substantial involvement he may have had as an officer or employee of the United States in connection with the matter involved.

ADMINISTRATIVE PROVISIONS

25 USC 450j.

SEC. 106. (a) Contracts with tribal organizations pursuant to sections 102 and 103 of this Act shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the appropriate Secretary, such contracts may be negotiated without advertising and need not conform with the provisions of the Act of August 24, 1935 (49 Stat. 793), as amended: *Provided*, That the appropriate Secretary may waive any provisions of such contracting laws or regulations which he determines are not appropriate for the purposes of the contract involved or inconsistent with the provisions of this Act.

40 USC 270a.

(b) Payments of any grants or under any contracts pursuant to section 102, 103, or 104 of this Act may be made in advance or by way of reimbursement and in such installments and on such conditions as

the appropriate Secretary deems necessary to carry out the purposes of this title. The transfer of funds shall be scheduled consistent with program requirements and applicable Treasury regulations, so as to minimize the time elapsing between the transfer of such funds from the United States Treasury and the disbursement thereof by the tribal organization, whether such disbursement occurs prior to or subsequent to such transfer of funds. Tribal organizations shall not be held accountable for interest earned on such funds, pending their disbursement by such organization.

(c) Any contract requested by a tribe pursuant to sections 102 and 103 of this Act shall be for a term not to exceed one year unless the appropriate Secretary determines that a longer term would be advisable: *Provided*, That such term may not exceed three years and shall be subject to the availability of appropriations: *Provided, further*, That the amounts of such contracts may be renegotiated annually to reflect factors, including but not limited to cost increases beyond the control of a tribal organization.

Contracts, term.

(d) Notwithstanding any provision of law to the contrary, the appropriate Secretary may, at the request or consent of a tribal organization, revise or amend any contract or grant made by him pursuant to section 102, 103, or 104 of this Act with such organization as necessary to carry out the purposes of this title: *Provided, however*, That whenever an Indian tribe requests retrocession of the appropriate Secretary for any contract entered into pursuant to this Act, such retrocession shall become effective upon a date specified by the appropriate Secretary not more than one hundred and twenty days from the date of the request by the tribe or at such later date as may be mutually agreed to by the appropriate Secretary and the tribe.

(e) In connection with any contract or grant made pursuant to section 102, 103, or 104 of this Act, the appropriate Secretary may permit a tribal organization to utilize, in carrying out such contract or grant, existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within his jurisdiction under such terms and conditions as may be agreed upon for their use and maintenance.

(f) The contracts authorized under sections 102 and 103 of this Act and grants pursuant to section 104 of this Act may include provisions for the performance of personal services which would otherwise be performed by Federal employees including, but in no way limited to, functions such as determination of eligibility of applicants for assistance, benefits, or services, and the extent or amount of such assistance, benefits, or services to be provided and the provisions of such assistance, benefits, or services, all in accordance with the terms of the contract or grant and applicable rules and regulations of the appropriate Secretary: *Provided*, That the Secretary shall not make any contract which would impair his ability to discharge his trust responsibilities to any Indian tribe or individuals.

(g) Contracts and grants with tribal organizations pursuant to sections 102, 103, and 104 of this Act and the rules and regulations adopted by the Secretaries of the Interior and Health, Education, and Welfare pursuant to section 107 of this Act shall include provisions to assure the fair and uniform provision by such tribal organizations of the services and assistance they provide to Indians under such contracts and grants.

(h) The amount of funds provided under the terms of contracts entered into pursuant to sections 102 and 103 shall not be less than the appropriate Secretary would have otherwise provided for his direct operation of the programs or portions thereof for the period covered by the contract: *Provided*, That any savings in operation under such

contracts shall be utilized to provide additional services or benefits under the contract.

PROMULGATION OF RULES AND REGULATIONS

25 USC 450k.

SEC. 107. (a) The Secretaries of the Interior and of Health, Education, and Welfare are each authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purposes of carrying out the provisions of this title.

(b) (1) Within six months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall each to the extent practicable, consult with national and regional Indian organizations to consider and formulate appropriate rules and regulations to implement the provisions of this title.

(2) Within seven months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall each present the proposed rules and regulations to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives.

Publication in
Federal Register.

(3) Within eight months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

(4) Within ten months from the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health, Education, and Welfare shall promulgate rules and regulations to implement the provisions of this title.

Publication in
Federal Register.

(c) The Secretary of the Interior and the Secretary of Health, Education, and Welfare are authorized to revise and amend any rules or regulations promulgated pursuant to this section: *Provided*, That prior to any revision or amendment to such rules or regulations, the respective Secretary or Secretaries shall present the proposed revision or amendment to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives and shall, to the extent practicable, consult with appropriate national or regional Indian organizations and shall publish any proposed revisions in the Federal Register not less than sixty days prior to the effective date of such rules and regulations in order to provide adequate notice to, and receive comments from, other interested parties.

REPORTS

25 USC 450l.

SEC. 108. For each fiscal year during which an Indian tribal organization receives or expends funds pursuant to a contract or grant under this title, the Indian tribe which requested such contract or grant shall submit to the appropriate Secretary a report including, but not limited to, an accounting of the amounts and purposes for which Federal funds were expended, information on the conduct of the program or service involved, and such other information as the appropriate Secretary may request.

REASSUMPTION OF PROGRAMS

25 USC 450m.

SEC. 109. Each contract or grant agreement entered into pursuant to sections 102, 103, and 104 of this Act shall provide that in any case where the appropriate Secretary determines that the tribal organization's performance under such contract or grant agreement involves (1) the violation of the rights or endangerment of the health, safety, or welfare of any persons; or (2) gross negligence or mismanagement

in the handling or use of funds provided to the tribal organization pursuant to such contract or grant agreement, such Secretary may, under regulations prescribed by him and after providing notice and hearing to such tribal organization, rescind such contract or grant agreement and assume or resume control or operation of the program, activity, or service involved if he determines that the tribal organization has not taken corrective action as prescribed by him: *Provided*, That the appropriate Secretary may, upon notice to a tribal organization, immediately rescind a contract or grant and resume control or operation of a program, activity, or service if he finds that there is an immediate threat to safety and, in such cases, he shall hold a hearing on such action within ten days thereof. Such Secretary may decline to enter into a new contract or grant agreement and retain control of such program, activity, or service until such time as he is satisfied that the violations of rights or endangerment of health, safety, or welfare which necessitated the rescission has been corrected. Nothing in this section shall be construed as contravening the Occupational Safety and Health Act of 1970 (84 Stat. 1590), as amended (29 U.S.C. 651).

Notice and hearing.

EFFECT ON EXISTING RIGHTS

SEC. 110. Nothing in this Act shall be construed as—

25 USC 450n.

- (1) affecting, modifying, diminishing, or otherwise impairing the sovereign immunity from suit enjoyed by an Indian tribe; or
- (2) authorizing or requiring the termination of any existing trust responsibility of the United States with respect to the Indian people.

TITLE II—THE INDIAN EDUCATION ASSISTANCE ACT

SEC. 201. This title may be cited as the “Indian Education Assistance Act”.

Citation of title.
25 USC 455
note.

PART A—EDUCATION OF INDIANS IN PUBLIC SCHOOLS

SEC. 202. The Act of April 16, 1934 (48 Stat. 596), as amended, is further amended by adding at the end thereof the following new sections:

25 USC 452.

“SEC. 4. The Secretary of the Interior shall not enter into any contract for the education of Indians unless the prospective contractor has submitted to, and has had approved by the Secretary of the Interior, an education plan, which plan, in the determination of the Secretary, contains educational objectives which adequately address the educational needs of the Indian students who are to be beneficiaries of the contract and assures that the contract is capable of meeting such objectives: *Provided*, That where students other than Indian students participate in such programs, money expended under such contract shall be prorated to cover the participation of only the Indian students.

25 USC 455.

“SEC. 5. (a) Whenever a school district affected by a contract or contracts for the education of Indians pursuant to this Act has a local school board not composed of a majority of Indians, the parents of the Indian children enrolled in the school or schools affected by such contract or contracts shall elect a local committee from among their number. Such committee shall fully participate in the development of, and shall have the authority to approve or disapprove programs to be conducted under such contract or contracts, and shall carry out such other duties, and be so structured, as the Secretary of the Interior shall by regulation provide: *Provided, however*, That, whenever a local Indian committee or committees established pursuant to section 305 (b) (2) (B) (ii) of the Act of June 23, 1972 (86 Stat. 235) or an Indian advisory school board or boards established pursuant to this Act prior

25 USC 456.

to the date of enactment of this section exists in such school district, such committee or board may, in the discretion of the affected tribal governing body or bodies, be utilized for the purposes of this section.

“(b) The Secretary of the Interior may, in his discretion, revoke any contract if the contractor fails to permit a local committee to perform its duties pursuant to subsection (a).”

25 USC 457.

“SEC. 6. Any school district educating Indian students who are members of recognized Indian tribes, who do not normally reside in the State in which such school district is located, and who are residing in Federal boarding facilities for the purposes of attending public schools within such district may, in the discretion of the Secretary of the Interior, be reimbursed by him for the full per capita costs of educating such Indian students.”

Report to congressional committees.
25 USC 457
note.

SEC. 203. After conferring with persons competent in the field of Indian education, the Secretary, in consultation with the Secretary of Health, Education, and Welfare, shall prepare and submit to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives not later than October 1, 1975, a report which shall include:

25 USC 452.

(1) a comprehensive analysis of the Act of April 16, 1934 (48 Stat. 596), as amended, including—

(A) factors determining the allocation of funds for the special or supplemental educational programs of Indian students and current operating expenditures;

(B) the relationship of the Act of April 16, 1934 (48 Stat. 596), as amended, to—

20 USC 236.

(i) title I of the Act of September 30, 1950 (64 Stat. 1100), as amended; and

20 USC 821
note.

(ii) the Act of April 11, 1965 (79 Stat. 27), as amended; and

20 USC 241aa
note.

(iii) title IV of the Act of June 23, 1972 (86 Stat. 235); and

20 USC 631.

(iv) the Act of September 23, 1950 (72 Stat. 548), as amended.

(2) a specific program to meet the special educational needs of Indian children who attend public schools. Such program shall include, but need not be limited to, the following:

(A) a plan for the equitable distribution of funds to meet the special or supplemental educational needs of Indian children and, where necessary, to provide general operating expenditures to schools and school districts educating Indian children; and

(B) an estimate of the cost of such program;

(3) detailed legislative recommendations to implement the program prepared pursuant to clause (2); and

Indian-controlled community colleges.

(4) a specific program, together with detailed legislative recommendations, to assist the development and administration of Indian-controlled community colleges.

PART B—SCHOOL CONSTRUCTION

Contract authority.
25 USC 458.

SEC. 204. (a) The Secretary is authorized to enter into a contract or contracts with any State education agency or school district for the purpose of assisting such agency or district in the acquisition of sites for, or the construction, acquisition, or renovation of facilities (including all necessary equipment) in school districts on or adjacent to or in close proximity to any Indian reservation or other lands held in trust by the United States for Indians, if such facilities are necessary for the education of Indians residing on any such reservation or lands.

(b) The Secretary may expend not less than 75 per centum of such funds as are authorized and appropriated pursuant to this part B on those projects which meet the eligibility requirements under subsections (a) and (b) of section 14 of the Act of September 23, 1950 (72 Stat. 548), as amended. Such funds shall be allocated on the basis of existing funding priorities, if any, established by the United States Commissioner of Education under subsections (a) and (b) of section 14 of the Act of September 23, 1950, as amended. The United States Commissioner of Education is directed to submit to the Secretary, at the beginning of each fiscal year, commencing with the first full fiscal year after the date of enactment of this Act, a list of those projects eligible for funding under subsections (a) and (b) of section 14 of the Act of September 23, 1950, as amended.

20 USC 644.

(c) The Secretary may expend not more than 25 per centum of such funds as may be authorized and appropriated pursuant to this part B on any school eligible to receive funds under section 208 of this Act.

(d) Any contract entered into by the Secretary pursuant to this section shall contain provisions requiring the relevant State educational agency to—

(1) provide Indian students attending any such facilities constructed, acquired, or renovated, in whole or in part, from funds made available pursuant to this section with standards of education not less than those provided non-Indian students in the school district in which the facilities are situated; and

(2) meet, with respect to such facilities, the requirements of the State and local building codes, and other building standards set by the State educational agency or school district for other public school facilities under its jurisdiction or control or by the local government in the jurisdiction within which the facilities are situated.

(e) The Secretary shall consult with the entity designated pursuant to section 5 of the Act of April 16, 1934 (48 Stat. 596), as amended by this Act, and with the governing body of any Indian tribe or tribes the educational opportunity for the members of which will be significantly affected by any contract entered into pursuant to this section. Such consultation shall be advisory only, but shall occur prior to the entering into of any such contract. The foregoing provisions of this subsection shall not be applicable where the application for a contract pursuant to this section is submitted by an elected school board of which a majority of its members are Indians.

Ante, p. 2213.

(f) Within ninety days following the expiration of the three year period following the date of the enactment of this Act, the Secretary shall evaluate the effectiveness of the program pursuant to this section and transmit a report of such evaluation to the Congress. Such report shall include—

Program evaluation, report to Congress.

(1) an analysis of construction costs and the impact on such costs of the provisions of subsection (f) of this section and the Act of March 3, 1921 (46 Stat. 1491), as amended;

(2) a description of the working relationship between the Department of the Interior and the Department of Health, Education, and Welfare including any memorandum of understanding in connection with the acquisition of data pursuant to subsection (b) of this section;

(3) projections of the Secretary of future construction needs of the public schools serving Indian children residing on or adjacent to Indian reservations;

(4) a description of the working relationship of the Department of the Interior with local or State educational agencies in connection with the contracting for construction, acquisition, or renovation of school facilities pursuant to this section; and

(5) the recommendations of the Secretary with respect to the transfer of the responsibility for administering subsections (a) and (b) of section 14 of the Act of September 23, 1950 (72 Stat. 548), as amended, from the Department of Health, Education, and Welfare to the Department of the Interior.

20 USC 644.

Appropriation.

(g) For the purpose of carrying out the provisions of this section, there is authorized to be appropriated the sum of \$35,000,000 for the fiscal year ending June 30, 1974; \$35,000,000 for each of the four succeeding fiscal years; and thereafter, such sums as may be necessary, all of such sums to remain available until expended.

PART C—GENERAL PROVISIONS

25 USC 458a.

SEC. 205. No funds from any grant or contract pursuant to this title shall be made available to any school district unless the Secretary is satisfied that the quality and standard of education, including facilities and auxiliary services, for Indian students enrolled in the schools of such district are at least equal to that provided all other students from resources, other than resources provided in this title, available to the local school district.

25 USC 458b.

SEC. 206. No funds from any contract or grant pursuant to this title shall be made available by any Federal agency directly to other than public agencies and Indian tribes, institutions, and organizations: *Provided*, That school districts, State education agencies, and Indian tribes, institutions, and organizations assisted by this title may use funds provided herein to contract for necessary services with any appropriate individual, organization, or corporation.

25 USC 458c.

SEC. 207. (a) (1) Within six months from the date of enactment of this Act, the Secretary shall, to the extent practicable, consult with national and regional Indian organizations with experiences in Indian education to consider and formulate appropriate rules and regulations to implement the provisions of this title.

(2) Within seven months from the date of enactment of this Act, the Secretary shall present the proposed rules and regulations to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives.

Rules and regulations, publication in Federal Register.

(3) Within eight months from the date of enactment of this Act, the Secretary shall publish proposed rules and regulations in the Federal Register for the purpose of receiving comments from interested parties.

(4) Within ten months from the date of enactment of this Act, the Secretary shall promulgate rules and regulations to implement the provisions of this title.

Publication in Federal Register.

(b) The Secretary is authorized to revise and amend any rules or regulations promulgated pursuant to subsection (a) of this section: *Provided*, That prior to any revision or amendment to such rules or regulations the Secretary shall, to the extent practicable, consult with appropriate national and regional Indian organizations, and shall publish any proposed revisions in the Federal Register not less than sixty days prior to the effective date of such rules and regulations in order to provide adequate notice to, and receive comments from, other interested parties.

25 USC 458d.

25 USC 452.

SEC. 208. The Secretary is authorized and directed to provide funds, pursuant to this Act: the the Act of April 16, 1934 (48 Stat. 596), as amended; or any other authority granted to him to any tribe or tribal organization which controls and manages any previously private

school. The Secretary shall transmit annually to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives a report on the educational assistance program conducted pursuant to this section.

Report to congressional committees.

SEC. 209. The assistance provided in this Act for the education of Indians in the public schools of any State is in addition and supplemental to assistance provided under title IV of the Act of June 23, 1972 (86 Stat. 235).

25 USC 458e.

20 USC 241aa note.

Approved January 4, 1975.

Public Law 93-639

AN ACT

To amend certain provisions of Federal law relating to explosives.

January 4, 1975
[S. 1083]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "Amendments of 1973 to Federal Law Relating to Explosives".

Amendments of 1973 to Federal Law Relating to Explosives.
18 USC 845 note.

SEC. 101. Section 845(a) of title 18 of the United States Code (relating to exemptions from certain provisions of Federal law relating to explosives) is amended by striking out paragraph (5) and inserting in lieu thereof the following new paragraph:

"(5) commercially manufactured black powder in quantities not to exceed fifty pounds, percussion caps, safety and pyrotechnic fuses, quills, quick and slow matches, and friction primers, intended to be used solely for sporting, recreational, or cultural purposes in antique firearms as defined in section 921(a)(16) of title 18 of the United States Code, or in antique devices as exempted from the term 'destructive device' in section 921(a)(4) of title 18 of the United States Code; and".

SEC. 102. Section 921(a)(4) of title 18 of the United States Code is amended by inserting after the word "sporting" in the last sentence the following: ", recreational or cultural".

Approved January 4, 1975.

Public Law 93-640

AN ACT

To amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance a national attack on arthritis.

January 4, 1975
[S. 2854]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

National Arthritis Act of 1974.

SHORT TITLE

SECTION 1. This Act may be cited as the "National Arthritis Act of 1974".

42 USC 289c-1 note.

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. The Congress makes the following findings—

42 USC 289c-1 note.

(1) Arthritis and related musculoskeletal diseases constitute major health problems in the United States in that they afflict more than twenty million Americans and are the greatest single cause of chronic pain and disability.

(2) The complications of arthritis lead to many other serious

health problems and other severe physical disabilities in persons of all ages with the disease, particularly children and adolescents.

(3) The annual cost of arthritis to the national economy in 1970, from medical care expenses and lost wages, was \$9,200,000,000, and number of workdays lost in that year totaled over 14,500,000.

(4) Uncontrolled arthritis significantly decreases the quality of life and has a major negative economic, social, and psychological impact on the families of its victims and society generally.

(5) Athletic and other types of joint injuries involving trauma can lead to arthritis.

(6) The development of advanced methods of diagnosis and treatment of arthritis and quality trained health professionals in arthritis deserves the highest national priority.

(7) There is a critical shortage of medical facilities and properly trained health professionals and allied health professionals in the United States for arthritis research, prevention, treatment, care, and rehabilitation programs.

(8) The citizens of the United States should have a full understanding of the nature of the human, social, and economic impact of arthritis and should be encouraged to seek early diagnosis and treatment to prevent or mitigate physical disability resulting from arthritis.

(9) There is great potential for making major advances against arthritis in the National Institute of Arthritis, Metabolism, and Digestive Diseases, in concert with other institutes of the National Institutes of Health.

NATIONAL COMMISSION ON ARTHRITIS; ARTHRITIS PLAN

Establishment.
42 USC 289c-1
note.

SEC. 3. (a) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary"), after consulting with the Director of the National Institutes of Health, shall, within sixty days of the date of the enactment of this section, establish a National Commission on Arthritis and Related Musculoskeletal Diseases (hereinafter in this section referred to as the "Commission").

Membership.

(b) The Commission shall be composed of eighteen members as follows:

(1) Six members appointed by the Secretary who are scientists, physicians, or other health professionals not in the employment of the Federal Government, who represent the various specialties and disciplines involving arthritis and related musculoskeletal diseases (hereinafter in this section collectively referred to as "arthritis"), and of whom at least two are practicing clinical rheumatologists, at least one is an orthopedic surgeon, and at least one is an allied health professional.

(2) Four members appointed by the Secretary from the general public, of whom at least two suffer from arthritis.

(3) One member appointed by the Secretary, from members of the National Arthritis, Metabolism, Digestive Disease Advisory Council, whose primary interest is in the field of rheumatology.

(4) The Director of the National Institutes of Health or his designee, the Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases or his designee, the Directors, or their designees, of the National Institute of Allergy and Infectious Diseases and the National Institute of General Medical Science, the Associate Director for Arthritis and Related Musculoskeletal Diseases of such Institute, and the chief medical officer of the Veterans' Administration and the Secretary of Defense or their designees, each of whom shall serve as ex officio, nonvoting members.

(c) The members of the Commission shall select a chairman from among their own number. The Commission shall first meet on a date specified by the Secretary, not later than 30 days after the Commission is established, and thereafter shall meet at the call of the Chairman of the Commission (but not less often than three times).

Chairman.

(d) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases shall—

Director, National Institute of Arthritis, Metabolism, and Digestive Diseases, duties.

(1) designate a member of the staff of such Institute to act as Executive Secretary of the Commission, and

(2) provide the Commission with such full-time professional and clerical staff, such information, and the services of such consultants as may be necessary to assist it in carrying out effectively its function under this section.

(e) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall each receive the daily equivalent of the rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703, title 5, United States Code, for persons in the Government service employed intermittently.

Compensation.

5 USC 5332 note.

(f) The Commission shall survey Federal, State, and local health programs and activities relating to arthritis and assess the adequacy, technical soundness, and coordination of such programs and activities. All Federal departments and agencies administering health programs and activities relating to arthritis shall provide such cooperation and assistance relating to such programs and activities as is reasonably necessary for the Commission to make such survey and assessment.

Federal, State, and local health programs, survey.

(g) The Commission shall formulate a long-range plan (hereinafter in this section referred to as the "Arthritis Plan") with specific recommendations for the use and organization of national resources to combat arthritis. The Arthritis Plan shall be based on a survey investigating the incidence and prevalence of arthritis and its economic and social consequences, and on an evaluation of scientific information respecting, and the national resources capable of dealing with arthritis. The Arthritis Plan shall include a comprehensive program for the National Institute of Arthritis, Metabolism, and Digestive Diseases (hereinafter in this section referred to as the "Institute") and plans for Federal, State, and local programs, which program and programs shall, as appropriate, provide for—

Arthritis Plan.

(1) investigation into the epidemiology, etiology, and prevention and control of arthritis, including the social, environmental, behavioral, nutritional, and biological control of arthritis;

(2) studies and research into the basic biological processes and mechanisms involved with arthritis, including abnormalities of the immune, musculoskeletal, cardiovascular, gastrointestinal, urogenital, pulmonary, and nervous systems, the skin, and the eyes;

(3) research into the development, trial, and evaluation of techniques, orthopedic and other surgical procedures, and drugs (including drugs intended for use by children) used in the diagnosis, early detection, treatment, prevention, and control of arthritis;

(4) programs that will apply scientific and technological methodologies and processes involving biological, physical, and engi-

neering sciences to deal with all facets of arthritis, including traumatic arthritis;

(5) programs for the conduct and direction of field studies large-scale testing, evaluation, and demonstration of preventive, diagnostic, therapeutic, rehabilitative, and control approaches to arthritis, including studies of the effectiveness and use of home care programs, mobile care units, community rehabilitation facilities, and other appropriate community public health and social services;

(6) studies of the feasibility of, and possible benefits accruing from, the organization and training of teams of health and allied health professionals in the treatment and rehabilitation of individuals who suffer from arthritis;

(7) programs to evaluate available resources for the rehabilitation of individuals who suffer from arthritis;

(8) programs to develop new and improved methods of screening and referral for arthritis, and particularly for the early detection of arthritis;

(9) programs to establish standards and criteria for measurement of the severity and rehabilitative potential of disabilities resulting from arthritis;

(10) programs to develop a uniform descriptive vocabulary for use in basic and clinical research and a standardized clinical patient data set for arthritis to standardize collection, storage, and retrieval of research and treatment data in order to facilitate collaborative and comparative studies of large patient populations;

(11) programs to establish a system for the collection, analysis, and dissemination of data useful in the screening, prevention, diagnosis, and treatment of arthritis, including the establishment of a national data storage bank to collect, catalog, and store, and facilitate retrieval and dissemination of information as to the practical application of research and other activities pertaining to arthritis;

(12) programs for the education (including continuing education programs and development of new techniques and curricula) of scientists, bioengineers, physicians engaged in general practice, the practice of family medicine, or other primary care specialties, surgeons, including orthopedic surgeons, and other health and allied health professionals and educators in the fields and specialties requisite to screening, early detection, diagnosis, treatment, and prevention of arthritis and rehabilitation of individuals who suffer from arthritis;

(13) programs for public education and counseling relating to arthritis, including public information campaigns on current developments in diagnostic and treatment procedures and programs to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices;

(14) a program for the acceleration of international cooperation in and exchange of knowledge on research, screening, early detection, diagnosis, treatment, prevention, and control of arthritis; and

(15) coordination of the research programs relevant to arthritis of other Institutes of the National Institutes of Health, the Department of Health, Education, and Welfare, and other Federal and non-Federal entities.

(h) The Commission may hold such hearings, take such testimony, and sit at such time and places as it deems advisable.

(i) (1) The Commission shall prepare for each of the Institutes of the National Institutes of Health whose activities are to be affected by

Research programs, coordination.

Hearings.

Expenditure estimates.

the Arthritis Plan estimates of necessary expenditures to carry out each such Institute's part of the comprehensive program included in the Plan. The estimates shall be prepared for the fiscal year ending June 30, 1976, and for each of the next two fiscal years.

(2) Within five days after the Budget is transmitted by the President to Congress for the fiscal year ending June 30, 1976, and for each of the next two fiscal years, the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Commerce and Health of the United States House of Representatives an estimate of the amounts requested for arthritis research by each of the Institutes for which estimates were prepared under paragraph (1) and a comparison of such amounts with such estimates.

Transmittal to congressional committees.

(j) (1) The Commission shall publish and transmit directly to the Congress (without prior administrative approval or review by the Office of Management and Budget or any other Federal department or agency) the Arthritis Plan within two hundred and ten days after the date on which funds are first appropriated for the Commission.

Arthritis Plan, publication; transmittal to Congress.

(2) The Commission shall cease to exist on the thirtieth day following the date of the submission of the Arthritis Plan pursuant to paragraph (1) of this subsection.

Termination date.

(k) There are authorized to be appropriated, without fiscal year limitation, to carry out the purposes of this section \$2,000,000.

Appropriation.

ARTHRITIS COORDINATING COMMITTEE, DEMONSTRATION PROJECTS, AND COMPREHENSIVE ARTHRITIS CENTERS

SEC. 4. Part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new sections:

"ARTHRITIS COORDINATING COMMITTEE

"SEC. 437. (a) In order to improve coordination of all activities in the National Institutes of Health, in the Department of Health, Education, and Welfare, and in other departments and agencies of the Federal Government relating to Federal health programs and activities relating to arthritis, the Secretary shall establish an Arthritis Coordinating Committee to be composed of representatives of the Department of Health, Education, and Welfare (including the Food and Drug Administration) and of the Veterans' Administration, the Department of Defense, and other Federal departments and agencies involved in research, health services, or rehabilitation programs affecting arthritis. This committee shall include the Directors (or their designated representatives) of each of the Institutes of the National Institutes of Health involved in arthritis related research. The Committee shall be chaired by the Associate Director established pursuant to section 434(e) and shall prepare a report not later than sixty days after the end of each fiscal year as possible, for the Secretary detailing the work of the committee in seeking to improve coordination of departmental and interdepartmental activities relating to arthritis during the preceding fiscal year. Such report shall include—

Establishment.
42 USC 289c-4.

"(1) a description of the work of the committee in coordinating the research activities of the National Institutes of Health relating to arthritis during the preceding year, and

Membership.

"(2) a description of the work of the committee in promoting the coordination of Federal health programs and activities relating to arthritis to assure the adequacy of such programs and to provide for the adequate coordination of such programs and activities.

Post, p. 2224.
Report.

Contents.

Meetings.

“(b) The Committee shall meet at the call of the chairman, but not less often than four times a year.

“ARTHRITIS SCREENING, DETECTION, PREVENTION, AND REFERRAL
DEMONSTRATION PROJECTS; AND DATA BANK

42 USC 289c-5.

“SEC. 438. (a) The Secretary, acting through the Assistant Secretary for Health, may make grants to public and nonprofit entities to establish and support projects for the development and demonstration of methods for arthritis, screening, detection, prevention, and referral, and for the dissemination of these methods to health and allied health professions. Activities under such projects shall be coordinated with (1) Federal, State, local, and regional health agencies, (2) centers assisted under section 439, and (3) the data bank under subsection (c).

Coordination
with Federal,
State, and other
agencies.
Infra.

“(b) Projects under this section shall include programs which—

“(1) emphasize the development and demonstration of new and improved methods of screening and early detection, referral, and diagnosis of individuals with a risk of developing arthritis, asymptomatic arthritis, or symptomatic arthritis;

“(2) emphasize the development and demonstration of new and improved methods for patient referral from local hospitals and physicians to appropriate centers for early diagnosis and treatment;

“(3) emphasize the development and demonstration of new and improved means of standardizing patient data and recordkeeping; and

“(4) emphasize the development and demonstration of new and improved methods of dissemination of knowledge about the projects and methods referred to in the preceding paragraphs of this subsection to health and allied health professionals.

Arthritis Screen-
ing and Detection
Data Bank.
Establishment.

“(c) (1) As soon as practicable after the date of enactment of this section the Secretary, through the Assistant Secretary for Health, shall establish the Arthritis Screening and Detection Data Bank for the collection, storage, analysis, retrieval, and dissemination of data useful in screening, prevention, and early detection involving patient populations with asymptomatic and symptomatic types of arthritis, including where possible, data involving general populations for the purpose of detection of individuals with a risk of developing arthritis.

Patient data
and recordkeep-
ing, standardiza-
tion.

“(2) The Secretary shall provide for standardization of patient data and recordkeeping for the collection, storage, analysis, retrieval, and dissemination of such data in cooperation with projects under this section and centers assisted under section 439, and other persons engaged in arthritis programs.

Appropriations.

“(d) There are authorized to be appropriated to carry out this section \$2,000,000 for fiscal year ending June 30, 1975, \$3,000,000 for fiscal year ending June 30, 1976, and \$4,000,000 for fiscal year ending June 30, 1977.

“COMPREHENSIVE ARTHRITIS CENTERS

42 USC 289c-6.

“SEC. 439. (a) The Secretary, acting through the Assistant Secretary for Health may, after consultation with the National Advisory Council established under section 434(a) and consistent with the Arthritis Plan developed pursuant to the National Arthritis Act of 1974, provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of centers for arthritis research, screening, detection, diagnosis, prevention, control, and treatment, for education related to arthritis, and for rehabilitation of individuals who suffer from arthritis. For purposes of this section, the term ‘modernization’ means the alteration, remodeling, improvement,

42 USC 289c-1.

Ante, p. 2217.

“Moderniza-
tion.”

expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

“(b) Each center assisted under this section shall—

“(1) (A) use the facilities of a single institution or a consortium of cooperating institutions, and (B) meet such qualifications as may be prescribed by the Secretary; and

“(2) conduct—

“(A) basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of, arthritis and complications resulting from arthritis, including research into implantable biomaterials and biomechanical and other orthopedic procedures and in the development of other diagnostic and treatment methods;

“(B) training programs for physicians and other health and allied professionals in current methods of diagnosis, screening and early detection, prevention, control, and treatment of arthritis;

“(C) information and continuing education programs for physicians and other health and allied health professionals who provide care for patients with arthritis; and

“(D) programs for the dissemination to the general public of information—

“(i) on the importance of early detection of arthritis, of seeking prompt treatment, and of following an appropriate regimen; and

“(ii) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices.

“(c) Each center assisted under this section may conduct programs to—

“(1) develop new and improved methods of screening and early detection, referral, and diagnosis of individuals with a risk of developing arthritis, asymptomatic arthritis, or symptomatic arthritis,

“(2) disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping, and

“(3) develop community consultative services to facilitate the referral of patients to centers for treatment.

“(e) The Secretary shall, insofar as practicable, provide for an equitable geographical distribution of centers assisted under this section. The Secretary shall give appropriate consideration to the need for centers especially suited to meeting the needs of children affected by arthritis.

Equitable geographical distribution of centers.

“(f) The Secretary shall evaluate on an annual basis the activities of centers receiving support under this section and shall report to the appropriate committees of Congress the results of his evaluations not later than four months after the end of each fiscal year.

Report to congressional committees.

“(g) No center may receive more than three grants under this section.

Grants, limitation.

“(h) For purposes of this section, there are authorized to be appropriated \$11,000,000 for fiscal year ending June 30, 1975, \$13,000,000

Appropriations.

for fiscal year ending June 30, 1976, and \$15,000,000 for fiscal year ending June 30, 1977. Not less than 20 per centum of the funds appropriated for each fiscal year under this subsection shall be used for the purposes of establishing new centers."

ASSOCIATE DIRECTOR, ANNUAL REPORT, RESEARCH FUNDING,
ADVISORY COUNCIL

42 USC 289c-1.

SEC. 5. (a) Section 434 of the Public Health Service Act is amended by adding at the end the following new subsections:

"(e) There is established within the Institute the position of Associate Director for Arthritis and Related Musculoskeletal Disease (hereinafter in this part referred to as the 'Associate Director'), who shall report directly to the Director of such Institute and who, under the supervision of the Director of such Institute, shall be responsible for programs regarding arthritis and related musculoskeletal diseases hereinafter in this part collectively referred to as 'arthritis') within such Institute.

Report to President and Congress.

"(f) The Director of the Institute shall, as soon as practicable, but not later than sixty days, after the end of each fiscal year, prepare, in consultation with the National Advisory Council, and submit to the President and to the Congress a report. Such report shall include (1) a proposal for the Institute's activities under the Arthritis Plan formulated under the National Arthritis Act of 1974 and activities under other provisions of law during the next five years, with an estimate for such additional staff positions and appropriations as may be required to pursue such activities, and (2) a program evaluation section, wherein the activities and accomplishments of the Institute during the preceding fiscal year shall be measured against the Director's proposal for that year for activities under the Arthritis Plan."

42 USC 289a.

(b) Section 431 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Of the sums appropriated for any fiscal year under this Act for the National Institutes of Health, not less than \$500,000 shall be obligated for basic and clinical orthopedic research conducted within the National Institute of Arthritis, Metabolism, and Digestive Diseases which relates to the methods of preventing, controlling and treating arthritis and related musculoskeletal diseases, including research in implantable biomaterials and biomechanical and other orthopedic procedures and research in the development of new and improved orthopedic treatment methods."

Research projects, grant applications, review.

42 USC 289c-1.

(c) Section 434(b) of such Act is amended by adding at the end thereof the following: "The Advisory Council shall review applications made to the Director for grants for research projects related to arthritis and related musculoskeletal diseases and shall recommend to the Director for approval those applications and contracts which the Council determines will best carry out the purposes of this part. The Advisory Council shall also review and evaluate the arthritis programs under this part and shall recommend to the Director such changes in the administration of such programs as it determines are necessary."

Approved January 4, 1975.

Public Law 93-641

AN ACT

January 4, 1975
[S. 2994]

To amend the Public Health Service Act to assure the development of a national health policy and of effective State and area health planning and resources development programs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

National Health
Planning and Re-
sources Develop-
ment Act of 1974.
42 USC 300k
note.

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "National Health Planning and Resources Development Act of 1974".

TABLE OF CONTENTS

- Sec. 1. Short title; table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Revision of health planning programs under the Public Health Service Act.

"TITLE XV—NATIONAL HEALTH PLANNING AND DEVELOPMENT"

"PART A—NATIONAL GUIDELINES FOR HEALTH PLANNING"

- "Sec. 1501. National guidelines for health planning.
"Sec. 1502. National health priorities.
"Sec. 1503. National Council on Health Planning and Development.

"PART B—HEALTH SYSTEMS AGENCIES"

- "Sec. 1511. Health service areas.
"Sec. 1512. Health systems agencies.
"Sec. 1513. Functions of health systems agencies.
"Sec. 1514. Assistance to entities desiring to be designated as health systems agencies.
"Sec. 1515. Designation of health systems agencies.
"Sec. 1516. Planning grants.

"PART C—STATE HEALTH PLANNING AND DEVELOPMENT"

- "Sec. 1521. Designation of State health planning and development agencies.
"Sec. 1522. State administrative program.
"Sec. 1523. State health planning and development functions.
"Sec. 1524. Statewide Health Coordinating Council.
"Sec. 1525. Grants for State health planning and development.
"Sec. 1526. Grants for rate regulation.

"PART D—GENERAL PROVISIONS"

- "Sec. 1531. Definitions.
"Sec. 1532. Procedures and criteria for reviews of proposed health system changes.
"Sec. 1533. Technical assistance for health systems agencies and State health planning and development agencies.
"Sec. 1534. Centers for health planning.
"Sec. 1535. Review by the Secretary.
"Sec. 1536. Special provisions for certain States and Territories."

- Sec. 4. Revision of health resources development programs under the Public Health Service Act.

"TITLE XVI—HEALTH RESOURCES DEVELOPMENT"

"PART A—PURPOSE, STATE PLAN, AND PROJECT APPROVAL"

- "Sec. 1601. Purpose.
"Sec. 1602. General regulations.
"Sec. 1603. State medical facilities plan.
"Sec. 1604. Approval of projects.

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“TITLE XVI—HEALTH RESOURCES DEVELOPMENT—Continued

“PART B—ALLOTMENTS

- “Sec. 1610. Allotments.
- “Sec. 1611. Payments from allotments.
- “Sec. 1612. Withholding of payments and other compliance actions.
- “Sec. 1613. Authorization of appropriations.

“PART C—LOANS AND LOAN GUARANTEES

- “Sec. 1620. Authority for loans and loan guarantees.
- “Sec. 1621. Allocation among States.
- “Sec. 1622. General provisions relating to loan guarantees and loans.

“PART D—PROJECT GRANTS

- “Sec. 1625. Project grants.

“PART E—GENERAL PROVISIONS

- “Sec. 1630. Judicial review.
- “Sec. 1631. Recovery.
- “Sec. 1632. State control of operations.
- “Sec. 1633. Definitions.
- “Sec. 1634. Financial statements ; records and audit.
- “Sec. 1635. Technical assistance.

“PART F—AREA HEALTH SERVICES DEVELOPMENT FUNDS

- “Sec. 1640. Area health services development funds.”
- Sec. 5. Miscellaneous and transitional provisions.
- Sec. 6. Advisory committees.
- Sec. 7. Agency reports.
- Sec. 8. Technical amendment.

FINDINGS AND PURPOSE

42 USC 300k.

SEC. 2. (a) The Congress makes the following findings:

(1) The achievement of equal access to quality health care at a reasonable cost is a priority of the Federal Government.

(2) The massive infusion of Federal funds into the existing health care system has contributed to inflationary increases in the cost of health care and failed to produce an adequate supply or distribution of health resources, and consequently has not made possible equal access for everyone to such resources.

(3) The many and increasing responses to these problems by the public sector (Federal, State, and local) and the private sector have not resulted in a comprehensive, rational approach to the present—

(A) lack of uniformly effective methods of delivering health care;

(B) maldistribution of health care facilities and manpower; and

(C) increasing cost of health care.

(4) Increases in the cost of health care, particularly of hospital stays, have been uncontrollable and inflationary, and there are presently inadequate incentives for the use of appropriate alternative levels of health care, and for the substitution of ambulatory and intermediate care for inpatient hospital care.

(5) Since the health care provider is one of the most important participants in any health care delivery system, health policy must address the legitimate needs and concerns of the provider if it is to achieve meaningful results; and, thus, it is imperative

that the provider be encouraged to play an active role in developing health policy at all levels.

(6) Large segments of the public are lacking in basic knowledge regarding proper personal health care and methods for effective use of available health services.

(b) In recognition of the magnitude of the problems described in subsection (a) and the urgency placed on their solution, it is the purpose of this Act to facilitate the development of recommendations for a national health planning policy, to augment areawide and State planning for health services, manpower, and facilities, and to authorize financial assistance for the development of resources to further that policy.

REVISION OF HEALTH PLANNING PROGRAMS UNDER THE
PUBLIC HEALTH SERVICE ACT

SEC. 3. The Public Health Service Act is amended by adding at the end the following new title: 42 USC 201
note.

“TITLE XV—NATIONAL HEALTH PLANNING AND
DEVELOPMENT

“PART A—NATIONAL GUIDELINES FOR HEALTH PLANNING

“NATIONAL GUIDELINES FOR HEALTH PLANNING

“SEC. 1501. (a) The Secretary shall, within eighteen months after the date of the enactment of this title, by regulation issue guidelines concerning national health planning policy and shall, as he deems appropriate, by regulation revise such guidelines. Regulations under this subsection shall be promulgated in accordance with section 553 of title 5, United States Code. 42 USC 300k-1.

“(b) The Secretary shall include in the guidelines issued under subsection (a) the following:

“(1) Standards respecting the appropriate supply, distribution, and organization of health resources.

“(2) A statement of national health planning goals developed after consideration of the priorities, set forth in section 1502, which goals, to the maximum extent practicable, shall be expressed in quantitative terms.

“(c) In issuing guidelines under subsection (a) the Secretary shall consult with and solicit recommendations and comments from the health systems agencies designated under part B, the State health planning and development agencies designated under part C, the Statewide Health Coordinating Councils established under part C, associations and specialty societies representing medical and other health care providers, and the National Council on Health Planning and Development established by section 1503.

Post, p. 2229.

Post, p. 2242.

“NATIONAL HEALTH PRIORITIES

“SEC. 1502. The Congress finds that the following deserve priority consideration in the formulation of national health planning goals and in the development and operation of Federal, State, and area health planning and resources development programs: 42 USC 300k-2.

“(1) The provision of primary care services for medically underserved populations, especially those which are located in rural or economically depressed areas.

"(2) The development of multi-institutional systems for coordination or consolidation of institutional health services (including obstetric, pediatric, emergency medical, intensive and coronary care, and radiation therapy services).

"(3) The development of medical group practices (especially those whose services are appropriately coordinated or integrated with institutional health services), health maintenance organizations, and other organized systems for the provision of health care.

"(4) The training and increased utilization of physician assistants, especially nurse clinicians.

"(5) The development of multi-institutional arrangements for the sharing of support services necessary to all health service institutions.

"(6) The promotion of activities to achieve needed improvements in the quality of health services, including needs identified by the review activities of Professional Standards Review Organizations under part B of title XI of the Social Security Act.

42 USC 1320c.

"(7) The development by health service institutions of the capacity to provide various levels of care (including intensive care, acute general care, and extended care) on a geographically integrated basis.

"(8) The promotion of activities for the prevention of disease, including studies of nutritional and environmental factors affecting health and the provision of preventive health care services.

"(9) The adoption of uniform cost accounting, simplified reimbursement, and utilization reporting systems and improved management procedures for health service institutions.

"(10) The development of effective methods of educating the general public concerning proper personal (including preventive) health care and methods for effective use of available health services.

"NATIONAL COUNCIL ON HEALTH PLANNING AND DEVELOPMENT

Establishment.
42 USC 300k-3.

"SEC. 1503. (a) There is established in the Department of Health, Education, and Welfare an advisory council to be known as the National Council on Health Planning and Development (hereinafter in this section referred to as the 'Council'). The Council shall advise, consult with, and make recommendations to, the Secretary with respect to (1) the development of national guidelines under section 1501, (2) the implementation and administration of this title and title XVI, and (3) an evaluation of the implications of new medical technology for the organization, delivery, and equitable distribution of health care services.

Post, p. 2258.

Membership.

"(b)(1) The Council shall be composed of fifteen members. The Chief Medical Director of the Veterans' Administration, the Assistant Secretary for Health and Environment of the Department of Defense, and the Assistant Secretary for Health of the Department of Health, Education, and Welfare shall be nonvoting ex officio members of the Council. The remaining members shall be appointed by the Secretary and shall be persons who, as a result of their training, experience, or attainments, are exceptionally well qualified to assist in carrying out the functions of the Council. Of the voting members, not less than five shall be persons who are not providers of health services, not more than three shall be officers or employees of the Federal Government, not less than three shall be members of governing bodies of

health systems agencies designated under part B, and not less than three shall be members of Statewide Health Coordinating Councils under section 1524. The two major political parties shall have equal representation among the voting members on the Council.

Post, p. 2247.

“(2) The term of office of voting members of the Council shall be six years, except that—

Terms of office.

“(A) of the members first appointed to the Council, four shall be appointed for terms of two years and four shall be appointed for terms of four years, as designated by the Secretary at the time of appointment; and

“(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

A member may serve after the expiration of his term until his successor has taken office.

“(3) The chairman of the Council shall be selected by the voting members from among their number. The term of office of the chairman of the Council shall be the lesser of three years or the period remaining in his term of office as a member of the Council.

“(c)(1) Except as provided in paragraph (2), the members of the Council shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council.

Compensation.

5 USC 5332
note.

“(2) Members of the Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the Council.

“(3) While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

Travel ex-
penses.

“(d) The Council may appoint, fix the pay of, and prescribe the functions of such personnel as are necessary to carry out its functions. In addition, the Council may procure the services of experts and consultants as authorized by section 3109 of title 5, United States Code, but without regard to the last sentence of such section.

Experts and
consultants.

“(e) The provisions of section 14(a) of the Federal Advisory Committee Act shall not apply with respect to the Council.

5 USC app. I.

“PART B—HEALTH SYSTEMS AGENCIES

“HEALTH SERVICE AREAS

“SEC. 1511. (a) There shall be established, in accordance with this section, health service areas throughout the United States with respect to which health systems agencies shall be designated under section 1515. Each health service area shall meet the following requirements:

Establishment.
42 USC 300f.

“(1) The area shall be a geographic region appropriate for the effective planning and development of health services, determined on the basis of factors including population and the availability of resources to provide all necessary health services for residents of the area.

Requirements.

“(2) To the extent practicable, the area shall include at least one center for the provision of highly specialized health services.

“(3) The area, upon its establishment, shall have a population of not less than five hundred thousand or more than three million; except that—

“(A) the population of an area may be more than three million if the area includes a standard metropolitan statistical area (as determined by the Office of Management and Budget) with a population of more than three million, and

“(B) the population of an area may—

“(i) be less than five hundred thousand if the area comprises an entire State which has a population of less than five hundred thousand, or

“(ii) be less than—

“(I) five hundred thousand (but not less than two hundred thousand) in unusual circumstances (as determined by the Secretary), or

“(II) two hundred thousand in highly unusual circumstances (as determined by the Secretary).

if the Governor of each State in which the area is located determines, with the approval of the Secretary, that the area meets the other requirements of this subsection.

“(4) To the maximum extent feasible, the boundaries of the area shall be appropriately coordinated with the boundaries of areas designated under section 1152 of the Social Security Act for Professional Standards Review Organizations, existing regional planning areas, and State planning and administrative areas.

42 USC 1320c-1.

The boundaries of a health service area shall be established so that, in the planning and development of health services to be offered within the health service area, any economic or geographic barrier to the receipt of such services in nonmetropolitan areas is taken into account. The boundaries of health service areas shall be established so as to recognize the differences in health planning and health services development needs between nonmetropolitan and metropolitan areas. Each standard metropolitan statistical area shall be entirely within the boundaries of one health service area, except that if the Governor of each State in which a standard metropolitan statistical area is located determines, with the approval of the Secretary, that in order to meet the other requirements of this subsection a health service area should contain only part of the standard metropolitan statistical area, then such statistical area shall not be required to be entirely within the boundaries of such health service area.

Notice to Governors.

“(b)(1) Within thirty days following the date of the enactment of this title, the Secretary shall simultaneously give to the Governor of each State written notice of the initiation of proceedings to establish health service areas throughout the United States. Each notice shall contain the following:

“(A) A statement of the requirement (in subsection (a)) of the establishment of health service areas throughout the United States.

“(B) A statement of the criteria prescribed by subsection (a) for health service areas and the procedures prescribed by this subsection for the designation of health service area boundaries.

“(C) A request that the Governor receiving the notice (i) designate the boundaries of health service areas within his State, and, where appropriate and in cooperation with the Governors of adjoining States, designate the boundaries within his State of health service areas located both in his State and in adjoining States, and (ii) submit (in such form and manner as the Secretary shall specify) to the Secretary, within one hundred and twenty

days of the date of enactment of this title, such boundary designations together with comments, submitted by the entities referred to in paragraph (2), with respect to such designations.

At the time such notice is given under this paragraph to each Governor, the Secretary shall publish as a notice in the Federal Register a statement of the giving of his notice to the Governor and the criteria and procedures contained in such notice.

Publication in
Federal Register.

“(2) Each State’s Governor shall in the development of boundaries for health service areas consult with and solicit the views of the chief executive officer or agency of the political subdivisions within the State, the State agency which administers or supervises the administration of the State’s health planning functions under a State plan approved under section 314(a), each entity within the State which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b), and each regional medical program established in the State under the title IX.

42 USC 246.

42 USC 299.

“(3)(A) Within two hundred and ten days after the date of enactment of this title, the Secretary shall publish as a notice in the Federal Register the health service area boundary designations. The boundaries for health service areas submitted by the Governors shall, except as otherwise provided in subparagraph (B), constitute upon their publication in the Federal Register the boundaries for such health service areas.

Publication in
Federal Register.

“(B)(i) If the Secretary determines that a boundary submitted to him for a health service area does not meet the requirements of subsection (a), he shall, after consultation with the Governor who submitted such boundary, make such revision in the boundary for such area (and as necessary, in the boundaries for adjoining health service areas) as may be necessary to meet such requirements and publish such revised boundary (or boundaries); and the revised boundary (or boundaries) shall upon publication in the Federal Register constitute the boundary (or boundaries) for such health service area (or areas). The Secretary shall notify the Governor of each State in which is located a health service area whose boundary is revised under this clause of the boundary revision and the reasons for such revision.

Boundary revision;
publication in
Federal Register.

“(ii) In the case of areas of the United States not included within the boundaries for health service areas submitted to the Secretary as requested under the notice under paragraph (1), the Secretary shall establish and publish in the Federal Register health service area boundaries which include such areas. The Secretary shall notify the Governor of each State in which is located a health service area the boundary for which is established under this clause of the boundaries established. In carrying out the requirement of this clause, the Secretary may make such revisions in boundaries submitted under subparagraph (A) as he determines are necessary to meet the requirement of subsection (a) for the establishment of health service areas throughout the United States.

Other health
service areas;
publication in
Federal Register.

“(4) The Secretary shall review on a continuing basis and at the request of any Governor or designated health systems agency the appropriateness of the boundaries of the health service areas established under paragraph (3) and, if he determines that a boundary for a health service area no longer meets the requirements of subsection (a), he may revise the boundaries in accordance with the procedures prescribed by paragraph (3)(B)(ii) for the establishment of boundaries of health service areas which include areas not included in boundaries submitted by the Governors. If the Secretary acts on his

Review.

own initiative to revise the boundaries of any health service area, he shall consult with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate health systems agency or agencies designated under part B and the appropriate Statewide Health Coordinating Council established under part C. A request for boundary revision shall be made only after consultation with the Governor of the appropriate State or States, the entities referred to in paragraph (2), the appropriate designated health systems agencies, and the appropriate established Statewide Health Coordinating Council and shall include the comments concerning the revision made by the entities consulted in requesting the revision.

"(5) Within one year after the date of the enactment of this title the Secretary shall complete the procedures for the initial establishment of the boundaries of health service areas which (except as provided in section 1535) include the geographic area of all the States.

"(c) Notwithstanding any other requirement of this section, an area—

"(1) for which has been developed a comprehensive regional, metropolitan area, or other local area plan referred to in section 314(b), and

"(2) which otherwise meets the requirements of subsection (a), shall be designated by the Secretary as a health service area unless the Governor of any State in which such area is located, upon a finding that another area is a more appropriate region for the effective planning and development of health resources, waives such requirement.

"HEALTH SYSTEMS AGENCIES

"SEC. 1512. (a) DEFINITION.—For purposes of this title, the term 'health systems agency' means an entity which is organized and operated in the manner described in subsection (b) and which is capable, as determined by the Secretary, of performing each of the functions described in section 1513. The Secretary shall by regulation establish standards and criteria for the requirements of subsection (b) and section 1513.

"(b) (1) LEGAL STRUCTURE.—A health systems agency for a health service area shall be—

"(A) a nonprofit private corporation (or similar legal mechanism such as a public benefit corporation) which is incorporated in the State in which the largest part of the population of the health service area resides, which is not a subsidiary of, or otherwise controlled by, any other private or public corporation or other legal entity, and which only engages in health planning and development functions;

"(B) a public regional planning body if (i) it has a governing board composed of a majority of elected officials of units of general local government or it is authorized by State law (in effect before the date of enactment of this subsection) to carry out health planning and review functions such as those described in section 1513, and (ii) its planning area is identical to the health service area; or

"(C) a single unit of general local government if the area of the jurisdiction of that unit is identical to the health service area.

A health systems agency may not be an educational institution or operate such an institution.

"(2) STAFF.—

"(A) EXPERTISE.—A health systems agency shall have a staff which provides the agency with expertise in at least the following:

Ante, p. 2229.

Post, p. 2242.

Post, p. 2257.

42 USC 246.

Standards and
criteria.

(i) Administration, (ii) the gathering and analysis of data, (iii) health planning, and (iv) development and use of health resources. The functions of planning and of development of health resources shall be conducted by staffs with skills appropriate to each function.

“(B) SIZE AND EMPLOYMENT.—The size of the professional staff of any health systems agency shall be not less than five, except that if the quotient of the population (rounded to the next highest one hundred thousand) of the health service area which the agency serves divided by one hundred thousand is greater than five, the minimum size of the professional staff shall be the lesser of (i) such quotient, or (ii) twenty-five. The members of the staff shall be selected, paid, promoted, and discharged in accordance with such system as the agency may establish, except that the rate of pay for any position shall not be less than the rate of pay prevailing in the health service area for similar positions in other public or private health service entities. If necessary for the performance of its functions, a health systems agency may employ consultants and may contract with individuals and entities for the provision of services. Compensation for consultants and for contracted services shall be established in accordance with standards established by regulation by the Secretary.

Consultants and
contracted serv-
ices.

“(3) GOVERNING BODY.—

“(A) IN GENERAL.—A health systems agency which is a public regional planning body or unit of general local government shall, in addition to any other governing body, have a governing body for health planning, which is established in accordance with subparagraph (C), which shall have the responsibilities prescribed by subparagraph (B), and which has exclusive authority to perform for the agency the functions described in section 1513. Any other health systems agency shall have a governing body composed, in accordance with subparagraph (C), of not less than ten members and of not more than thirty members, except that the number of members may exceed thirty if the governing body has established another unit (referred to in this paragraph as an ‘executive committee’) composed, in accordance with subparagraph (C), of not more than twenty-five members of the governing body and has delegated to that unit the authority to take such action (other than the establishment and revision of the plans referred to in subparagraph (B)(ii)) as the governing body is authorized to take.

“(B) RESPONSIBILITIES.—The governing body—

“(i) shall be responsible for the internal affairs of the health systems agency, including matters relating to the staff of the agency, the agency’s budget, and procedures and criteria (developed and published pursuant to section 1532) applicable to its functions under subsections (e), (f), and (g) of section 1513;

Post, p. 2251.

“(ii) shall be responsible for the establishment of the health systems plan and annual implementation plan required by section 1513(b);

“(iii) shall be responsible for the approval of grants and contracts made and entered into under section 1513(c)(3);

Grants and con-
tracts, approval.

“(iv) shall be responsible for the approval of all actions taken pursuant to subsections (e), (f), (g), and (h), of section 1513;

“(v) shall (I) issue an annual report concerning the activities of the agency, (II) include in that report the health

Report.

systems plan and annual implementation plan developed by the agency, and a listing of the agency's income, expenditures, assets, and liabilities, and (III) make the report readily available to the residents of the health service area and the various communications media serving such area;

"(vi) shall reimburse its members for their reasonable costs incurred in attending meetings of the governing body;

"(vii) shall meet at least once in each calendar quarter of a year and shall meet at least two additional times in a year unless its executive committee meets at least twice in that year; and

"(viii) shall (I) conduct its business meetings in public, (II) give adequate notice to the public of such meetings, and (III) make its records and data available, upon request, to the public.

The governing body (and executive committee (if any)) of a health systems agency shall act only by vote of a majority of its members present and voting at a meeting called upon adequate notice to all of its members and at which a quorum is in attendance. A quorum for a governing body and executive committee shall be not less than one-half of its members.

"(C) COMPOSITION.—The membership of the governing body and the executive committee (if any) of an agency shall meet the following requirements:

"(i) A majority (but not more than 60 per centum of the members) shall be residents of the health service area served by the entity who are consumers of health care and who are not (nor within the twelve months preceding appointment been) providers of health care and who are broadly representative of the social, economic, linguistic and racial populations, geographic areas of the health service area, and major purchasers of health care.

"(ii) The remainder of the members shall be residents of the health service area served by the agency who are providers of health care and who represent (I) physicians (particularly practicing physicians), dentists, nurses, and other health professionals, (II) health care institutions (particularly hospitals, long-term care facilities, and health maintenance organizations), (III) health care insurers, (IV) health professional schools, and (V) the allied health professions. Not less than one-third of the providers of health care who are members of the governing body or executive committee of a health systems agency shall be direct providers of health care (as described in section 1531 (3)).

"(iii) The membership shall—

"(I) include (either through consumer or provider members) public elected officials and other representatives of governmental authorities in the agency's health service area and representatives of public and private agencies in the area concerned with health,

"(II) include a percentage of individuals who reside in nonmetropolitan areas within the health service area which percentage is equal to the percentage of residents of the area who reside in nonmetropolitan areas, and

"(III) if the health systems agency serves an area in which there is located one or more hospitals or other health care facilities of the Veterans' Administration, include, as an ex officio member, an individual whom the Chief Medical Director of the Veterans' Administration

shall have designated for such purpose, and if the agency serves an area in which there is located one or more qualified health maintenance organizations (within the meaning of section 1310), include at least one member who is representative of such organizations.

42 USC 300e-9.

“(iv) If, in the exercise of its functions, a governing body or executive committee appoints a subcommittee of its members or an advisory group, it shall, to the extent practicable, make its appointments to any such subcommittee or group in such a manner as to provide the representation on such subcommittee or group described in this subparagraph.

“(4) **INDIVIDUAL LIABILITY.**—No individual who, as a member or employee of a health systems agency, shall, by reason of his performance of any duty, function, or activity required of, or authorized to be undertaken by, the agency under this title, be liable for the payment of damages under any law of the United States or any State (or political subdivision thereof) if he has acted within the scope of such duty, function, or activity, has exercised due care, and has acted, with respect to that performance, without malice toward any person affected by it.

“(5) **PRIVATE CONTRIBUTIONS.**—No health systems agency may accept any funds or contributions of services or facilities from any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources unless, in the case of an entity, it is an organization described in section 509(a) of the Internal Revenue Code of 1954 and is not directly engaged in the provision of health care in the health service area of the agency. For purposes of this paragraph, an entity shall not be considered to have such an interest solely on the basis of its providing (directly or indirectly) health care for its employees.

26 USC 509.

“(6) **OTHER REQUIREMENTS.**—Each health system agency shall—

“(A) make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

Reports; record-keeping.

“(B) provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title and section 1640; and

Post, p. 2273.

“(C) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records pertinent to the disposition of amounts received from the Secretary under this title and section 1640.

“(c) **SUBAREA COUNCILS.**—A health systems agency may establish subarea advisory councils representing parts of the agencies' health service area to advise the governing body of the agency on the performance of its functions. The composition of a subarea advisory council shall conform to the requirements of subsection (b) (3) (C).

Establishment.

“FUNCTIONS OF HEALTH SYSTEMS AGENCIES

“SEC. 1513. (a) For the purpose of—

42 USC 3001-2.

“(1) improving the health of residents of a health service area,

“(2) increasing the accessibility (including overcoming geographic, architectural, and transportation barriers), acceptability, continuity, and quality of the health services provided them,

“(3) restraining increases in the cost of providing them health services, and

“(4) preventing unnecessary duplication of health resources, each health systems agency shall have as its primary responsibility the the provision of effective health planning for its health service area and the promotion of the development within the area of health services, manpower, and facilities which meet identified needs, reduce documented inefficiencies, and implement the health plans of the agency. To meet its primary responsibility, a health systems agency shall carry out the functions described in subsections (b) through (g) of this section.

“(b) In providing health planning and resources development for its health service area, a health systems agency shall perform the following functions:

“(1) The agency shall assemble and analyze data concerning—

“(A) the status (and its determinants) of the health of the residents of its health service area.

“(B) the status of the health care delivery system in the area and the use of that system by the residents of the area,

“(C) the effect the area's health care delivery system has on the health of the residents of the area,

“(D) the number, type, and location of the area's health resources, including health services, manpower, and facilities,

“(E) the patterns of utilization of the area's health resources, and

“(F) the environmental and occupational exposure factors affecting immediate and long-term health conditions.

In carrying out this paragraph, the agency shall to the maximum extent practicable use existing data (including data developed under Federal health programs) and coordinate its activities with the cooperative system provided for under section 306(e).

“(2) The agency shall, after appropriate consideration of the recommended national guidelines for health planning policy issued by the Secretary under section 1501, the priorities set forth in section 1502, and the data developed pursuant to paragraph (1), establish, annually review, and amend as necessary a health systems plan (hereinafter in this title referred to as the ‘HSP’) which shall be a detailed statement of goals (A) describing a healthful environment and health systems in the area which, when developed, will assure that quality health services will be available and accessible in a manner which assures continuity of care, at reasonable cost, for all residents of the area; (B) which are responsive to the unique needs and resources of the area; and (C) which take into account and is consistent with the national guidelines for health planning policy issued by the Secretary under section 1501 respecting supply, distribution, and organization of health resources and services. Before establishing an HSP, a health systems agency shall conduct a public hearing on the proposed HSP and shall give interested persons an opportunity to submit their views orally and in writing. Not less than thirty days prior to such hearing, the agency shall publish in at least two newspapers of general circulation throughout its health service area a notice of its consideration of the proposed HSP, the time and place of the hearing, the place at which interested persons may consult the HSP in advance of the hearing, and the place and period during which to submit written comments to the agency on the HSP.

“(3) The agency shall establish, annually review, and amend as necessary an annual implementation plan (hereinafter in this title referred to as the ‘AIP’) which describes objectives which

Coordination
with cooperative
system.

42 USC 242d.
Health systems
plan.
Establishment.

Hearing.

Notice.

Annual imple-
mentation plan.
Establishment.

will achieve the goals of the HSP and priorities among the objectives. In establishing the AIP, the agency shall give priority to those objectives which will maximally improve the health of the residents of the area, as determined on the basis of the relation of the cost of attaining such objectives to their benefits, and which are fitted to the special needs of the area.

“(4) The agency shall develop and publish specific plans and projects for achieving the objectives established in the AIP.

Plans and projects.

“(c) A health systems agency shall implement its HSP and AIP, and in implementing the plans it shall perform at least the following functions:

“(1) The agency shall seek, to the extent practicable, to implement its HSP and AIP with the assistance of individuals and public and private entities in its health service area.

“(2) The agency may provide, in accordance with the priorities established in the AIP, technical assistance to individuals and public and private entities for the development of projects and programs which the agency determines are necessary to achieve the health systems described in the HSP, including assistance in meeting the requirements of the agency prescribed under section 1532(b).

“(3) The agency shall, in accordance with the priorities established in the AIP, make grants to public and nonprofit private entities and enter into contracts with individuals and public and nonprofit private entities to assist them in planning and developing projects and programs which the agency determines are necessary for the achievement of the health systems described in the HSP. Such grants and contracts shall be made from the Area Health Services Development Fund of the agency established with funds provided under grants made under section 1640. No grants or contract under this subsection may be used (A) to pay the costs incurred by an entity or individual in the delivery of health services (as defined in regulations of the Secretary), or (B) for the cost of construction or modernization of medical facilities. No single grant or contract made or entered into under this paragraph shall be available for obligation beyond the one year period beginning on the date the grant or contract was made or entered into. If an individual or entity receives a grant or contract under this paragraph for a project or program, such individual or entity may receive only one more such grant or contract for such project or program.

Grants and contracts.

Post, p. 2273.

Limitation.

“(d) Each health systems agency shall coordinate its activities with—

Coordination.

“(1) each Professional Standards Review Organization (designated under section 1152 of the Social Security Act),

42 USC 1320c-1.

“(2) entities referred to in paragraphs (1) and (2) of section 204(a) of the Demonstration Cities and Metropolitan Development Act of 1966 and regional and local entities the views of which are required to be considered under regulations prescribed under section 403 of the Intergovernmental Cooperation Act of 1968 to carry out section 401(b) of such Act,

42 USC 3334.

“(3) other appropriate general or special purpose regional planning or administrative agencies, and

42 USC 4233, 4231.

“(4) any other appropriate entity, in the health system agency's health service area. The agency shall, as appropriate, secure data from them for use in the agency's planning and development activities, enter into agreements with them which will assure that actions taken by such entities which alter the area's

health system will be taken in a manner which is consistent with the HSP and the AIP in effect for the area, and, to the extent practicable, provide technical assistance to such entities.

Use of Federal
funds, approval.

“(e) (1) (A) Except as provided in subparagraph (B), each health systems agency shall review and approve or disapprove each proposed use within its health service area of Federal funds—

42 USC 2681
note.

“(i) appropriated under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for grants, contracts, loans, or loan guarantees for the development, expansion, or support of health resources; or

42 USC 4551
note.

“(ii) made available by the State in which the health service area is located (from an allotment to the State under an Act referred to in clause (i)) for grants or contracts for the development, expansion, or support of health resources.

“(B) A health systems agency shall not review and approve or disapprove the proposed use within its health service area of Federal funds appropriated for grants or contracts under title IV, VII, or VIII of this Act unless the grants or contracts are to be made, entered into, or used to support the development of health resources intended for use in the health service area or the delivery of health services. In the case of a proposed use within the health service area of a health systems agency of Federal funds described in subparagraph (A) by an Indian tribe or inter-tribal Indian organization for any program or project which will be located within or will specifically serve—

42 USC 281,
292, 296.

“(i) a federally-recognized Indian reservation,

“(ii) any land area in Oklahoma which is held in trust by the United States for Indians or which is a restricted Indian-owned land area, or

43 USC 1602.

“(iii) a Native village in Alaska (as defined in section 3(c) of the Alaska Native Claims Settlement Act),

a health systems agency shall only review and comment on such proposed use.

“(2) Notwithstanding any other provision of this Act or any other Act referred to in paragraph (1), the Secretary shall allow a health systems agency sixty days to make the review required by such paragraph. If an agency disapproves a proposed use in its health service area of Federal funds described in paragraph (1), the Secretary may not make such Federal funds available for such use until he has made, upon request of the entity making such proposal, a review of the agency decision. In making any such review of any agency decision, the Secretary shall give the appropriate State health planning and development agency an opportunity to consider the decision of the health systems agency and to submit to the Secretary its comments on the decision. The Secretary, after taking into consideration such State agency's comments (if any), may make such Federal funds available for such use, notwithstanding the disapproval of the health systems agency. Each such decision by the Secretary to make funds available shall be submitted to the appropriate health systems agency and State health planning and development agency and shall contain a detailed statement of the reasons for the decision.

“(3) Each health systems agency shall provide each Indian tribe or inter-tribal Indian organization which is located within the agency's health service area information respecting the availability of the Federal funds described in the first sentence of this subsection.

“(f) To assist State health planning and development agencies in carrying out their functions under paragraphs (4) and (5) of section 1523(a) each health systems agency shall review and make recommen-

Information to
Indian tribes or
organizations.

dations to the appropriate State health planning and development agency respecting the need for new institutional health services proposed to be offered or developed in the health service area of such health systems agency.

“(g) (1) Except as provided in paragraph (2), each health systems agency shall review on a periodic basis (but at least every five years) all institutional health services offered in the health service area of the agency and shall make recommendations to the State health planning and development agency designated under section 1521 for each State in which the health systems agency’s health service area is located respecting the appropriateness in the area of such services.

Institutional
health services,
review.

“(2) A health systems agency shall complete its initial review of existing institutional health services within three years after the date of the agency’s designation under section 1515(c).

“(h) Each health systems agency shall annually recommend to the State health planning and development agency designated for each State in which the health systems agency’s health service area is located (1) projects for the modernization, construction, and conversion of medical facilities in the agency’s health service area which projects will achieve the HSP and AIP of the health systems agency, and (2) priorities among such projects.

“ASSISTANCE TO ENTITIES DESIRING TO BE DESIGNATED AS HEALTH SYSTEMS AGENCIES

“SEC. 1514. The Secretary may provide all necessary technical and other nonfinancial assistance (including the preparation of prototype plans of organization and operation) to nonprofit private entities (including entities presently receiving financial assistance under section 314(b) or title IX or as experimental health service delivery systems under section 304) which—

42 USC 300l-3.

“(1) express a desire to be designated as health systems agencies, and

“(2) the Secretary determines have a potential to meet the requirements of a health systems agency specified in sections 1512 and 1513,

42 USC 246, 299,
242b.

to assist such entities in developing applications to be submitted to the Secretary under section 1515 and otherwise in preparing to meet the requirements of this part for designation as a health systems agency.

“DESIGNATION OF HEALTH SYSTEMS AGENCIES

“SEC. 1515. (a) At the earliest practicable date after the establishment under section 1511 of health service areas (but not later than eighteen months after the date of enactment of this title) the Secretary shall enter into agreements in accordance with this section for the designation of health systems agencies for such areas.

Agreements.
42 USC 300l-4.

“(b) (1) The Secretary may enter into agreements with entities under which the entities would be designated as the health systems agencies for health service areas on a conditional basis with a view to determining their ability to meet the requirements of section 1512 (b), and their capacity to perform the functions prescribed by section 1513.

“(2) During any period of conditional designation (which may not exceed 24 months), the Secretary may require that the entity conditionally designated meet only such of the requirements of section 1512(b) and perform only such of the functions prescribed by section 1513 as he determines such entity to be capable of meeting and performing. The number and type of such requirements and functions

shall, during the period of conditional designation, be progressively increased as the entity conditionally designated becomes capable of added responsibility so that, by the end of such period, the agency may be considered for designation under subsection (c).

Termination.

“(3) Any agreement under which any entity is conditionally designated as a health systems agency may be terminated by such entity upon ninety days notice to the Secretary or by the Secretary upon ninety days notice to such entity.

Conditional designation.

“(4) The Secretary may not enter into an agreement with any entity under paragraph (1) for conditional designation as a health systems agency for a health service area until—

“(A) the entity has submitted an application for such designation which contains assurances satisfactory to the Secretary that upon completion of the period of conditional designation the applicant will be organized and operated in the manner described in section 1512(b) and will be qualified to perform the functions prescribed by section 1513;

“(B) a plan for the orderly assumption and implementation of the functions of a health systems agency has been received from the applicant and approved by the Secretary; and

“(C) the Secretary has consulted with the Governor of each State in which such health service area is located and with such other State and local officials as he may deem appropriate, with respect to such designation.

42 USC 246.

In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by each entity which has developed a plan referred to in section 314(b) for all or part of the health service area with respect to which the application was submitted, and each regional medical program established in such area under title IX.

42 USC 299.

“(c) (1) The Secretary shall enter into an agreement with an entity for its designation as a health systems agency if, on the basis of an application under paragraph (2) (and, in the case of an entity conditionally designated, on the basis of its performance during a period of conditional designation under subsection (b) as a health systems agency for a health service area), the Secretary determines that such entity is capable of fulfilling, in a satisfactory manner, the requirements and functions of a health systems agency. Any such agreement under this subsection with an entity may be renewed in accordance with paragraph (3), shall contain such provisions respecting the requirements of sections 1512(b) and 1513 and such conditions designed to carry out the purpose of this title, as the Secretary may prescribe, and shall be for a term of not to exceed twelve months; except that, prior to the expiration of such term, such agreement may be terminated—

Renewal.

Termination.

“(A) by the entity at such time and upon such notice to the Secretary as he may by regulation prescribe, or

“(B) by the Secretary, at such time and upon such notice to the entity as the Secretary may by regulation prescribe, if the Secretary determines that the entity is not complying with or effectively carrying out the provisions of such agreement.

Application.

“(2) The Secretary may not enter into an agreement with any entity under paragraph (1) for designation as a health systems agency for a health service area unless the entity has submitted an application to the Secretary for designation as a health systems agency, and the Governor of each State in which the area is located has been consulted respecting such designation of such entity. Such an application shall contain assurances satisfactory to the Secretary that the applicant meets the requirements of section 1512(b) and is qualified to perform

or is performing the functions prescribed by section 1513. In considering such applications, the Secretary shall give priority to an application which has been recommended for approval by (A) each entity which has developed a plan referred to in section 314(b) for all or part of the health service area with respect to which the application was submitted, and (B) each regional medical program established in such area under title IX.

“(3) An agreement under this subsection for the designation of a health systems agency may be renewed by the Secretary for a period not to exceed twelve months if upon review (as provided in section 1535) of the agency’s operation and performance of its functions, he determines that it has fulfilled, in a satisfactory manner, the functions of a health systems agency prescribed by section 1513 and continues to meet the requirements of section 1512(b).

“(d) If a designation under subsection (b) or (c) of a health systems agency for a health services area is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b) or (c) (as the Secretary determines appropriate), enter into a designation agreement with another entity to be the health systems agency for such area.

“PLANNING GRANTS

“SEC. 1516. (a) The Secretary shall make in each fiscal year a grant to each health systems agency with which there is in effect a designation agreement under subsection (b) or (c) of section 1515. A grant under this subsection shall be made on such conditions as the Secretary determines is appropriate, shall be used by a health systems agency for compensation of agency personnel, collection of data, planning, and the performance of the functions of the agency, and shall be available for obligation for a period not to exceed the period for which its designation agreement is entered into or renewed (as the case may be). A health systems agency may use funds under a grant under this subsection to make payments under contracts with other entities to assist the health systems agency in the performance of its functions; but it shall not use funds under such a grant to make payments under a grant or contract with another entity for the development or delivery of health services or resources.

“(b) (1) The amount of any grant under subsection (a) to a health systems agency designated under section 1515(b) shall be determined by the Secretary. The amount of any grant under subsection (a) to any health systems agency designated under section 1515(c) shall be the lesser of—

“(A) the product of \$0.50 and the population of the health service area for which the agency is designated, or

“(B) \$3,750,000,

unless the agency would receive a greater amount under paragraph (2) or (3).

“(2) (A) If the application of a health systems agency for such a grant contains assurances satisfactory to the Secretary that the agency will expend or obligate in the period in which such grant will be available for obligation non-Federal funds meeting the requirements of subparagraph (B) for the purposes for which such grant may be made, the amount of such grant shall be the sum of—

“(i) the amount determined under paragraph (1), and

“(ii) the lesser of (I) the amount of such non-Federal funds with respect to which the assurances were made, or (II) the product of \$0.25 and the population of the health service area for which the agency is designated.

Priority.

42 USC 246.

42 USC 299.
Renewal.

Post, p. 2256.

42 USC 3001-5.

Use of funds,
restriction.

Obligation of
non-Federal funds.

“(B) The non-Federal funds which an agency may use for the purpose of obtaining a grant under subsection (a) which is computed on the basis of the formula prescribed by subparagraph (A) shall—

“(i) not include any funds contributed to the agency by any individual or private entity which has a financial, fiduciary, or other direct interest in the development, expansion, or support of health resources, and

“(ii) be funds which are not paid to the agency for the performance of particular services by it and which are otherwise contributed to the agency without conditions as to their use other than the condition that the funds shall be used for the purposes for which a grant made under this section may be used.

“(3) The amount of a grant under subsection (a) to a health systems agency designated under section 1515(c) may not be less than \$175,000.

Appropriations.

“(c) (1) For the purpose of making payments pursuant to grants made under subsection (a), there are authorized to be appropriated \$60,000,000 for the fiscal year ending June 30, 1975, \$90,000,000 for the fiscal year ending June 30, 1976, and \$125,000,000 for the fiscal year ending June 30, 1977.

“(2) Notwithstanding subsection (b), if the total of the grants to be made under this section to health systems agencies for any fiscal year exceeds the total of the amounts appropriated under paragraph (1) for that fiscal year, the amount of the grant for that fiscal year to each health systems agency shall be an amount which bears the same ratio to the amount determined for that agency for that fiscal year under subsection (b) as the total of the amounts appropriated under paragraph (1) for that fiscal year bears to the total amount required to make grants to all health systems agencies in accordance with the applicable provision of subsection (b); except that the amount of any grant to a health systems agency for any fiscal year shall not be less than \$175,000, unless the amount appropriated for that fiscal year under paragraph (1) is less than the amount required to make such a grant to each health systems agency.

“PART C—STATE HEALTH PLANNING AND DEVELOPMENT

“DESIGNATION OF STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

42 USC 300m.

“SEC. 1521. (a) For the purpose of the performance within each State of the health planning and development functions prescribed by section 1523, the Secretary shall enter into and renew agreements (described in subsection (b)) for the designation of a State health planning and development agency for each State other than a State for which the Secretary may not under subsection (d) enter into, continue in effect, or renew such an agreement.

“(b) (1) A designation agreement under subsection (a) is an agreement with the Governor of a State for the designation of an agency (selected by the Governor) of the government of that State as the State health planning and development agency (hereinafter in this part referred to as the ‘State Agency’) to administer the State administrative program prescribed by section 1522 and to carry out the State’s health planning and development functions prescribed by section 1523. The Secretary may not enter into such an agreement with the Governor of a State unless—

Conditions.

“(A) there has been submitted by the State a State administrative program which has been approved by the Secretary,

“(B) an application has been made to the Secretary for such an agreement and the application contains assurances satisfactory

to the Secretary that the agency selected by the Governor for designation as the State Agency has the authority and resources to administer the State administrative program of the State and to carry out the health planning and development functions prescribed by section 1523, and

“(C) in the case of an agreement entered into under paragraph (3), there has been established for the State a Statewide Health Coordinating Council meeting the requirements of section 1524.

“(2)(A) The agreement entered into with a Governor of a State under subsection (a) may provide for the designation of a State Agency on a conditional basis with a view to determining the capacity of the designated State Agency to administer the State administrative program of the State and to carry out the health planning and development functions prescribed by section 1523. The Secretary shall require as a condition to the entering into of such an agreement that the Governor submit on behalf of the agency to be designated a plan for the agency’s orderly assumption and implementation of such functions.

Plan.

“(B) The period of an agreement described in subparagraph (A) may not exceed twenty-four months. During such period the Secretary may require that the designated State Agency perform only such of the functions of a State Agency prescribed by section 1523 as he determines it is capable of performing. The number and type of such functions shall, during such period, be progressively increased as the designated State Agency becomes capable of added responsibility, so that by the end of such period the designated State Agency may be considered for designation under paragraph (3).

Period of agreement.

“(C) Any agreement with a Governor of a State entered into under subparagraph (A) may be terminated by the Governor upon ninety days’ notice to the Secretary or by the Secretary upon ninety days’ notice to the Governor.

Termination.

“(3) If, on the basis of an application for designation as a State Agency (and, in the case of an agency conditionally designated under paragraph (2), on the basis of its performance under an agreement with a Governor of a State entered into under such paragraph), the Secretary determines that the agency is capable of fulfilling, in a satisfactory manner, the responsibilities of a State Agency, he shall enter into an agreement with the Governor of the State designating the agency as the State Agency for the State. No such agreement may be made unless an application therefor is submitted to, and approved by, the Secretary. Any such agreement shall be for a term of not to exceed twelve months, except that, prior to the expiration of such term, such agreement may be terminated—

State Agency, designation.

Application submitted to Secretary.

Termination.

“(A) by the Governor at such time and upon such notice to the Secretary as he may by regulation prescribe, or

“(B) by the Secretary, at such time and upon such notice to the Governor as the Secretary may by regulation prescribe, if the Secretary determines that the designated State Agency is not complying with or effectively carrying out the provisions of such agreement.

An agreement under this paragraph shall contain such provisions as the Secretary may require to assure that the requirements of this part respecting State Agencies are complied with.

“(4) An agreement entered into under paragraph (3) for the designation of a State Agency may be renewed by the Secretary for a period not to exceed twelve months if he determines that it has fulfilled, in a satisfactory manner, the responsibilities of a State Agency during the period of the agreement to be renewed and if the

Renewal.

applicable State administrative program continues to meet the requirements of section 1522.

"(c) If a designation agreement with the Governor of a State entered into under subsection (b) (2) or (b) (3) is terminated before the date prescribed for its expiration, the Secretary shall, upon application and in accordance with subsection (b) (2), or (b) (3) (as the Secretary determines appropriate), enter into another agreement with the Governor for the designation of a State Agency.

"(d) If, upon the expiration of the fourth fiscal year which begins after the calendar year in which the National Health Policy, Planning, and Resources Development Act of 1974 is enacted, an agreement under this section for the designation of a State Agency for a State is not in effect, the Secretary may not make any allotment, grant, loan, or loan guarantee, or enter into any contract, under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 for the development, expansion, or support of health resources in such State until such time as such an agreement is in effect.

42 USC 2681
note.
42 USC 4551
note.

"STATE ADMINISTRATIVE PROGRAM

42 USC 300m-1.

Conditions.

"SEC. 1522. (a) A State administrative program (hereinafter in this section referred to as the 'State Program') is a program for the performance within the State by its State Agency of the functions prescribed by section 1523. The Secretary may not approve a State Program for a State unless it—

"(1) meets the requirements of subsection (b) ;

"(2) has been submitted to the Secretary by the Governor of the State at such time and in such detail, and contains or is accompanied by such information, as the Secretary deems necessary; and

"(3) has been submitted to the Secretary only after the Governor of the State has afforded to the general public of the State a reasonable opportunity for a presentation of views on the State Program.

"(b) The State Program of a State must—

"(1) provide for the performance within the State (after the designation of a State Agency and in accordance with the designation agreement) of the functions prescribed by section 1523 and specify the State Agency of the State as the sole agency for the performance of such functions (except as provided in subsection (b) of such section) and for the administration of the State Program;

"(2) contain or be supported by satisfactory evidence that the State Agency has under State law the authority to carry out such functions and the State Program in accordance with this part and contain a current budget for the operation of the State Agency;

"(3) provide for adequate consultation with, and authority for, the Statewide Health Coordinating Council (prescribed by section 1524), in carrying out such functions and the State Program;

"(4) (A) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibilities in the performance of such functions and the State Program, and require the State Agency to have a professional staff for planning and a professional staff for development, which staffs shall be of such size and meet such qualifications as the Secretary may prescribe;

“(B) provide for such methods of administration as are found by the Secretary to be necessary for the proper and efficient administration of such functions and the State Program, including methods relating to the establishment and maintenance of personnel standards on a merit basis consistent with such standards as are or may be established by the Civil Service Commission under section 208(a) of the Intergovernmental Personnel Act of 1970 (Public Law 91-648), but the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with the methods relating to personnel standards on a merit basis established and maintained in conformity with this paragraph;

42 USC 4728.

“(5) require the State Agency to perform its functions in accordance with procedures and criteria established and published by it, which procedures and criteria shall conform to the requirements of section 1532;

“(6) require the State Agency to (A) conduct its business meetings in public, (B) give adequate notice to the public of such meetings, and (C) make its records and data available, upon request, to the public;

“(7)(A) provide for the coordination (in accordance with regulations of the Secretary) with the cooperative system provided for under section 306(e) of the activities of the State Agency for the collection, retrieval, analysis, reporting, and publication of statistical and other information related to health and health care, and (B) require providers of health care doing business in the State to make statistical and other reports of such information to the State Agency;

Ante, p. 365.

Reports.

“(8) provide, in accordance with methods and procedures prescribed or approved by the Secretary, for the evaluation, at least annually, of the performance by the State Agency of its functions and of their economic effectiveness;

Performance evaluation.

“(9) provide that the State Agency will from time to time, and in any event not less often than annually, review the State Program and submit to the Secretary required modifications;

Review of State program.

“(10) require the State Agency to make such reports, in such form and containing such information, concerning its structure, operations, performance of functions, and other matters as the Secretary may from time to time require, and keep such records and afford such access thereto as the Secretary may find necessary to verify such reports;

Reports; record-keeping.

“(11) require the State Agency to provide for such fiscal control and fund accounting procedures as the Secretary may require to assure proper disbursement of, and accounting for, amounts received from the Secretary under this title;

“(12) permit the Secretary and the Comptroller General of the United States, or their representatives, to have access for the purpose of audit and examination to any books, documents, papers, and records of the State Agency pertinent to the disposition of amounts received from the Secretary under this title; and

Audit.

“(13) provide that if the State Agency makes a decision in the performance of a function under paragraph (3), (4), (5), or (6) of section 1523(a) or under title XVI which is inconsistent with a recommendation made under subsection (f), (g), or (h) of section 1513 by a health systems agency within the State—

Post, p. 2258.

“(A) such decision (and the record upon which it was made) shall, upon request of the health systems agency, be reviewed, under an appeals mechanism consistent with State

law governing the practices and procedures of administrative agencies, by an agency of the State (other than the State health planning and development agency) designated by the Governor, and

Post, p. 2258.

“(B) the decision of the reviewing agency shall for purposes of this title and title XVI be considered the decision of the State health planning and development agency.

State Program,
approval and re-
view.

“(c) The Secretary shall approve any State Program and any modification thereof which complies with subsections (a) and (b). The Secretary shall review for compliance with the requirements of this part the specifications of and operations under each State Program approved by him. Such review shall be conducted not less often than once each year.

“STATE HEALTH PLANNING AND DEVELOPMENT FUNCTIONS

42 USC 300m-2.

“SEC. 1523. (a) Each State Agency of a State designated under section 1521(b)(3) shall, except as authorized under subsection (b), perform within the State the following functions:

“(1) Conduct the health planning activities of the State and implement those parts of the State health plan (under section 1524(c)(2)) and the plans of the health systems agencies within the State which relate to the government of the State.

Preliminary
State health plan.

“(2) Prepare and review and revise as necessary (but at least annually) a preliminary State health plan which shall be made up of the HSP's of the health systems agencies within the State. Such preliminary plan may, as found necessary by the State Agency, contain such revisions of such HSP's to achieve their appropriate coordination or to deal more effectively with statewide health needs. Such preliminary plan shall be submitted to the Statewide Health Coordinating Council of the State for approval or disapproval and for use in developing the State health plan referred to in section 1524(c).

Submittal to
Statewide Health
Coordinating
Council.

State medical
facilities plan,
review.

Post, p. 2259.

“(3) Assist the Statewide Health Coordinating Council of the State in the review of the State medical facilities plan required under section 1603, and in the performance of its functions generally.

42 USC 1320a-1.

“(4) (A) Serve as the designated planning agency of the State for the purposes of section 1122 of the Social Security Act if the State has made an agreement pursuant to such section, and (B) administer a State certificate of need program which applies to new institutional health services proposed to be offered or developed within the State and which is satisfactory to the Secretary. Such program shall provide for review and determination of need prior to the time such services, facilities, and organizations are offered or developed or substantial expenditures are undertaken in preparation for such offering or development, and provide that only those services, facilities, and organizations found to be needed shall be offered or developed in the State. In performing its functions under this paragraph the State Agency shall consider recommendations made by health systems agencies under section 1513(f).

“(5) After consideration of recommendations submitted by health systems agencies under section 1413(f) respecting new institutional health services proposed to be offered within the State, make findings as to the need for such services.

“(6) Review on a periodic basis (but not less often than every five years) all institutional health services being offered in the

State and, after consideration of recommendations submitted by health systems agencies under section 1513(g) respecting the appropriateness of such services, make public its findings.

“(b)(1) Any function described in subsection (a) may be performed by another agency of the State government upon request of the Governor under an agreement with the State Agency satisfactory to the Secretary.

“(2) The requirement of paragraph (4)(B) of subsection (a) shall not apply to a State Agency of a State until the expiration of the first regular session of the legislature of such State which begins after the date of enactment of this title.

“(3) A State Agency shall complete its findings with respect to the appropriateness of any existing institutional health service within one year after the date a health systems agency has made its recommendation under section 1513(g) with respect to the appropriateness of the service.

“(c) If a State Agency makes a decision in carrying out a function described in paragraph (4), (5), (6), or (7) of subsection (a) which is not consistent with the goals of the applicable HSP or the priorities of the applicable AIP, the State Agency shall submit to the appropriate health systems agency a detailed statement of the reasons for the inconsistency.

Statement to
health systems
agency.

“STATEWIDE HEALTH COORDINATING COUNCIL

“SEC. 1524. (a) A State health planning and development agency designated under section 1521 shall be advised by a Statewide Health Coordinating Council (hereinafter in this section referred to as the ‘SHCC’) which (1) is organized in the manner described by subsection (b), and (2) performs the functions listed in subsection (c).

42 USC 300m-3.

“(b)(1) A SHCC of a State shall be composed in the following manner:

Membership.

“(A)(i) A SHCC shall have no fewer than sixteen representatives appointed by the Governor of the State from lists of at least five nominees submitted to the Governor by each of the health systems agencies designated for health service areas which fall, in whole or in part, within the State.

“(ii) Each such health systems agency shall be entitled to the same number of representatives on the SHCC.

“(iii) Each such health systems agency shall be entitled to at least two representatives on the SHCC. Of the representatives of a health systems agency, not less than one-half shall be individuals who are consumers of health care and who are not providers of health care.

“(B) In addition to the appointments made under subparagraph (A), the Governor of the State may appoint such persons (including State officials, public elected officials, and other representatives of governmental authorities within the State) to serve on the SHCC as he deems appropriate; except that (i) the number of persons appointed to the SHCC under this subparagraph may not exceed 40 per centum of the total membership of the SHCC, and (ii) a majority of the persons appointed by the Governor shall be consumers of health care who are not also providers of health care.

“(C) Not less than one-third of the providers of health care who are members of a SHCC shall be direct providers of health care (as described in section 1531(3)).

“(D) Where two or more hospitals or other health care facilities of the Veterans’ Administration are located in a State, the SHCC shall, in addition to the appointed members, include, as an ex officio member, an individual whom the Chief Medical Director of the Veterans’ Administration shall have designated as a representative of such facilities.

Chairman.

“(2) The SHCC shall select from among its members a chairman.

Meetings.

“(3) The SHCC shall conduct all of its business meetings in public, and shall meet at least once in each calendar quarter of a year.

Functions.

“(c) A SHCC shall perform the following functions:

Report.

“(1) Review annually and coordinate the HSP and AIP of each health systems agency within the State and report to the Secretary, for purposes of his review under section 1535(c), its comments on such HSP and AIP.

“(2) (A) Prepare and review and revise as necessary (but at least annually) a State health plan which shall be made up of the HSP’s of the health systems agencies within the State. Such plan may, as found necessary by the SHCC, contain revisions of such HSP’s to achieve their appropriate coordination or to deal more effectively with statewide health needs. Each health systems agency which participates in the SHCC shall make available to the SHCC its HSP for each year for integration into the State health plan and shall, as required by the SHCC, revise its HSP to achieve appropriate coordination with the HSP’s of the other agencies which participate in the SHCC or to deal more effectively with statewide health needs.

Hearing.

“(B) In the preparation and revision of the State health plan, the SHCC shall review and consider the preliminary State health plan submitted by the State agency under section 1523(a)(2), and shall conduct a public hearing on the plan as proposed and shall give interested persons an opportunity to submit their views orally and in writing. Not less than thirty days prior to any such hearing, the SHCC shall publish in at least two newspapers of general circulation in the State a notice of its consideration of the proposed plan, the time and place of the hearing, the place at which interested persons may consult the plan in advance of the hearing, and the place and period during which to direct written comment to the SHCC on the plan.

Budget, review and report.

“(3) Review annually the budget of each such health systems agency and report to the Secretary, for purposes of his review under section 1535(a), its comments on such budget.

Applications for grants, review and report.

“(4) Review applications submitted by such health systems agencies for grants under sections 1516 and 1640 and report to the Secretary its comments on such applications.

Post, p. 2273.

“(5) Advise the State Agency of the State generally on the performance of its functions.

“(6) Review annually and approve or disapprove any State plan and any application (and any revision of a State plan or application) submitted to the Secretary as a condition to the receipt of any funds under allotments made to States under this Act, the Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. Notwithstanding any other provision of this Act or any other Act referred to in the preceding sentence, the Secretary shall allow a SHCC sixty days to make the review required by such sentence. If a SHCC disapproves such a State plan or application, the Secretary may not make Federal funds available under such State plan or application until he has made,

42 USC 2681 note.

42 USC 4551 note.

upon request of the Governor of the State which submitted such plan or application or another agency of such State, a review of the SHCC decision. If after such review the Secretary decides to make such funds available, the decision by the Secretary to make such funds available shall be submitted to the SHCC and shall contain a detailed statement of the reasons for the decision.

“GRANTS FOR STATE HEALTH PLANNING AND DEVELOPMENT

“SEC. 1525. (a) The Secretary shall make grants to State health planning and development agencies designated under subsection (b) (2) or (b) (3) of section 1521 to assist them in meeting the costs of their operation. Any grant made under this subsection to a State Agency shall be available for obligation only for a period not to exceed the period for which its designation agreement is entered into or renewed. The amount of any grant made under this subsection shall be determined by the Secretary, except that no grant to a designated State Agency may exceed 75 per centum of its operation costs (as determined under regulations of the Secretary) during the period for which the grant is available for obligation.

42 USC 300m-4.

Limitation.

“(b) Grants under subsection (a) shall be made on such terms and conditions as the Secretary may prescribe; except that the Secretary may not make a grant to a State Agency unless he receives satisfactory assurances that the State Agency will expend in performing the functions prescribed by section 1523 during the fiscal year for which the grant is sought an amount of funds from non-Federal sources which is at least as great as the average amount of funds expended, in the three years immediately preceding the fiscal year for which such grant is sought, by the State, for which such State Agency has been designated, for the purposes for which funds under such grant may be used (excluding expenditures of a nonrecurring nature).

“(c) For the purpose of making payments under grants under subsection (a), there are authorized to be appropriated \$25,000,000 for the fiscal year ending June 30, 1975, \$30,000,000 for the fiscal year ending June 30, 1976, and \$35,000,000 for the fiscal year ending June 30, 1977.

Appropriations.

“GRANTS FOR RATE REGULATION

“SEC. 1526. (a) For the purpose of demonstrating the effectiveness of State Agencies regulating rates for the provision of health care, the Secretary may make to a State Agency designated, under an agreement entered into under section 1521 (b) (3), for a State which (in accordance with regulations prescribed by the Secretary) has indicated an intent to regulate (not later than six months after the date of the enactment of this title) rates for the provision of health care within the State. Not more than six State Agencies may receive grants under this subsection.

42 USC 300m-5.

Limitation.

“(b) (1) A State Agency which receives a grant under subsection (a) shall—

Requirements.

“(A) provide the Secretary satisfactory evidence that the State Agency has under State law the authority to carry out rate regulation functions in accordance with this section and provide the Secretary a current budget for the performance of such functions by it;

“(B) set forth in such detail as the Secretary may prescribe the qualifications for personnel having responsibility in the performance of such functions, and shall have a professional staff for rate regulation, which staff shall be headed by a Director;

“(C) provide for such methods of administration as found by the Secretary to be necessary for the proper and efficient administration of such functions;

“(D) perform its functions in accordance with procedures established and published by it, which procedures shall conform to the requirements of section 1532;

“(E) comply with the requirements prescribed by paragraphs (6) through (12) of section 1522(b) with respect to the functions prescribed by subsection (a);

“(F) provide for the establishment of a procedure under which the State Agency will obtain the recommendation of the appropriate health systems agency prior to conducting a review of the rates charged or proposed to be charged for services; and

“(G) meet such other requirements as the Secretary may prescribe.

“(2) In prescribing requirements under paragraph (1) of this subsection, the Secretary shall consider the manner in which a State Agency shall perform its functions under a grant under subsection (a), including whether the State Agency should—

“(A) permit those engaged in the delivery of health services to retain savings accruing to them from effective management and cost control,

“(B) create incentives at each point in the delivery of health services for utilization of the most economical modes of services feasible,

“(C) document the need for and cost implications of each new service for which a determination of reimbursement rates is sought, and

“(D) employ for each type or class of person engaged in the delivery of health services—

“(i) a unit for determining the reimbursement rates, and

“(ii) a base for determining rates of change in the reimbursement rates,

which unit and base are satisfactory to the Secretary.

“(c) Grants under subsection (a) shall be made on such terms and conditions as the Secretary may prescribe, except that (1) such a grant shall be available for obligation only during the one-year period beginning on the date such grant was made, and (2) no State Agency may receive more than three grants under subsection (a).

“(d) Each State Agency which receives a grant under subsection (a) shall report to the Secretary (in such form and manner as he shall prescribe) on the effectiveness of the rate regulation program assisted by such grant. The Secretary shall report annually to the Congress on the effectiveness of the programs assisted by the grants authorized by subsection (a).

“(e) There are authorized to be appropriated to make payments under grants under subsection (a), \$4,000,000 for the fiscal year ending June 30, 1975, \$5,000,000 for the fiscal year ending June 30, 1976, and \$6,000,000 for the fiscal year ending June 30, 1977.

“PART D—GENERAL PROVISIONS

“DEFINITIONS

42 USC 300n.

“SEC. 1531. For purposes of this title:

“(1) The term ‘State’ includes the District of Columbia and the Commonwealth of Puerto Rico.

“(2) The term ‘Governor’ means the chief executive officer of a State or his designee.

Terms and conditions.

Report to Secretary.

Report to Congress.

Appropriations.

“(3) The term ‘provider of health care’ means an individual—

“(A) who is a direct provider of health care (including a physician, dentist, nurse, podiatrist, or physician assistant) in that the individual’s primary current activity is the provision of health care to individuals or the administration of facilities or institutions (including hospitals, long-term care facilities, outpatient facilities, and health maintenance organizations) in which such care is provided and, when required by State law, the individual has received professional training in the provision of such care or in such administration and is licensed or certified for such provision or administration; or

“(B) who is an indirect provider of health care in that the individual—

“(i) holds a fiduciary position with, or has a fiduciary interest in, any entity described in subclause (II) or (IV) of clause (ii);

“(ii) receives (either directly or through his spouse) more than one-tenth of his gross annual income from any one or combination of the following:

“(I) Fees or other compensation for research into or instruction in the provision of health care.

“(II) Entities engaged in the provision of health care or in such research or instruction.

“(III) Producing or supplying drugs or other articles for individuals or entities for use in the provision of or in research into or instruction in the provision of health care.

“(IV) Entities engaged in producing drugs or such other articles.

“(iii) is a member of the immediate family of an individual described in subparagraph (A) or in clause (i), (ii), or (iv) of subparagraph (B); or

“(iv) is engaged in issuing any policy or contract of individual or group health insurance or hospital or medical service benefits.

“(4) the term ‘health resources’ includes health services, health professions personnel, and health facilities, except that such term does not include Christian Science sanatoriums operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts.

“(5) The term ‘institutional health services’ means the health services provided through health care facilities and health maintenance organizations (as such facilities and organizations are defined in regulations prescribed under section 1122 of the Social Security Act) and includes the entities through which such services are provided.

42 USC 1320a-1.

“PROCEDURES AND CRITERIA FOR REVIEWS OF PROPOSED HEALTH
SYSTEM CHANGES

“SEC. 1532. (a) In conducting reviews pursuant to subsections (e), (f), and (g) of section 1513 or in conducting any other reviews of proposed or existing health services, each health systems agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria, developed and published by the agency in accordance with regulations of the Secretary; and in performing its review functions under section 1523, a State Agency shall (except to the extent approved by the Secretary) follow procedures, and apply criteria, developed and published by the State Agency in accordance with regulations of the Secretary. Procedures and criteria for reviews by

42 USC 300n-1.

health systems agencies and States Agencies may vary according to the purpose for which a particular review is being conducted or the type of health services being reviewed.

Requirements.

“(b) Each health systems agency and State Agency shall include in the procedures required by subsection (a) at least the following:

“(1) Written notification to affected persons of the beginning of a review.

“(2) Schedules for reviews which provide that no review shall, to the extent practicable, take longer than ninety days from the date the notification described in paragraph (1) is made.

“(3) Provision for persons subject to a review to submit to the agency or State Agency (in such form and manner as the agency or State Agency shall prescribe and publish) such information as the agency or State Agency may require concerning the subject of such review.

“(4) Submission of applications (subject to review by a health systems agency or a State Agency) made under this Act or other provisions of law for Federal financial assistance for health services to the health systems agency or State Agency at such time and in such manner as it may require.

“(5) Submission of periodic reports by providers of health services and other persons subject to agency or State Agency review respecting the development of proposals subject to review.

“(6) Provision for written findings which state the basis for any final decision or recommendation made by the agency or State Agency.

“(7) Notification of providers of health services and other persons subject to agency or State Agency review of the status of the agency or State Agency review of the health services or proposals subject to review, findings made in the course of such review, and other appropriate information respecting such review.

“(8) Provision for public hearings in the course of agency or State Agency review if requested by persons directly affected by the review; and provision for public hearings, for good cause shown, respecting agency and State Agency decisions.

“(9) Preparation and publication of regular reports by the agency and State Agency of the reviews being conducted (including a statement concerning the status of each such review) and of the reviews completed by the agency and State Agency (including a general statement of the findings and decisions made in the course of such reviews) since the publication of the last such report.

“(10) Access by the general public to all applications reviewed by the agency and State Agency and to all other written materials pertinent to any agency or State Agency review.

“(11) In the case of construction projects, submission to the agency and State Agency by the entities proposing the projects of letters of intent in such detail as may be necessary to inform the agency and State Agency of the scope and nature of the projects at the earliest possible opportunity in the course of planning of such construction projects.

“(c) Criteria required by subsection (a) for health systems agency and State Agency review shall include consideration of at least the following:

“(1) The relationship of the health services being reviewed to the applicable HSP and AIP.

“(2) The relationship of services reviewed to the long-range development plan (if any) of the person providing or proposing such services.

"(3) The need that the population served or to be served by such services has for such services.

"(4) The availability of alternatives, less costly, or more effective methods of providing such services.

"(5) The relationship of services reviewed to the existing health care system of the area in which such services are provided or proposed to be provided.

"(6) In the case of health services proposed to be provided, the availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of such services and the availability of alternative uses of such resources for the provision of other health services.

"(7) The special needs and circumstances of those entities which provide a substantial portion of their services or resources, or both, to individuals not residing in the health service areas in which the entities are located or in adjacent health service areas. Such entities may include medical and other health professions schools, multidisciplinary clinics, specialty centers, and such other entities as the Secretary may by regulation prescribe.

"(8) The special needs and circumstances of health maintenance organizations for which assistance may be provided under title XIII.

"(9) In the case of a construction project—

"(A) the costs and methods of the proposed construction, and

"(B) the probable impact of the construction project reviewed on the costs of providing health services by the person proposing such construction project.

42 USC 300e.

"TECHNICAL ASSISTANCE FOR HEALTH SYSTEMS AGENCIES AND STATE HEALTH PLANNING AND DEVELOPMENT AGENCIES

"SEC. 1533. (a) The Secretary shall provide (directly or through grants or contracts, or both) to designated health systems agencies and State Agencies (1) assistance in developing their health plans and approaches to planning various types of health services, (2) technical materials, including methodologies, policies, and standards appropriate for use in health planning, and (3) other technical assistance as may be necessary in order that such agencies may properly perform their functions.

42 USC 300n-2.

"(b) The Secretary shall include in the materials provided under subsection (a) the following:

"(1)(A) Specification of the minimum data needed to determine the health status of the residents of a health service area and the determinants of such status.

"(B) Specification of the minimum data needed to determine the status of the health resources and services of a health service area.

"(C) Specification of the minimum data needed to describe the use of health resources and services within a health service area.

"(2) Planning approaches, methodologies, policies, and standards which shall be consistent with the guidelines established by the Secretary under section 1501 for appropriate planning and development of health resources, and which shall cover the priorities listed in section 1502.

Ante, p. 2227.

"(3) Guidelines for the organization and operation of health systems agencies and State Agencies including guidelines for—

Guidelines.

"(A) the structure of a health systems agency, consistent with section 1512(b), and of a State Agency, consistent with section 1522;

“(B) the conduct of the planning and development processes;

“(C) the performance of health systems agency functions in accordance with section 1513; and

“(D) the performance of State Agency functions in accordance with section 1523.

National health
planning informa-
tion center.
Establishment.

“(c) In order to facilitate the exchange of information concerning health services, health resources, and health planning and resources development practice and methodology, the Secretary shall establish a national health planning information center to support the health planning and resources development programs of health systems agencies, State Agencies, and other entities concerned with health planning and resources development; to provide access to current information on health planning and resources development; and to provide information for use in the analysis of issues and problems related to health planning and resources development.

“(d) The Secretary shall establish the following within one year of the date of enactment of this title:

Operation cost
system.

“(1) A uniform system for calculating the aggregate cost of operation and the aggregate volume of services provided by health services institutions as defined by the Secretary in regulations. Such system shall provide for the calculation of the aggregate volume to be based on:

“(A) The number of patient days;

“(B) The number of patient admissions;

“(C) The number of out-patient visits; and

“(D) Other relevant factors as determined by the Secretary.

Cost accounting
system.

“(2) A uniform system for cost accounting and calculating the volume of services provided by health services institutions. Such system shall:

“(A) Include the establishment of specific cost centers and, where appropriate, subcost centers.

“(B) Include the designation of an appropriate volume factor for each cost center.

“(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions), and different sizes of such types of institutions.

Rates, calcula-
tion system.

“(3) A uniform system for calculating rates to be charged to health insurers and other health institutions payors by health service institutions. Such system shall:

“(A) Be based on an all-inclusive rate for various categories of patients (including, but not limited to individuals receiving medical, surgical, pediatric, obstetric, and psychiatric institutional health services).

“(B) Provide that such rates reflect the true cost of providing services to each such category of patients. The system shall provide that revenues derived from patients in one category shall not be used to support the provision of services to patients in any other category.

“(C) Provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health service institutions) and different sizes of such types of institutions.

“(D) Provide that differences in rates to various classes of purchasers (including health insurers, direct service pay-

ors, and other health institution payors) be based on justified and documented differences in the costs of operation of health service institutions made possible by the actions of such purchasers.

“(4) A classification system for health services institutions. Such classification system shall quantitatively describe and group health services institutions of the various types. Factors included in such classification system shall include—

Classification system.

“(A) the number of beds operated by an institution;

“(B) the geographic location of an institution;

“(C) the operation of a postgraduate physician training program by an institution; and

“(D) the complexity of services provided by an institution.

“(5) A uniform system for the reporting by health services institutions of—

Reporting system.

“(A) the aggregate cost of operation and the aggregate volume of services, as calculated in accordance with the system established by the Secretary under paragraph (1);

“(B) the costs and volume of services at various cost centers, and subcost centers, as calculated in accordance with the system established by the Secretary under paragraph (2); and

“(C) rates, by category of patient and class of purchaser, as calculated in accordance with the system established by the Secretary under paragraph (3).

Such system shall provide for an appropriate application of such system in the different types of institutions (including hospitals, nursing homes, and other types of health services institutions) and different sizes of such institutions.

“CENTERS FOR HEALTH PLANNING

“SEC. 1534. (a) For the purposes of assisting the Secretary in carrying out this title, providing such technical and consulting assistance as health systems agencies and State Agencies may from time to time require, conducting research, studies and analyses of health planning and resources development, and developing health planning approaches, methodologies, policies, and standards, the Secretary shall by grants or contracts, or both, assist public or private nonprofit entities in meeting the costs of planning and developing new centers, and operating existing and new centers, for multidisciplinary health planning development and assistance. To the extent practicable, the Secretary shall provide assistance under this section so that at least five such centers will be in operation by June 30, 1976.

42 USC 300n-3.

“(b) (1) No grant or contract may be made under this section for planning or developing a center unless the Secretary determines that when it is operational it will meet the requirements listed in paragraph (2) and no grant or contract may be made under this section for operation of a center unless the center meets such requirements.

“(2) The requirements referred to in paragraph (1) are as follows:

Requirements.

“(A) There shall be a full-time director of the center who possesses a demonstrated capacity for substantial accomplishment and leadership in the field of health planning and resources development, and there shall be such additional professional staff as may be appropriate.

“(B) The staff of the center shall represent a diversity of relevant disciplines.

“(C) Such additional requirements as the Secretary may by regulation prescribe.

“(c) Centers assisted under this section (1) may enter into arrangements with health systems agencies and State Agencies for the provision of such services as may be appropriate and necessary in assisting the agencies and State Agencies in performing their functions under section 1513 or 1523, respectively, and (2) shall use methods (satisfactory to the Secretary) to disseminate to such agencies and State Agencies such planning approaches, methodologies, policies and standards as they develop.

Appropriations.

“(d) For the purpose of making payments pursuant to grants and contracts under subsection (a) there are authorized to be appropriated \$5,000,000 for the fiscal year ending June 30, 1975, \$8,000,000 for the fiscal year ending June 30, 1976, and \$10,000,000 for the fiscal year ending June 30, 1977.

“REVIEW BY THE SECRETARY

Budget, review
and approval.
42 USC 300n-4.

“SEC. 1535. (a) The Secretary shall review and approve or disapprove the annual budget of each designated health systems agency and State Agency. In making such review and approval or disapproval the Secretary shall consider the comments of Statewide Health Coordinating Councils submitted under section 1524(c) (3). Information submitted to the Secretary by a health systems agency or a State Agency in connection with the Secretary's review under this subsection shall be made available by the Secretary, upon request, to the appropriate committees (and their subcommittees) of the Congress.

Performance
standards.

“(b) The Secretary shall prescribe performance standards covering the structure, operation, and performance of the functions of each designated health systems agency and State Agency, and he shall establish a reporting system based on the performance standards that allows for continuous review of the structure, operation, and performance of the functions of such agencies.

“(c) The Secretary shall review in detail at least every three years the structure, operation, and performance of the functions of each designated health systems agency to determine—

“(1) the adequacy of the HSP of the agency for meeting the needs of the residents of the area for a healthful environment and for accessible, acceptable and continuous quality health care at reasonable costs, and the effectiveness of the AIP in achieving the system described in the HSP;

“(2) if the structure, operation, and performance of the functions of the agency meet the requirements of sections 1512(b) and 1513;

“(3) the extent to which the agency's governing body (and executive committee (if any)) represents the residents of the health service area for which the agency is designated;

“(4) the professional credentials and competence of the staff of the agency;

“(5) the appropriateness of the data assembled pursuant to section 1513(b) (1) and the quality of the analyses of such data;

“(6) the extent to which technical and financial assistance from the agency have been utilized in an effective manner to achieve goals and objectives of the HSP and the AIP; and

“(7) the extent to which it may be demonstrated that—

“(A) the health of the residents in the agency's health service area has been improved;

“(B) the accessibility, acceptability, continuity, and quality of health care in such area has been improved; and

Ante, pp. 2232,
2235.

“(C) increases in costs of the provision of health care have been restrained.

“(d) The Secretary shall review in detail at least every three years the structure, operation, and performance of the functions of each designated State Agency to determine—

“(1) the adequacy of the State health plan of the Statewide Health Coordinating Council prepared under section 1524(c)(2) in meeting the needs of the residents of the State for a healthful environment and for accessible, acceptable, and continuous quality health care at reasonable costs;

“(2) if the structure, operation, and performance of the functions of the State Agency meet the requirements of sections 1522 and 1523;

“(3) the extent to which the Statewide Health Coordinating Council has a membership meeting, and has performed in a manner consistent with, the requirements of section 1524;

“(4) the professional credentials and competence of the staff of the State Agency;

“(5) the extent to which financial assistance provided under title XVI by the State Agency has been used in an effective manner to achieve the State's health plan under section 1524(c)(2); and

Post, p. 2258.

“(6) the extent to which it may be demonstrated that—

“(A) the health of the residents of the State has been improved;

“(B) the accessibility, acceptability, continuity, and quality of health care in the State has been improved; and

“(C) increases in costs of the provision of health care have been restrained.

“SPECIAL PROVISIONS FOR CERTAIN STATES AND TERRITORIES

“SEC. 1536. (a) Any State which—

42 USC 300n-5.

“(1) has no county or municipal public health institution or department, and

“(2) has, prior to the date of enactment of this title, maintained a health planning system which substantially complies with the purposes of this title,

and the Virgin Islands, Guam, the Trust Territories in the Pacific Islands, and American Samoa shall each be considered in accordance with subsection (b) to be a State for purposes of this title.

“(b) In the case of an entity which under subsection (a) is to be considered a State for purposes of this title—

“(1) no health service area shall be established within it,

“(2) no health systems agency shall be designated for it,

“(3) the State Agency designated for it under section 1521 may, in addition to the functions prescribed by section 1523, perform the functions prescribed by section 1513 and shall be eligible to receive grants authorized by sections 1516 and 1640, and

“(4) the chief executive office shall appoint the Statewide Health Coordinating Council prescribed by section 1524 in accordance with the regulation of the Secretary.”

REVISION OF HEALTH RESOURCES DEVELOPMENT PROGRAMS UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 4. The Public Health Service Act, as amended by section 3, is amended by adding after title XV the following new title:

Ante, p. 2227.

"TITLE XVI—HEALTH RESOURCES DEVELOPMENT

"PART A—PURPOSE, STATE PLAN, AND PROJECT APPROVAL

"PURPOSE

42 USC 300o.
Post, p. 2262.
Post, p. 2264.

"SEC. 1601. It is the purpose of this title to provide assistance, through allotments under part B and loans and loan guarantees and interest subsidies under part C, for projects for—

- "(1) modernization of medical facilities;
 - "(2) construction of new outpatient medical facilities;
 - "(3) construction of new inpatient medical facilities in areas which have experienced (as determined under regulations of the Secretary) recent rapid population growth; and
 - "(4) conversion of existing medical facilities for the provision of new health services,
- and to provide assistance, through grants under part D, for construction and modernization projects designed to prevent or eliminate safety hazards in medical facilities or to avoid noncompliance by such facilities with licensure or accreditation standards.

"GENERAL REGULATIONS

42 USC 300o-1.

"SEC. 1602. The Secretary shall by regulation—

"(1) prescribe the general manner in which the State Agency of each State shall determine for the State medical facilities plan under section 1603 the priority among projects within the State for which assistance is available under this title, based on the relative need of different areas within the State for such projects and giving special consideration—

"(A) to projects for medical facilities serving areas with relatively small financial resources and for medical facilities serving rural communities,

"(B) in the case of projects for modernization of medical facilities, to projects for facilities serving densely populated areas,

"(C) in the case of projects for construction of outpatient medical facilities, to projects that will be located in, and provide services for residents of, areas determined by the Secretary to be rural or urban poverty areas,

"(D) to projects designed to (i) eliminate or prevent imminent safety hazards as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (ii) avoid noncompliance with State or voluntary licensure or accreditation standards, and

"(E) to projects for medical facilities which, alone or in conjunction with other facilities, will provide comprehensive health care, including outpatient and preventive care as well as hospitalization;

"(2) prescribe for medical facilities projects assisted under this title general standards of construction, modernization, and equipment for medical facilities of different classes and in different types of location;

"(3) prescribe criteria for determining needs for medical facility beds and needs for medical facilities, and for developing plans for the distribution of such beds and facilities;

"(4) prescribe criteria for determining the extent to which existing medical facilities are in need of modernization;

"(5) require each State medical facilities plan under section 1503 to provide for adequate medical facilities for all persons residing in the State and adequate facilities to furnish needed health services for persons unable to pay therefor; and

"(6) prescribe the general manner in which each entity which receives financial assistance under this title or has received financial assistance under this title or title VI shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such assurances.

42 USC 291.

An entity subject to the requirements prescribed pursuant to paragraph (6) respecting compliance with assurances made in connection with receipt of financial assistance shall submit periodically to the Secretary data and information which reasonably supports the entity's compliance with such assurances. The Secretary may not waive the requirement of the preceding sentence.

"STATE MEDICAL FACILITIES PLAN

"SEC. 1603. (a) Before an application for assistance under this title (other than part D) for a medical facility project described in section 1601 may be approved, the State Agency of the State in which such project is located must have submitted to the Secretary and had approved by him a State medical facilities plan. To be approved by the Secretary a State medical facilities plan for a State must—

42 USC 300o-2.

Post, p. 2268.

"(1) prescribe that the State Agency of the State shall administer or supervise the administration of the plan and contain evidence satisfactory to the Secretary that the State Agency has the authority to carry out the plan in conformity with this title;

"(2) prescribe that the Statewide Health Coordinating Council of the State shall advise and consult with the State Agency in carrying out the plan;

"(3) be approved by the Statewide Health Coordinating Council as consistent with the State health plan developed pursuant to section 1524(c)(2);

"(4) set forth, in accordance with criteria established in regulations prescribed under section 1602(a) and on the basis of a statewide inventory of existing medical facilities, a survey of need, and the plans of health systems agencies within the State—

"(A) the number and type of medical facility beds and medical facilities needed to provide adequate inpatient care to people residing in the State, and a plan for the distribution of such beds and facilities in health services areas throughout the State,

"(B) the number and type of outpatient and other medical facilities needed to provide adequate public health services and outpatient care to people residing in the State, and a plan for the distribution of such facilities in health service areas throughout the State, and

"(C) the extent to which existing medical facilities in the State are in need of modernization or conversion to new uses;

"(5) set forth a program for the State for assistance under this title for projects described in section 1601, which program shall indicate the type of assistance which should be made available to each project and shall conform to the assessment of need set forth pursuant to paragraph (4) and regulations promulgated under section 1602(a);

“(6) set forth (in accordance with regulations promulgated under section 1602(a)), priorities for the provision of assistance under this title for projects in the program set forth pursuant to paragraph (4);

“(7) provide minimum requirements (to be fixed in the discretion of the State Agency) for the maintenance and operation of facilities which receive assistance under this title, and provide for enforcement of such standards;

“(8) provide for affording to every applicant for assistance for a medical facilities project under this title an opportunity for a hearing before the State Agency; and

“(9) provide that the State Agency will from time to time, but not less often than annually, review the plan and submit to the Secretary any modifications thereof which it considers necessary.

“(b) The Secretary shall approve any State medical facilities plan and any modification thereof which complies with the provisions of subsection (a) if the State Agency, as determined under the review made under section 1535(d), is organized and operated in the manner prescribed by section 1522 and is carrying out its functions under section 1523 in a manner satisfactory to the Secretary. If any such plan or modification thereof shall have been disapproved by the Secretary for failure to comply with subsection (a), the Secretary shall, upon request of the State Agency, afford it an opportunity for hearing.

“APPROVAL OF PROJECTS

42 USC 300o-3.

“SEC. 1604. (a) For each project described in section 1601 and included within a State's State medical facilities plan approved under section 1603 there shall be submitted to the Secretary, through the State's State Agency, an application. An application for a grant under section 1625 shall be submitted directly to the Secretary. Except as provided in section 1625, the applicant under such an application may be a State, a political subdivision of a State or any other public entity, or a private nonprofit entity. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

Application requirements.

“(b) (1) Except as authorized under paragraph (2), an application for any project shall set forth—

“(A) in the case of a modernization project for a medical facility for continuation of existing health services, a finding by the State Agency of a continued need for such services, and, in the case of any other project for a medical facility, a finding by the State Agency of the need for the new health services to be provided through the medical facility upon completion of the project;

“(B) a description of the site of such project;

“(C) plans and specifications therefor which meet the requirements of the regulations prescribed under section 1602(a);

“(D) reasonable assurance that title to such site is or will be vested in one or more of the entities filing the application or in a public or other nonprofit entity which is to operate the facility on completion of the project;

“(E) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed, and, for the purpose of determining if the requirements of this subparagraph are met, Federal assistance provided directly to a medical facility which is located in an area determined by the Secretary to be an urban or rural poverty area or through benefits provided individuals served at such facility shall be considered as financial support;

“(F) the type of assistance being sought under this title for the project;

“(G) except in the case of a project under section 1625, a certification by the State Agency of the Federal share for the project;

“(H) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act), and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

40 USC 276a
note.

“(I) in the case of a project for the construction or modernization of an outpatient facility, reasonable assurance that the services of a general hospital will be available to patients at such facility who are in need of hospital care; and

“(J) reasonable assurance that at all times after such application is approved: (i) the facility or portion thereof to be constructed, or modernized, or converted will be made available to all persons residing or employed in the area served by the facility, and (ii) there will be made available in the facility or portion thereof to be constructed, modernized, or converted a reasonable volume of services to persons unable to pay therefor and the Secretary, in determining the reasonableness of the volume of services provided, shall take into consideration the extent to which compliance is feasible from a financial viewpoint.

“(2) (A) The Secretary may waive—

Waiver.

“(i) the requirements of subparagraph (C) of paragraph (1) for compliance with modernization and equipment standards prescribed pursuant to section 1602(a) (2), and

“(ii) the requirement of subparagraph (D) of paragraph (1) respecting title to a project site,

in the case of an application for a project described in subparagraph (B).

“(B) A project referred to in subparagraph (A) is a project—

“(i) for the modernization of an outpatient medical facility which will provide general purpose health services, which is not part of a hospital, and which will serve a medically underserved population as defined in section 1633 or as designated by a health systems agency, and

“(ii) for which the applicant seeks (I) not more than \$20,000 from the allotments made under part B to the State in which it is located, or (II) a loan under part C the principal amount of which does not exceed \$20,000.

Post, p. 2262.

Post, p. 2264.

“(c) The Secretary shall approve an application submitted under subsection (b) (other than an application for a grant under section 1625) if—

“(1) in the case of a project to be assisted from an allotment made under part B, there are sufficient funds in such allotment to pay the Federal share of the project; and

“(2) the Secretary finds that—

“(A) the application (i) is in conformity with the State medical facilities plan approved under section 1603, (ii) has been approved and recommended by the State Agency, (iii) is for a project which is entitled to priority over other projects within the State as determined in accordance with the

approved State medical facilities plan, and (iv) contains the assurances required by subsection (b); and

“(B) the plans and specifications for the project meet the requirements of the regulations prescribed pursuant to section 1602(a).

“(d) No application (other than an application for a grant under section 1625) shall be disapproved until the Secretary has afforded the State Agency an opportunity for a hearing.

“(e) Amendment of any approved application shall be subject to approval in the same manner as an original application.

“(f) Each application shall be reviewed by health systems agencies in accordance with section 1513(e).

Ante, p. 2235.

“PART B—ALLOTMENTS

“ALLOTMENTS

42 USC 300p.

“SEC. 1610. (a) For each fiscal year, the Secretary shall, in accordance with regulations, make from sums appropriated for such fiscal year under section 1513 allotments among the States on the basis of the population, the financial need, and need for medical facilities projects described in section 1601 of the respective States. The population of the States shall be determined on the basis of the latest figures certified by the Secretary of Commerce.

“(b) (1) The allotment to any State (other than Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands) for any fiscal year shall be not less than \$1,000,000; and the allotment to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands for any fiscal year shall be not less than \$500,000 each.

“(2) Notwithstanding paragraph (1), if the amount appropriated under section 1613 for any fiscal year is less than the amount required to provide allotments in accordance with paragraph (1), the amount of the allotment to any State for such fiscal year shall be an amount which bears the same ratio to the amount prescribed for such State by paragraph (1) as the amount appropriated for such fiscal year bears to the amount of appropriations needed to make allotments to all the States in accordance with paragraph (1).

“(c) Any amount allotted to a State for a fiscal year under subsection (a) and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), in addition to the amounts allotted to such State for such purposes for such next two fiscal years; except that any such amount which is unobligated at the end of the first of such next two years and which the Secretary determines will remain unobligated at the close of the second of such next two years may be reallocated by the Secretary, to be available for the purposes for which made until the close of the second of such next two years, to other States which have need therefor, on such basis as the Secretary deems equitable and consistent with the purposes of this title. Any amount so reallocated to a State shall be in addition to the amounts allotted and available to the State for the same period.

“PAYMENTS FROM ALLOTMENTS

42 USC 300p-1.

“SEC. 1611. (a) If with respect to any medical facility project approved under section 1604 the State Agency certifies (upon the basis of inspection by it) to the Secretary that, in accordance with approved plans and specifications, work has been performed upon

the project or purchases have been made for it and that payment from the applicable allotment of the State in which the project is located is due for the project, the Secretary shall, except as provided in subsection (b), make such payment to the State.

“(b) The Secretary is authorized to not make payments to a State pursuant to subsection (a) in the following circumstances:

Payment restriction.

“(1) If such State is not authorized by law to make payments for an approved medical facility project from the payment to be made by the Secretary pursuant to subsection (a), or if the State so requests, the Secretary shall make the payment from the State allotment directly to the applicant for such project.

“(2) If the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to section 1612, payment by the Secretary may, after he has given the State Agency notice and opportunity for hearing pursuant to such section, be withheld, in whole or in part, pending corrective action or action based on such hearing.

In no event may the total of payments made under subsection (a) with respect to any project exceed an amount equal to the Federal share of such project.

“(c) In case an amendment to an approved application is approved as provided in section 1604 or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

“(d) In any fiscal year—

“(1) not more than 20 per centum of the amount of a State's allotment available for obligation in that fiscal year may be obligated for projects in the State for construction of new facilities for the provision of inpatient health care to persons residing in areas of the State which have experienced recent rapid population growth; and

“(2) not less than 25 per centum of the amount of a State's allotment available for obligation in that fiscal year shall be obligated for projects for outpatient facilities which will serve medically underserved populations.

In the administration of this part, the Secretary shall seek to assure that in each fiscal year at least one half of the amount obligated for projects pursuant to paragraph (2) shall be obligated for projects which will serve rural medically underserved populations.

Rural projects.

“WITHHOLDING OF PAYMENTS AND OTHER COMPLIANCE ACTIONS

“SEC. 1612. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Agency concerned finds—

42 USC 300p-2.

“(1) that the State Agency is not complying substantially with the provisions required by section 1603 to be included in its State medical facilities plan,

“(2) that any assurance required to be given in an application filed under section 1604 is not being or cannot be carried out, or

“(3) that there is a substantial failure to carry out plans and specifications approved by the Secretary under section 1604, the Secretary shall take the action authorized by subsection (b) unless, in the case of compliance with assurances, the Secretary requires compliance by other means authorized by law.

“(b) (1) Upon a finding described in subsection (a) and after notice to the State Agency concerned, the Secretary may—

“(A) withhold from all projects within the State with respect to which the finding was made further payments from the State’s allotment under section 1610, or

“(B) withhold from the specific projects with respect to which the finding was made further payments from the applicable State allotment under section 1610.

“(2) Payments may be withheld, in whole or in part, under paragraph (1)—

“(A) until the basis for the finding upon which the withholding was made no longer exists, or

“(B) if corrective action to make such finding inapplicable cannot be made, until the State concerned repays or arranges for the repayment of Federal funds paid under this part for projects which because of the finding are not entitled to such funds.

Periodic investigations.

42 USC 291.

“(c) The Secretary shall investigate and ascertain, on a periodic basis, with respect to each entity which is receiving financial assistance under this title or which has received financial assistance under title VI or this title, the extent of compliance by such entity with the assurances required to be made at the time such assistance was received. If the Secretary finds that such an entity has failed to comply with any such assurance, the Secretary shall take the action authorized by subsection (b) or take any other action authorized by law (including an action for specific performance brought by the Attorney General upon request of the Secretary) which will effect compliance by the entity with such assurances. An appropriate action to effectuate compliance with any such assurance may be brought by a person other than the Secretary only if a complaint has been filed by such person with the Secretary and the Secretary has dismissed such complaint or the Attorney General has not brought a civil action for compliance with such assurance within 6 months after the date on which the complaint was filed with the Secretary.

“AUTHORIZATION OF APPROPRIATIONS

42 USC 300p-3.

“SEC. 1613. Except as provided in section 1625(d), there are authorized to be appropriated for allotments under section 1510 \$125,000,000 for the fiscal year ending June 30, 1975, \$130,000,000 for the fiscal year ending June 30, 1976, and \$135,000,000 for the fiscal year ending June 30, 1977.

“PART C—LOANS AND LOAN GUARANTEES

“AUTHORITY FOR LOANS AND LOAN GUARANTEES

42 USC 300q.

“SEC. 1620. (a) The Secretary, during the period beginning July 1, 1974, and ending June 30, 1977, may, in accordance with this part, make loans from the fund established under section 1622(d) to pay the Federal share of projects approved under section 1604.

“(b) (1) The Secretary, during the period beginning July 1, 1974, and ending June 30, 1977, may, in accordance with this part, guarantee to—

“(i) non-Federal lenders for their loans to nonprofit private entities for medical facilities projects, and

“(ii) the Federal Financing Bank for its loans to nonprofit private entities for such projects, payment of principal and interest on such loans if applications for assistance for such projects under this title have been approved under section 1604.

"(2) In the case of a guarantee of any loan to a nonprofit private entity under this title, the Secretary shall pay, to the holder of such loan and for and on behalf of the project for which the loan was made amounts sufficient to reduce by 3 per centum per annum the net effective interest rate otherwise payable on such loan. Each holder of such a loan which is guaranteed under this title shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

Interest pay-
ments.

"(c) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, may not exceed such limitations as may be specified in appropriation Acts.

Limitations.

"(d) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this part as will promote efficiency and economy thereof.

HUD assistance.

"ALLOCATION AMONG THE STATES

"SEC. 1621. (a) For each fiscal year, the total amount of principal of—

42 USC 300q-1.

"(1) loans to nonprofit private entities which may be guaranteed, or

"(2) loans which may be directly made,

under this part shall be allotted by the Secretary among the States, in accordance with regulations, on the basis of the population, financial need, and need for medical facilities projects described in section 1601 of the respective States. The population of the States shall be determined on the basis of the latest figures certified by the Secretary of Commerce.

"(b) Any amount allotted to a State for a fiscal year under subsection (a) and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), in addition to the amounts allotted to such State for such purposes for such next two fiscal years; except that any such amount which is unobligated at the end of the first of such next two years and which the Secretary determines will remain unobligated at the close of the second of such next two years may be reallocated by the Secretary, to be available for the purposes for which made until the close of the second of such next two years, to other States which have need therefor, on such basis as the Secretary deems equitable and consistent with the purposes of this title. Any amount so reallocated to a State shall be in addition to the amounts allotted and available to the State for the same period.

Unobligated
funds, availability
to State.

Reallotments.

"GENERAL PROVISIONS RELATING TO LOAN GUARANTEES AND LOANS

"SEC. 1622. (a) (1) The Secretary may not approve a loan guarantee for a project under this part unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would

42 USC 300q-2.

not be available on reasonable terms and conditions without the guarantee under this part.

Payment re-
covery.

"(2) (A) The United States shall be entitled to recover from the applicant for a loan guarantee under this part the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

Terms and con-
ditions, modifica-
tion.

"(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this part (including terms and conditions imposed under subparagraph (D)) may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(C) Any loan guarantee made by the Secretary under this part shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

"(D) Guarantees of loans under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this title will be achieved.

Loan approval
conditions.

"(b) (1) The Secretary may not approve a loan under this part unless—

"(A) the Secretary is reasonably satisfied that the applicant under the project for which the loan would be made will be able to make payments of principal and interest thereon when due, and

"(B) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project or undertaking with respect to which such loan is requested.

"(2) Any loan made under this part shall (A) have such security, (B) have such maturity date, (C) be repayable in such installments, (D) bear interest at a rate comparable to the current rate of interest prevailing, on the date the loan is made, with respect to loans guaranteed under this part, minus 3 per centum per annum, and (E) be subject to such other terms and conditions (including provisions for recovery in case of default), as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

Waiver.

"(3) The Secretary may, for good cause but with due regard to the financial interests of the United States, waive any right of recovery which he has by reasons of the failure of a borrower to make payments of principal of and interest on a loan made under this part, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

Sale of loans.

"(c) (1) The Secretary shall from time to time, but with due regard to the financial interests of the United States, sell loans made under this part either on the private market or to the Federal National Mortgage Association in accordance with section 302 of the Federal National Mortgage Association Charter Act or to the Federal Financing Bank.

12 USC 1717.

"(2) Any loan so sold shall be sold for an amount which is equal (or approximately equal) to the amount of the unpaid principal of such loans as of time of sale.

"(3) (A) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this part under which the Secretary agrees—

Agreements with
loan purchaser.

"(i) to guarantee to such purchaser (and any successor in interest to such purchaser) payments of the principal and interest payable under such loan, and

"(ii) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which, when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

"(B) Any agreement under subparagraph (A)—

"(i) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser any payments of principal and interest payable by such entity under such loan;

"(ii) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;

"(iii) shall provide that, in the event of any default by the entity to which such loan was made in payment of principal or interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying to the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and

"(iv) shall provide that, in the event such loan is closed out as provided in clause (iii), or in the event of any other loss incurred by the Secretary by reason of the failure of such entity to make payments of principal or interest on such loan, the Secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such entity.

"(4) Amounts received by the Secretary as proceeds from the sale of loans under this subsection shall be deposited in the fund established under subsection (d).

"(d) (1) There is established in the Treasury a loan and loan guarantee fund (hereinafter in this subsection referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts—

Loan and guar-
antee fund.
Establishment.

"(A) to enable him to make loans under this part,

"(B) to enable him to discharge his responsibilities under loan guarantees issued by him under this part,

"(C) for payment of interest under section 1620(b) (2) on loans guaranteed under this part,

"(D) for repurchase of loans under subsection (c) (3) (B), and

"(E) for payment of interest on loans which are sold and guaranteed.

There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund. There shall also be deposited in the fund amounts received by the Secretary in connection with loans and loan guarantees under this part and other property or assets derived by him from his operations

Appropriation.

respecting such loans and loan guarantees, including any money derived from the sale of assets.

“(2) If at any time the sums in the funds are insufficient to enable the Secretary—

“(A) to make payments of interest under section 1620(b)(2),

“(B) to otherwise comply with guarantees under this part of loans to nonprofit private entities,

“(C) in the case of a loan which was made, sold, and guaranteed under this part, to make to the purchaser of such loan payments of principal and interest on such loan after default by the entity to which the loan was made, or

“(D) to repurchase loans under subsection (c)(3)(B), and

“(E) to make payments of interest on loans which are sold and guaranteed,

Notes or other obligations.

he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations issued under this paragraph and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which the securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as a public debt transactions of the United States. Sums borrowed under this paragraph shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from the fund.

31 USC 774.

Transfer of funds.

42 USC 291j-6.

Appropriation.

“(e)(1) The assets, commitments, obligations, and outstanding balances of the loan guarantee and loan fund established in the Treasury by section 626 shall be transferred to the fund established by subsection (d) of this section.

“(2) To provide additional capitalization for the fund established under subsection (d) there are authorized to be appropriated to the fund, such sums as may be necessary for the fiscal years ending June 30, 1975, June 30, 1976, and June 30, 1977.

“PART D—PROJECT GRANTS

“PROJECT GRANTS

42 USC 300r.

“SEC. 1625. (a) The Secretary may make grants for construction or modernization projects designed to (1) eliminate or prevent imminent safety hazards as defined by Federal, State, or local fire, building, or life safety codes or regulations, or (2) avoid noncompliance with State or voluntary licensure or accreditation standards. A grant under this subsection may only be made to a State or political subdivision of a State, including any city, town, county, borough, hospital district authority, or public or quasi-public corporation, for a project described in the preceding sentence for any medical facility owned or operated by it.

“(b) An application for a grant under subsection (a) may not be approved under section 1604 unless it contains assurances satisfactory to the Secretary that the applicant making the application would not be able to complete the project for which the application is submitted without the grant applied for.

“(c) The amount of any grant under subsection (a) may not exceed 75 per centum of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 per centum of such costs.

Cost limitation.

“(d) Of the sums appropriated under section 1613 for a fiscal year, there shall be made available for grants under subsection (a) for such fiscal year 22 per centum of such sums.

“PART E—GENERAL PROVISIONS

“JUDICIAL REVIEW

“SEC. 1630. If—

42 USC 300s.

“(1) the Secretary refuses to approve an application for a project submitted under section 1604, the State Agency through which such application was submitted, or

“(2) any State is dissatisfied with, or any entity will be adversely affected by, the Secretary's action under section 1612, such State or entity,

may appeal to the United States court of appeals for the circuit in which such State Agency, State, or entity is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the Court, operate as a stay of the Secretary's action.

“RECOVERY

“SEC. 1631. (a) If any facility constructed, modernized, or converted with funds provided under this title is, at any time within twenty years after the completion of such construction, modernization, or conversion with such funds—

42 USC 300s-1.

“(1) sold or transferred to any person or entity (A) which is not qualified to file an application under section 1604, or (B) which is not approved as a transferee by the State Agency of the State in which such facility is located, or its successor; or

“(2) not used as a medical facility, and the Secretary has not determined that there is good cause for termination of such use, the United States shall be entitled to recover from either the transferor or the transferee in the case of a sale or transfer or from the owner in the case of termination of use an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction, modernization, or conversion of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment.

Waiver. “(b) The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility in any State—

“(1) if (as determined under regulations prescribed by the Secretary) the amount which could be recovered under subsection (a) with respect to such facility is applied to the development, expansion, or support of another medical facility located in such State which has been approved by the Statewide Health Coordinating Council for such State as consistent with the State health plan established pursuant to section 1524(c); or

Ante, p. 2247.

“(2) if the Secretary determines, in accordance with regulations, that there is good cause for waiving such requirement with respect to such facility.

If the amount which the United States is entitled to recover under subsection (a) exceeds 90 per centum of the total cost of the construction or modernization project for a facility, a waiver under this subsection shall only apply with respect to an amount which is not more than 90 per centum of such total cost. The Secretary may not waive a right of recovery which arose one year before the date of the enactment of this title.

“STATE CONTROL OF OPERATIONS

42 USC 300s-2. “SEC. 1632. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility with respect to which any funds have been or may be expended under this title.

“DEFINITIONS

42 USC 300s-3. “SEC. 1633. For the purposes of this title—

“(1) The term ‘State’ includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the District of Columbia.

“(2) The term ‘Federal share’ means the proportion of the cost of a medical facilities project which the State Agency determines the Federal Government will provide under allotment payments or a loan or loan guarantee under this title, except that—

“(A) in the case of a modernization project—

“(i) described in section 1604(b)(2)(B), and

“(ii) the application for which received a waiver under section 1604(b)(2)(A),

the proportion of the cost of such project to be paid by the Federal Government under allotment payments or a loan may not exceed \$20,000 and may not exceed 100 per centum of the first \$6,000 of the cost of such project and 66⅔ per centum of the next \$21,000 of such cost,

“(B) in the case of a project (other than a project described in subparagraph (A)) to be assisted from an allotment made under part B, the proportion of the cost of such project to be paid by the Federal Government may not exceed 66⅔ unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the proportion of the cost of such project to be paid by the Federal Government may be 100 per centum, and

“(C) in the case of a project (other than a project described in subparagraph (A)) to be assisted with a loan or loan guarantee made under part C, the principal amount of the loan directly made or guaranteed for such project, when added to any other assistance provided the project under this title, may not exceed 90 per centum of the cost of such project unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the principal amount, when added to other assistance under this title, may cover up to 100 per centum of the cost of the project.

“(3) The term ‘hospital’ includes general, tuberculosis, and other types of hospitals, and related facilities, such as laboratories, outpatient departments, nurses’ home facilities, extended care facilities, facilities related to programs for home health services, self-care units, and central service facilities, operated in connection with hospitals, and also includes education or training facilities for health professional personnel operated as an integral part of a hospital, but does not include any hospital furnishing primarily domiciliary care.

“(4) The term ‘public health center’ means a publicly owned facility for the provision of public health services, including related publicly owned facilities such as laboratories, clinics, and administrative offices operated in connection with such a facility.

“(5) The term ‘nonprofit’ as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

“(6) The term ‘outpatient medical facility’ means a medical facility (located in or apart from a hospital) for the diagnosis or diagnosis and treatment of ambulatory patients (including ambulatory inpatients)—

“(A) which is operated in connection with a hospital,

“(B) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State, or in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State; or

“(C) which offers to patients not requiring hospitalization the services of licensed physicians in various medical specialties, and which provides to its patients a reasonably full-range of diagnostic and treatment services.

“(7) The term ‘rehabilitation facility’ means a facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of—

“(A) medical evaluation and services, and

“(B) psychological, social, or vocational evaluation and services,

under competent professional supervision, and in the case of which the major portion of the required evaluation and services is furnished within the facility; and either the facility is operated in connection with a hospital, or all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State.

"(8) The term 'facility for long-term care' means a facility (including a skilled nursing or intermediate care facility) providing in-patient care for convalescent or chronic disease patients who required skilled nursing or intermediate care and related medical services—

"(A) which is a hospital (other than a hospital primarily for the care and treatment of mentally ill or tuberculous patients) or is operated in connection with a hospital, or

"(B) in which such care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the State.

"(9) The term 'construction' means construction of new buildings and initial equipment of such buildings and, in any case in which it will help to provide a service not previously provided in the community, equipment of any buildings; including architects' fees, but excluding the cost of off-site improvements and, except with respect to public health centers, the cost of the acquisition of land.

Ante, p. 2268. "(10) The term 'cost' as applied to construction, modernization, or conversion means the amount found by the Secretary to be necessary for construction, modernization, or conversion, respectively, under a project, except that, in the case of a modernization project or a project assisted under part D, such term does not include any amount found by the Secretary to be attributable to expansion of the bed capacity of any facility.

"(11) The term 'modernization' includes the alteration, expansion, major repair (to the extent permitted by regulations), remodeling, replacement, and renovation of existing buildings (including initial equipment thereof), and the replacement of obsolete equipment of existing buildings.

"(12) The term 'title,' when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than twenty-five years' undisturbed use and possession for the purposes of construction, modernization, or conversion and operation of the project for a period of not less than (A) twenty years in the case of a project assisted under an allotment or grant under this title, or (B) the term of repayment of a loan made or guaranteed under this title in the case of a project assisted by a loan or loan guarantee.

"(13) The term 'medical facility' means a hospital, public health center, outpatient medical facility, rehabilitation facility, facility for long-term care, or other facility (as may be designated by the Secretary) for the provision of health care to ambulatory patients.

Ante, p. 2227. "(14) The term 'State Agency' means the State health planning and development agency of a State designated under title XIV.

"(15) The term 'urban or rural poverty area' means an urban or rural geographical area (as defined by the Secretary) in which a percentage (as defined by the Secretary in accordance with the next sentence) of the residents of the area have incomes below the poverty level (as defined by the Secretary of Commerce). The percentage referred to in the preceding sentence shall be defined so that the percentage of the population of the United States residing in urban and rural poverty areas is—

"(A) not more than the percentage of the total population of the United States with incomes below the poverty level (as so defined) plus five per centum, and

"(B) not less than such percentage minus five per centum.

"(16) The term 'medically underserved population' means the population of an urban or rural area designated by the Secretary as an area with a shortage of health facilities or a population group designated by the Secretary as having a shortage of such facilities.

“FINANCIAL STATEMENTS; RECORDS AND AUDIT

“SEC. 1634. (a) In the case of any facility for which an allotment payment, grant, loan, or loan guarantee has been made under this title, the applicant for such payment, grant, loan, or loan guarantee (or, if appropriate, such other person as the Secretary may prescribe) shall file at least annually with the State Agency for the State in which the facility is located a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

42 USC 300s-4.

“(1) the financial operations of the facility, and

“(2) the costs to the facility of providing health services in the facility and the charges made by the facility for providing such services,

during the period with respect to which the statement is filed.

“(b) (1) Each entity receiving Federal assistance under this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such entity of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

Recordkeeping.

“(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such entities which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the assistance referred to in paragraph (1).

Audit.

“(c) Each such entity shall file at least annually with the Secretary a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

“(1) the financial operations of the facility constructed or modernized with such assistance, and

“(2) the costs to such facility of providing health services in such facility, and the charges made for such services, during the period with respect to which the statement is filed.

“TECHNICAL ASSISTANCE

“SEC. 1635. The Secretary shall provide (either through the Department of Health, Education, and Welfare or by contract) all necessary technical and other nonfinancial assistance to any public or other non-profit entity which is eligible to apply for assistance under this title to assist such entity in developing applications to be submitted to the Secretary under section 1604. The Secretary shall make every effort to inform eligible applicants of the availability of assistance under this title.

42 USC 300s-5.

“PART F—AREA HEALTH SERVICES DEVELOPMENT FUNDS

“DEVELOPMENT GRANTS FOR AREA HEALTH SERVICES DEVELOPMENT FUNDS

“SEC. 1640. (a) The Secretary shall make in each fiscal year a grant to each health system agency—

42 USC 300t.

“(1) with which there is in effect a designation agreement under section 1515(c),

Ante, p. 2239.

“(2) which has in effect an HSP and AIP reviewed by the Statewide Health Coordinating Council, and

Ante, p. 2256.

Ante, p. 2232.

Ante, p. 2235.

“(3) which, as determined under the review made under section 1535(c), is organized and operated in the manner prescribed by section 1512(b) and is performing its functions under section 1513 in a manner satisfactory to the Secretary, to enable the agency to establish and maintain an Area Health Services Development Fund from which it may make grants and enter into contracts in accordance with section 1513(c)(3).

“(b)(1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health service area for which the health systems agency is designated, the average family income of the area, and the supply of health services in the area.

Limitation.

“(2) The amount of any grant under subsection (a) to a health systems agency for any fiscal year may not exceed the product of \$1 and the population of the health service area for which such agency is designated.

“(c) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may require.

Appropriations.

“(d) For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated \$25,000,000 for the fiscal year ending June 30, 1975, \$75,000,000 for the fiscal year ending June 30, 1976, and \$120,000,000 for the fiscal year ending June 30, 1977.”

MISCELLANEOUS AND TRANSITIONAL PROVISIONS

Appropriations.
42 USC 300m
note.

42 USC 246.

SEC. 5. (a) (1) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 314(a) of the Public Health Service Act, except that no grant made to a State with funds appropriated under this paragraph shall be available for obligation beyond—

(A) three months after the date on which a State health planning and development agency is designated for such State under section 1421 of such Act, or

(B) June 30, 1976,

whichever is later.

42 USC 300l-4
note.

42 USC 242b.

42 USC 299.

(2) There are authorized to be appropriated for the fiscal year ending June 30, 1975, and the next fiscal year such sums as may be necessary to make grants under section 304 of the Public Health Service Act for experimental health services delivery systems, section 314(b) of such Act, and title IX of such Act, except that no grant made with funds appropriated under this paragraph shall be available for obligation beyond the later of (A) June 30, 1976, or (B) three months after the date on which a health systems agency has been designated under section 1415 of such Act for a health service area which includes the area of the entity for which a grant is made under such section 304, 314(b), or title IX.

42 USC 291b
note.

42 USC 291a.

(b) Any State which has in the fiscal year ending June 30, 1975, or the next fiscal year funds available for obligation from its allotments under part A of title VI of the Public Health Service Act may in such fiscal year use for the proper and efficient administration during such year of its State plan approved under such part an amount of such funds which does not exceed 4 per centum of such funds or \$100,000, whichever is less.

(c) A reference in any law or regulation—

(1) to the agency of a State which administers or supervises the administration of a State's health planning functions under a State plan approved under section 314(a) of the Public Health Service Act shall in the case of a State for which a State Health planning and development agency has been designated under section 1521 of such Act be considered a reference to the State agency designated under such section 1521;

42 USC 300m
note.

42 USC 246.

Ante, p. 2242.

(2) to an agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) of the Public Health Service Act shall if all or part of the area covered by such plan or plans is within a health service area established under section 1511 of the Public Health Service Act be considered a reference to the health systems agency designated under section 1515 of such Act for such health service area; and

42 USC 300l-4
note.*Ante*, p. 2229.*Ante*, p. 2239.

(3) to a regional medical program assisted under title IX of the Public Health Service Act shall if the program is located in a State for which a State health planning and development agency has been designated under section 1521 of the Public Health Service Act be considered a reference to such State agency.

42 USC 300m
note.
42 USC 299.

(d) Section 316 of the Public Health Service Act is repealed.

Repeal.
42 USC 247a.

ADVISORY COMMITTEE

SEC. 6. (a) An advisory committee established by or pursuant to the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after the date of the enactment of this Act.

Termination.
42 USC 217a
note.
42 USC 201
note.
42 USC 2661
note.
42 USC 4551
note.

(b) The Secretary of Health, Education, and Welfare shall report, within one year after the date of the enactment of this Act, to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives (1) the purpose and use of each advisory committee established by or pursuant to the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and (2) his recommendations respecting the termination of each such advisory committee.

Reports to congressional committees.

AGENCY REPORTS

SEC. 7. The Secretary of Health, Education, and Welfare shall report, within one year of the date of the enactment of this Act, to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives (1) the identity of each report required to be made by the Secretary under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 to the Congress (or any committee thereof), (2) the provision of such Acts which requires each such report, (3) the purpose of each such report, and (4) the due date for each such report. The report of the

Report to congressional committees.
42 USC 229
note.

Secretary under this section may include such recommendations as he considers appropriate for termination or consolidation of any such reporting requirements.

TECHNICAL AMENDMENT

42 USC 300e-4.

SEC. 8. Section 1305(b)(1) of the Public Health Service Act is amended to read as follows:

“(b)(1) Except as provided in paragraph (2), the aggregate amount of principal of loans made or guaranteed, or both, under this section for a health maintenance organization may not exceed \$2,500,000. In any fiscal year, the amount disbursed under a loan or loans made or guaranteed under this section for a health maintenance organization may not exceed \$1,000,000,000.”

Approved January 4, 1975.

Public Law 93-642

AN ACT

January 4, 1975
[S. 3548]

To establish the Harry S Truman memorial scholarships, and for other purposes.

Harry S Truman
Memorial Scholar-
ship Act.
20 USC 2001
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Harry S Truman Memorial Scholarship Act”.

STATEMENT OF FINDINGS

20 USC 2001.

SEC. 2. The Congress finds that—

because a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because a special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and National Government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S Truman through the creation of a perpetual education scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

DEFINITIONS

20 USC 2002.

SEC. 3. As used in this Act, the term—

(1) “Board” means the Board of Trustees of the Harry S Truman Scholarship Foundation;

(2) "Foundation" means the Harry S Truman Scholarship Foundation;

(3) "fund" means the Harry S Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965;

20 USC 1141.

(5) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and, considered as a single entity, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands; and

(6) "Secretary" means the Secretary of the Treasury."

SEC. 4. The Harry S Truman Scholarship Program as authorized by this Act shall be the sole Federal memorial to President Harry S Truman.

20 USC 2003.

ESTABLISHMENT OF THE HARRY S TRUMAN SCHOLARSHIP PROGRAM

SEC. 5. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry S Truman Scholarship Foundation.

Establishment.
20 USC 2004.

(b)(1) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of thirteen members, as follows:

Membership.

(A) two Members of the Senate, one from each political party, to be appointed by the President of the Senate;

(B) two Members of the House of Representatives, one from each political party, to be appointed by the Speaker;

(C) eight members, not more than four of whom shall be of the same political party, to be appointed by the President with the advice and consent of the Senate, of whom one shall be a chief executive officer of a State, one a chief executive officer of a city or county, one a member of a Federal court, one a member of a State court, one a person active in postsecondary education, and three representatives of the general public; and

(D) the Commissioner of Education or his designate, who shall serve ex officio as a member of the Board, but shall not be eligible to serve as Chairman.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, four for terms of two years, five for terms of four years, and four for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

Term.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

Compensation.

SCHOLARSHIPS

20 USC 2005.

SEC. 6. (a) The Foundation is authorized to award scholarships to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Award recipients shall be known as Truman scholars.

(b) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(c) A student awarded a scholarship under this Act may attend any institution of higher education offering courses of study, training, or other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation.

(d) Each student awarded a scholarship under this Act must have indicated a serious intent to enter the public service upon the completion of his or her educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his or her educational program.

SELECTION OF TRUMAN SCHOLARS

20 USC 2006.

SEC. 7. (a) The Foundation is authorized, either directly or by contract, to provide for the conduct of a nationwide competition for the purpose of selecting Truman scholars.

(b) The Foundation shall adopt selection procedures which shall assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.

STIPENDS

20 USC 2007.

SEC. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board, or \$5,000 whichever is less for each academic year of study.

SCHOLARSHIP CONDITIONS

20 USC 2008.

SEC. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research designed to prepare him or her for a career in public service and is not otherwise engaging in gainful employment other than employment approved by the Foundation pursuant to regulation.

Reports.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this act. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, study or research, except as otherwise provided in subsection (a).

TRUMAN MEMORIAL SCHOLARSHIP FUND

SEC. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it by section 14 of this act.

Establishment.
20 USC 2009.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market place. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

31 USC 774.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

EXPENDITURES FROM THE FUND

SEC. 11. (a) The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the purposes of the Act.

20 USC 2010.

(b) The activities of the Foundation under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Foundation, pertaining to such activities and necessary to facilitate the audit.

GAO audit.

EXECUTIVE SECRETARY

20 USC 2011.

SEC. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The Executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) The Executive Secretary of the Foundation shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

5 USC 5332
note.

ADMINISTRATIVE PROVISIONS

20 USC 2012.

SEC. 13. (a) In order to carry out the provisions of this Act, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Secretary be compensated at a rate to exceed the rate provided for employees in grade 15 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS-18 in section 5332 of such title;

Regulations.

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

Contract au-
thority.

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditures.

Report to Pres-
ident and Con-
gress.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

APPROPRIATIONS AUTHORIZED

20 USC 2013.

SEC. 14. There are authorized to be appropriated \$30,000,000 to the fund.

Approved January 4, 1975.

Public Law 93-643

AN ACT

January 4, 1975
[S. 3934]

To authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal-Aid Highway Amendments of 1974."

Federal-Aid
Highway Amend-
ments of 1974.
23 USC 101
note.

HIGHWAY AUTHORIZATIONS

SEC. 101. For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

23 USC 101 et
seq.

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, an additional \$100,000,000 for the fiscal year 1976. For the Federal-aid secondary system in rural areas, out of the Highway Trust Fund, an additional \$50,000,000 for the fiscal year 1976. Sums authorized by this paragraph are in addition to the authorizations for fiscal year 1976 for these systems in section 104(a)(1) of the Federal-Aid Highway Act of 1973.

87 Stat. 251.

(2) For control of outdoor advertising under section 131 of title 23, United States Code, \$50,000,000 for the fiscal year 1975.

Post, p. 2284.

(3) For control of junkyards under section 136 of title 23, United States Code, \$15,000,000 for the fiscal year 1975.

Post, p. 2285.

(4) For landscaping the scenic enhancement under section 319(b) of title 23, United States Code, \$10,000,000 for the fiscal year 1975.

(5) Nothing in paragraph (1) or (6) of this section shall be construed to authorize the appropriation of any sums to carry out section 131, 136, 319(b), or chapter 4 of title 23, United States Code.

23 USC 401.

(6) For off-system roads under section 219, title 23, United States Code, \$200,000,000 for the fiscal year 1976.

Post, p. 2289.

INDIAN RESERVATION ROADS AND BRIDGES

SEC. 102. (a) Paragraph (9) of subsection (a) of section 104 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

87 Stat. 252.

"(9) For Indian reservation roads and bridges, \$83,000,000 for the fiscal year ending June 30, 1974, \$84,000,000 for the fiscal year ending June 30, 1975, and \$83,000,000 for the fiscal year ending June 30, 1976."

(b) The definition of the term "Indian reservation roads and bridges" in subsection (a) of section 101 of title 23, United States Code, is amended to read as follows:

"Indian reserva-
tion roads and
bridges."

"The term 'Indian reservation roads and bridges' means roads and bridges, including roads and bridges on the Federal-aid systems, that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaska Native villages, groups, or communities in which Indians and Alaskan Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

(c) Section 208 of title 23, United States Code, is amended by relettering subsections (c) and (d) as (d) and (e), respectively, and adding a new subsection (c) as follows:

"(c) Before approving as a project on an Indian reservation road or bridge any project on a Federal-aid system in a State, the Secretary must determine that obligation of funds for such project is supplementary to and not in lieu of the obligation, for projects on Indian

23 USC 104.
23 USC 101
note.

reservation roads and bridges, of a fair and equitable share of funds apportioned to such State under section 104 of this title."

(d) No funds appropriated under the expanded definition of this section shall be expended without the formal consent of the governing body of the tribe band or group of Indians or Alaskan Natives for whose use the Indian reservation roads and bridges are intended.

RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

23 USC 142
note.

SEC. 103. Section 147 of the Federal-Aid Highway Act of 1973 is amended to read as follows:

Appropriations.

"(a) To encourage the development, improvement, and use of public mass transportation systems operating vehicles on highways for transportation of passengers within rural areas and small urban areas, and between such areas and urbanized areas, in order to enhance access of rural populations to employment, health care, retail centers, education, and public services, there are authorized to be appropriated \$15,000,000 for the fiscal year ending June 30, 1975, and \$60,000,000 for the fiscal year ending June 30, 1976, of which \$50,000,000 shall be out of the Highway Trust Fund, to the Secretary of Transportation to carry out demonstration projects for public mass transportation on highways in rural areas and small urban areas. Projects eligible for Federal funds under this section shall include highway traffic control devices, the construction of passenger loading areas and facilities, including shelters, fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, the purchase of passenger equipment other than rolling stock for fixed rail, and the payment from the General Fund for operating expenses incurred as a result of providing such service. To the extent intercity bus service is provided under the program, preference shall be given to private bus operators who lawfully have provided rural highway passenger transportation over the routes or within the general area of the demonstration project.

Notice.

Hearing.

"(b) Prior to the obligation of any funds for a demonstration project under this section, the Secretary shall provide for public notice of any application for funds under this section which notice shall include the name of the applicant and the area to be served. Within sixty days thereafter, a public hearing on the project shall be held within the proposed service area."

DEMONSTRATION PROJECT—RAILROAD-HIGHWAY CROSSING

23 USC 130
note.

SEC. 104. Section 163 of the Federal-Aid Highway Act of 1973 is amended by relettering subsection (a) as paragraph (a)(1) and adding the following new paragraph:

Lafayette, Ind.
Appropriation.

"(2) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out an engineering and feasibility study for a demonstration project in Lafayette, Indiana, for relocation of railroad lines from the central area of the city. There are authorized to be appropriated to carry out this paragraph \$360,000 for the fiscal year ending June 30, 1975."

TRANSPORTATION FOR ELDERLY AND HANDICAPPED PERSONS

23 USC 142
note.

SEC. 105. (a) It is hereby declared to be the national policy that elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services; that special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation

which they can effectively utilize will be assured; and that all Federal programs offering assistance for mass transportation (including the programs under title 23, United States Code, the Federal-Aid Highway Act of 1973, and this Act) effectively implement this policy.

(b) Subsection (b) of section 165 of the Federal-Aid Highway Act of 1973 (87 Stat. 282) is amended to read as follows:

“(b) The Secretary of Transportation shall require that projects receiving Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) section 147 of the Federal-Aid Highway Act of 1973 shall be planned, designed, constructed, and operated to allow effective utilization by elderly or handicapped persons who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including those who are nonambulatory wheelchair-bound and those with semiambulatory capabilities, are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project to which this section applies which does not comply with the provisions of this subsection requiring access to public mass transportation facilities, equipment, and services for elderly or handicapped persons.”

23 USC 101
note.

23 USC 142
note.

Ante, p. 2282.

VEHICLE SIZES AND WEIGHTS

SEC. 106. (a) Section 127 of title 23, United States Code, is amended by striking out “eighteen thousand pounds carried on any one axle, or with a tandem-axle weight in excess of thirty-two thousand pounds, or with an overall gross weight in excess of seventy-three thousand two hundred and eighty pounds,” and inserting in lieu thereof the following: “twenty thousand pounds carried on any one axle, including all enforcement tolerances; or with a tandem axle weight in excess of thirty-four thousand pounds, including all enforcement tolerances; or with an overall gross weight on a group of two or more consecutive axles produced by application of the following formula:

$$W = 500 \left(\frac{LN}{N-1} + 12N + 36 \right)$$

where W =overall gross weight, on any group of two or more consecutive axles to the nearest 500 pounds, L =distance in feet between the extreme of any group of two or more consecutive axles, and N =number of axles in group under consideration, except that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each providing the overall distance between the first and last axles of such consecutive sets of tandem axles is thirty-six feet or more: *Provided*, That such overall gross weight may not exceed eighty thousand pounds, including all enforcement tolerances.”

(b) The first sentence of section 127 of title 23, United States Code, is amended by inserting immediately after “July 1, 1956,” the following: “except in the case of the overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Amendments of 1974.”. The third sentence of such section is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: “except in the case of the overall gross weight of any group of two or more consecutive axles, on the date of enactment of the Federal-Aid Highway Amendments of 1974.”.

ENFORCEMENT

23 USC 101. SEC. 107. (a) Chapter 1 of title 23 of the United States Code is amended by inserting after section 140 the following new section:

23 USC 141. "§ 141. Enforcement of requirements

Ante, p. 2283.
Post, p. 2286.

23 USC 106.

"Each State shall certify to the Secretary before January 1 of each year that it is enforcing all State laws respecting maximum vehicle size and weights permitted on the Federal-aid primary, the Federal-aid urban system and the Federal-aid secondary system, including the Interstate System in accordance with section 127 of this title, and all speed limits on public highways in accordance with section 154 of this title. The Secretary shall not approve any project under section 106 of this title in any State which has failed to certify in accordance with this section."

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by striking out

"141. Real property acquisition policies."

and inserting in lieu thereof the following:

"141. Enforcement of requirements."

ALASKA FERRY OPERATIONS

SEC. 108. Paragraph (5) of subsection (g) of section 129 of title 23, United States Code, is amended to read as follows:

"(5) Such ferry may be operated only within the State (including the islands which comprise the State of Hawaii) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii and operations between any two points in Alaska and between Alaska and Washington, including stops at appropriate points in the Dominion of Canada, no part of such ferry operation shall be in any foreign or international waters."

CONTROL OF OUTDOOR ADVERTISING

SEC. 109. (a) The first sentence of subsection (b) of section 131 of title 23, United States Code, is amended by inserting after "main traveled way of the system," the following: "and Federal-aid highway funds apportioned on or after January 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, to any State which the Secretary determines has not made provision for effective control of the erection and maintenance along the Interstate System and the primary system of those additional outdoor advertising signs, displays, and devices which are more than six hundred and sixty feet off the nearest edge of the right-of-way, located outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read from such main traveled way."

(b) Subsection (c) of section 131 of title 23, United States Code, is amended to read as follows:

Effective control.

"(c) Effective control means that such signs, displays, or devices after January 1, 1968, if located within six hundred and sixty feet of the right-of-way and, on or after July 1, 1975, or after the expiration of the next regular session of the State legislature, whichever is later, if located beyond six hundred and sixty feet of the right-of-way, located outside of urban areas, visible from the main traveled way of the system, and erected with the purpose of their message being read

from such main traveled way, shall, pursuant to this section, be limited to (1) directional and official signs and notices, which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, which shall conform to national standards hereby authorized to be promulgated by the Secretary hereunder, which standards shall contain provisions concerning lighting, size, number, and spacing of signs, and such other requirements as may be appropriate to implement this section, (2) signs, displays, and devices advertising the sale or lease of property upon which they are located (3) signs, displays, and devices advertising activities conducted on the property on which they are located, and (4) signs lawfully in existence on October 22, 1965, determined by the State, subject to the approval of the Secretary, to be landmark signs, including signs on farm structures or natural surfaces, of historic or artistic significance the preservation of which would be consistent with the purposes of this section."

Signs and
notices.

(c) Subsection (g) of section 131 of title 23, United States Code, is amended by striking out the first sentence and inserting the following in lieu thereof:

Compensation.

"Just compensation shall be paid upon the removal of any outdoor advertising sign, display, or device lawfully erected under State law."

CONTROL OF JUNKYARDS

SEC. 110. Subsection (j) of section 136 of title 23, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following:

Compensation.

"(j) Just compensation shall be paid the owner for the relocation, removal, or disposal of junkyards lawfully established under State law."

ADVANCE CONSTRUCTION

SEC. 111. (a) Subsection (a) of section 115 of title 23, United States Code, is amended by striking out "including the Interstate System," each of the two places it appears and inserting in lieu thereof at each such place the following: "other than the Interstate System,".

(b) Section 115 of title 23, United States Code, is amended by redesignating subsection (b) as subsection (c) and by adding immediately after subsection (a) the following new subsection:

"(b) When a State proceeds to construct any project on the Interstate System without the aid of Federal funds, as that System may be designated at that time, in accordance with all procedures and all requirements applicable to projects on such System, except insofar as such procedures and requirements limit a State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such State and his approval of such application, is authorized to pay to such State the Federal share of the cost of construction of such project when additional funds are apportioned to such State under section 104 of this title if—

23 USC 104.

"(1) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects on the Interstate System, and

"(2) the project conforms to the applicable standards under section 109 of this title."

23 USC 109.

DONATIONS

SEC. 112. Section 323 of title 23, United States Code, is amended by striking out "after he has been tendered the full amount of the estimated just compensation as established by an approved appraisal

of the fair market value of the subject real property," and by inserting in lieu thereof the following: "after he has been fully informed of his right to receive just compensation for the acquisition of his property,".

SPECIAL BRIDGE REPLACEMENT PROGRAM

Appropriation.

SEC. 113. Subsection (e) of section 144 of title 23, United States Code, is amended to read as follows:

"(e) For the purpose of carrying out the provisions of this section, there are hereby authorized to be appropriated out of the Highway Trust Fund \$100,000,000 for the fiscal year ending June 30, 1972, \$150,000,000 for the fiscal year ending June 30, 1973, \$25,000,000 for the fiscal year ending June 30, 1974, \$75,000,000 for the fiscal year ending June 30, 1975, and \$125,000,000 for the fiscal year ending June 30, 1976, to be available until expended. Such funds shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such funds were apportioned under this chapter."

UNIFORM NATIONAL SPEED LIMIT

23 USC 101.

SEC. 114. (a) Chapter 1 of title 23 of the United States Code, relating to highways, is amended by inserting at the end thereof a new section as follows:

23 USC 154.

"§ 154. National maximum speed limit

23 USC 106.

"(a) The Secretary of Transportation shall not approve any project under section 106 in any State which has (1) a maximum speed limit on any public highway within its jurisdiction in excess of fifty-five miles per hour, or (2) a speed limit on any other portion of a public highway within its jurisdiction which is not uniformly applicable to all types of motor vehicles using such portion of highway, if on November 1, 1973, such portion of highway had a speed limit which was uniformly applicable to all types of motor vehicles using it. A lower speed limit may be established for any vehicle operating under a special permit because of any weight or dimension of such vehicle, including any load thereon. Clause (2) of this subsection shall not apply to any portion of a highway during such time that the condition of the highway, weather, an accident, or other condition creates a temporary hazard to the safety of traffic on such portion of a highway.

"Motor vehicle."

"(b) As used in this section the term 'motor vehicle' means any vehicle driven or drawn by mechanical power manufactured primarily for use on public highways, except any vehicle operated exclusively on a rail or rails.

23 USC 120.

23 USC 104.

"(c) Notwithstanding the provisions of section 120 sums apportioned to any State under section 104 shall be available to pay the entire cost of any modification of the signing of the Federal-aid highways for which such sums are apportioned within such State due to a reduction in speed limits to conserve fuel if such change in signing occurs or has occurred after November 1, 1973.

"(d) The requirements of this section shall be deemed complied with by administrative action lawfully taken by the Governor or other appropriate State official that complies with this section."

(b) The analysis of such chapter 1 is amended by inserting at the end thereof the following:

"154. National maximum speed limit."

Repeal,
23 USC 101
note.

(c) Section 2 of the Emergency Highway Energy Conservation Act is repealed.

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

SEC. 115. (a) Chapter 1 of title 23, United States Code, is further amended by adding at the end thereof the following new section:

23 USC 101.

“§ 155. Access highways to public recreation areas on certain lakes

23 USC 155.

“(a) The Secretary is authorized to construct or reconstruct access highways to public recreation areas on lakes in order to accommodate present and projected traffic density. The Secretary shall develop guidelines and standards for the designation of routes and the allocation of funds for the purpose of this section which shall include the following criteria:

“(1) No portion of any access highway constructed or reconstructed under this section shall exceed thirty-five miles in length nor shall any portion of such highway be located more than thirty-five miles from the nearest part of such recreation area.

“(2) Routes shall be designated by the Secretary on the recommendation of the State and responsible local officials, after consultation with the head of the Federal agency (if any) having jurisdiction over the public recreation area involved.

“(b) The Federal share payable on account of any project authorized pursuant to this section shall not exceed 70 per centum of the cost of construction or reconstruction of such project.

“(c) All of the provisions of this title applicable to highways on the Federal-aid system (other than the Interstate System) determined appropriate by the Secretary, except those provisions which the Secretary determines are inconsistent with this section, shall apply to any highway designated under this section which is not a part of the Federal-aid system when so designated.

“(d) For the purpose of this section the term ‘lake’ means any lake, reservoir, pool, or other body of water resulting from the construction of any lock, dam, or similar structure by the Corps of Engineers, Department of the Army, or the Bureau of Reclamation, Department of the Interior, or the Tennessee Valley Authority, and any multipurpose lake resulting from construction assistance of the Soil Conservation Service, Department of Agriculture. This section shall apply to lakes heretofore or hereafter constructed or authorized for construction.

“Lake.”

“(e) There is authorized to be appropriated not to exceed \$25,000,000 for the fiscal year 1976 to carry out this section. Amounts authorized by this subsection for a fiscal year shall be available for that fiscal year and for the two succeeding fiscal years.”

Appropriation,
limitation.

(b) The analysis of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

“155. Access highways to public recreation areas on certain lakes.”

AUBURN BRIDGE

SEC. 116. (a) In order to provide access between the historical portion of the city of Auburn, California, Auburn District Fairgrounds, city park and parking lots, and the Auburn Dam Overlook area, for motor vehicles and for passage of pedestrians, equestrians, and cyclists under a highway relocation, the Secretary of the Interior is authorized to construct, in lieu of a drainage culvert, an intermediate size bridge across a shallow ravine. The bridge, at approximate stations 154+46 to 155+30 (84 feet), shall be part of the State Highway Number 49 relocation through the city of Auburn, California.

(b) Upon completion such bridge shall be transferred to the State of California for operation and maintenance as a part of the highway relocation. The cost of the bridge, less the original planned drainage culvert, shall be considered as nonreimbursable.

Appropriation.

(c) There is authorized to be appropriated to carry out this section the sum of \$250,000 (October 1974 price levels) plus or minus such amounts as may be justified by changes in price indexes applicable to the type of development involved herein.

NORTHEAST CORRIDOR DEMONSTRATION-RAIL CROSSINGS

SEC. 117. Subsection (a) of section 322 of title 23, United States Code, is amended by inserting at the end thereof the following:

"The Secretary may permit selected individual public crossings of unusually low-potential hazard to remain at ground level, if they are provided with the best available protection."

OVERSEAS HIGHWAY

SEC. 118. (a) The Secretary is authorized to undertake projects for the reconstruction or replacement of bridge structures of a two-lane nature on the Overseas Highway, to Key West, Florida. The Federal share payable on account of such projects shall not exceed 70 per centum of the costs of such reconstruction or replacement.

Appropriation,
limitation.

(b) There are authorized to be appropriated, out of the Highway Trust Fund, not to exceed \$109,200,000, to carry out such projects. Such sums shall be available until expended except that of the funds authorized under this section only \$10,000,000 for the fiscal year ending June 30, 1975, and \$15,000,000 for the fiscal year ending June 30, 1976, can be obligated.

BIKEWAY DEMONSTRATION PROGRAM

23 USC 217
note.

"Bikeway."

SEC. 119. (a) For the purpose of this section the term—

(1) "bikeway" means a bicycle lane or path, or support facility, a bicycle traffic control device, a shelter, or a parking facility to serve bicycles and persons using bicycles;

"State,"

(2) "State" means any one of the fifty States, the District of Columbia, or Puerto Rico.

Grants.

(b) (1) The Secretary is authorized to make grants to States for demonstration projects for the construction of bikeways. Such bikeways shall be for commuting and for recreational purposes and shall be located in urbanized areas and such other urban areas as are designated by the State highway department under subsection 103(d) of title 23, United States Code.

(2) The Federal share of any demonstration project for the construction of a bikeway shall be 80 per centum of the total cost of such project. The remaining 20 per centum of such cost shall be paid by the grantee.

Limitation.

(3) No grant shall be made under authority of this Act unless such bikeway project is in accordance with continuing comprehensive transportation planning process carried on cooperatively by States and local communities in accordance with section 134 of title 23, United States Code.

Regulations.

(4) The Secretary shall establish, by regulation, construction standards for bikeway projects for which grants are authorized by this Act, and shall establish, by regulation, such other requirements as may be necessary to carry out this Act.

(c) Grants made under this Act shall be in addition to, and not in lieu of, any sums available for bicycle projects under section 217 of title 23, United States Code.

(d) There are authorized to be appropriated to the Secretary to carry out this section \$10,000,000 for the fiscal year 1976.

Appropriation.

EXTENSION OF CARPOOLS

SEC. 120. (a) The last sentence of section 3(d) of the Emergency Highway Energy Conservation Act (Public Law 93-239) is amended by striking out "December 31, 1974" and inserting in lieu thereof "December 31, 1975".

23 USC 101
note.

(b) The Secretary of Transportation is authorized to make grants for demonstration projects designed to encourage the use of carpools in urban areas. Such a project may include, but not be limited to, such measures as systems for locating potential riders and informing them of convenient carpool opportunities, designating existing highway lanes as preferential carpool highway lanes or shared bus and carpool lanes, providing related traffic control devices, and designating existing publicly owned facilities for use as preferential parking for carpools. There is authorized to be appropriated not to exceed \$7,500,000 to carry out this subsection.

Grants.
23 USC 101
note.

Appropriation.

SAFER ROADS PROGRAM

SEC. 121. The first sentence of subsection (c) of section 405 of title 23, United States Code, is amended by striking the word "and" after "crossings," and inserting in lieu thereof the following: "the correction of high-hazard locations, and".

OFF-SYSTEM ROADS

SEC. 122. (a) Chapter 2 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 219. Off-system roads

23 USC 219.

"(a) The Secretary is authorized to make grants to States for projects for the construction, reconstruction, and improvement of any off-system road (including, but not limited to, the replacement of bridges, the elimination of high-hazard locations, and roadside obstacles).

Grants.

"(b) On or before January 1 next preceding the commencement of each fiscal year the Secretary shall apportion the sums authorized to be appropriated to carry out this section among the several States as follows:

"(1) one-third in the ratio which the area of each State bears to the total area of all States;

"(2) one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States; and

"(3) one-third in the ratio in which the off-system road mileage of each State bears to the total off-system road mileage of all the States. Off-system road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary.

"(c) Sums appropriated to a State under this section shall be made available for expenditures in the counties of such State on a fair and equitable basis.

23 USC 101.

"(d) Sums apportioned under this section and programs and projects under this section shall be subject to all of the provisions of chapter 1 of this title applicable to highways on the Federal-aid secondary system except the formula for apportionment, the requirement that these roads be on the Federal-aid system, and those other provisions determined by the Secretary to be inconsistent with this section. The Secretary is not authorized to determine as inconsistent with this section any provision relating to the obligation and availability of funds.

"Off-system road."

"(e) As used in this section the term 'off-system road' means any toll-free road (including bridges) in a rural area, which road is not on any Federal-aid system and which is under the jurisdiction of and maintained by a public authority and open to public travel."

(b) The analysis of chapter 2, title 23, United States Code, is amended by adding at the end thereof the following:

"219. Off-system roads."

BRIDGES ON FEDERAL DAMS

Appropriation.

SEC. 123. (a) Section 320(d) of title 23 of the United States Code (as amended) is amended by striking out "\$25,261,000" and inserting in lieu thereof "\$27,761,000".

23 USC 320
note.

(b) All sums appropriated under authority of the increased authorization established by the amendment made by subsection (a) of this section shall be available for expenditure in the same manner and for the same purpose as provided for in subsection (b) of section 116 of the Federal-Aid Highway Act of 1970 (Public Law 91-605).

DEMONSTRATION PROJECTS

Minneapolis,
Minn.Appropriation,
limitation.

SEC. 124. The Secretary of Transportation shall carry out a demonstration project for construction of a high-density urban highway intermodal transportation connection between Franklin Avenue and Fifty-ninth Street, South, in Minneapolis, Minnesota. The Federal share of such project shall be 90 per centum of the cost thereof. Such highway shall be placed on a Federal-aid system before any funds are expended under this section. There is authorized to be appropriated, out of the Highway Trust Fund, not to exceed \$53,000,000 to carry out this section, except that not to exceed \$10,000,000 for the fiscal year 1975, and \$15,000,000 for the fiscal year 1976, shall be expended to carry out this section.

ROUTE WITHDRAWALS

SEC. 125. (a) Section 103(e)(2) of title 23 of the United States Code is amended by striking out the period following "House Report Numbered 92-1443" and inserting in lieu thereof a comma and the following: "increased or decreased, as the case may be, as determined by the Secretary, based on changes in construction costs of such route or portion thereof as of the date of withdrawal of approval under this paragraph and in accordance with that design of such route or portion thereof which is the basis of such 1972 cost estimate."

(b) Section 103(e)(4) of title 23 of the United States Code is amended by striking out the period following "House Report Numbered 92-1443" and inserting in lieu thereof a comma and the following: "increased or decreased, as the case may be, as determined by the Secretary, based on changes in construction costs of such route or portion thereof as of the date of withdrawal of approval under this paragraph and in accordance with that design of such route or portion thereof which is the basis of such 1972 cost estimate."

SCHOOL BUS DRIVER TRAINING

SEC. 126. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

23 USC 401.

“§ 406. School bus driver training

23 USC 406.

“(a) The Secretary is authorized to make grants to the States for the purpose of carrying out State programs approved by him of driver education and training for persons driving school buses.

Grants.

“(b) A State program under this section shall be approved by the Secretary if such program—

“(1) provides for the establishment and enforcement of qualifications for persons driving school buses;

“(2) provides for initial education and training and for refresher courses;

“(3) provides for periodic reports to the Secretary on the results of such program; and

Reports.

“(4) includes persons driving publicly operated, and persons driving privately operated, school buses.

“(b) Not less than \$7,500,000 of the sums authorized to carry out section 402 of this title for fiscal year 1976 shall be obligated to carry out this section. Such sums shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title. The Federal share payable on account of any project to carry out a program under this title shall not exceed 70 per centum of the cost of the project.”

23 USC 402.

(b) The analysis of chapter 4, title 23, United States Code, is amended by adding at the end thereof the following:

“406. School bus driver training.”.

Approved January 4, 1975.

Public Law 93-644

AN ACT

January 4, 1975
[H. R. 14449]

To provide for the extension of Headstart, community action, community economic development, and other programs under the Economic Opportunity Act of 1964, to provide for increased involvement of State and local governments in anti-poverty efforts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Headstart, Economic Opportunity, and Community Partnership Act of 1974”.

Headstart, Economic Opportunity, and Community Partnership Act of 1974.
42 USC 2701 note.

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to extend programs under the Economic Opportunity Act of 1964, including Headstart, community action, and community economic development programs; and to provide for increased involvement of State and local governments in anti-poverty efforts by authorizing a community partnership program.

42 USC 2706 note.
42 USC 2701 note.

SHORT TITLE AND DEFINITIONS

SEC. 3. The Economic Opportunity Act of 1964 is amended by adding after section 2 the following new sections:

“SHORT TITLE

Community
Services Act of
1974.
42 USC 2701
note.

“SEC. 101. This title and titles II through IX of this Act may be cited as the ‘Community Services Act of 1974’.

“DEFINITIONS

42 USC 2706.

“SEC. 102. As used in this Act—

“(1) the term ‘State’ means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

“(2) the term ‘United States’ when used in a geographical sense includes all those places named in the previous sentence and all other places continental or insular, subject to the jurisdiction of the United States;

Post, p. 2292.
42 USC 2861.
Post, p. 2324.

“(3) the term ‘financial assistance’ when used in title II, part B of title III, and title VIII includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

“(4) the term ‘Secretary’ means the Secretary of Health, Education, and Welfare;

“(5) the term ‘Administration’ means the Community Services Administration; and

“(6) the term ‘Director’ means the Director of the Community Services Administration.”.

RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 4. Title I of the Economic Opportunity Act of 1964 is amended to read as follows:

“TITLE II—RESEARCH AND DEMONSTRATIONS

“STATEMENT OF PURPOSE

42 USC 2711.

“SEC. 101. The purpose of the title is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, including persons of limited English-speaking ability, in rural and urban areas to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient.

“RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

“SEC. 102. (a) The Director may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title.

42 USC 2712.

“(b) The Director shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. Such plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any such projects may be incorporated into one or more programs for which those agencies are responsible.

“(c) No project shall be commenced under this section unless a plan setting forth such proposed project has been submitted to the chief executive officer of the State in which the project is to be located and such plan has not been disapproved by him within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

“(d) In making grants or contracts under this title, the Director shall give due consideration to requests for funds by applicants receiving financial assistance under this title in any fiscal year shall be made available for programs or projects receiving financial assistance under section 221 or 235 of this Act.

42 USC 2808.
Post, p. 2296.

“CONSULTATION

“SEC. 103. In carrying out projects under this title, the Director shall, whenever feasible, arrange to obtain the opinions of program participants about the strengths and weaknesses of programs.

42 USC 2713.

“ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

“SEC. 104. (a) The Director shall make a public announcement concerning—

42 USC 2714.

“(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this title; and

“(2) the results, findings, data, or recommendations made or reported as a result of such research, demonstration, or pilot project.

“(b) The public announcements required by subsection (a) of this section shall be made within thirty days of making any such grant or contract, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results, findings, data, or recommendations.

“(c) The Director shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under this title shall become the property of the United States.

“(d) The Director shall publish studies of the results of activities carried out pursuant to this title not later than ninety days after the completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such studies.

Studies, submitted to congressional committees.

“PROHIBITION OF FEDERAL CONTROL

42 USC 2715.

“SEC. 105. Nothing contained in this title shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.”

COMMUNITY ACTION PROGRAMS

42 USC 2790.

SEC. 5. (a) Section 210 of the Economic Opportunity Act of 1964 is amended—

(1) in subsection (a) thereof, by inserting “or an Indian tribal government,” before the word “which” the second place it appears therein; and

(2) by repealing subsection (f) thereof.

(b) Section 210 of such Act is further amended by adding at the end thereof the following new subsection

Delegation of functions.

“(f) In carrying out his responsibilities under this part the Director may delegate functions other than policymaking functions and the final approval of grants and contracts to a State, in accordance with criteria and guidelines established by him, such functions as he deems appropriate, except that no such delegation shall take place unless all the community action agencies within such State formally indicate their approval of such proposed delegation, except that whenever such delegated functions include the authority to approve programs within such State the Director shall make available to the State, in addition to an amount not less than the amount made available to such State for State agency assistance under section 231 in the previous fiscal year, an amount in each fiscal year equal to such State’s share (as determined by the formula set forth in the second sentence of section 235(a)) of the aggregate amount made available during the fiscal year ending June 30, 1974, for the operation of regional offices of the Office of Economic Opportunity.”

42 USC 2824.

Post, p. 2296.

Repeals.
42 USC 2809.

(c) (1) Paragraph (1) of section 222(a) of such Act is repealed.

(2) Paragraph (2) of section 222(a) of such Act is repealed.

(3) Paragraph (6) of section 222(a) of such Act is repealed.

(4) Paragraph (8) of section 222(a) of such Act is repealed.

(5) Paragraph (9) of section 222(a) of such Act is repealed.

(d) (1) Section 222(a) of the Economic Opportunity Act of 1964 is amended by inserting after paragraph (11) the following:

Emergency Energy Conservation Services.

“(12) a program to be known as ‘Emergency Energy Conservation Services’ designed to enable low-income individuals and families,

including the elderly and the near poor, to participate in energy conservation programs designed to lessen the impact of the high cost of energy on such individuals and families and to reduce individual and family energy consumption. The Director is authorized to provide financial and other assistance for programs and activities, including, but not limited to, an energy conservation and education program; winterization of old or substandard dwellings, improved space conditioning, and insulation; emergency loans, grants, and revolving funds to install energy conservation technologies and to deal with increased housing expenses relating to the energy crisis; alternative fuel supplies, special fuel voucher or stamp programs; alternative transportation activities designed to save fuel and assure continued access to training, education, and employment; appropriate outreach efforts; furnishing personnel to act as coordinators, providing legal or technical assistance, or otherwise representing the interests of the poor in efforts relating to the energy crisis; nutrition, health, and other supportive services in emergency cases; and evaluation of programs and activities under this paragraph. Such assistance may be provided as a supplement to any other assistance extended under the provisions of this Act or under other provisions of Federal law. The Director, after consultation with the Administrator of the Federal Energy Office and appropriate Federal departments and agencies shall establish procedures and take other appropriate action necessary to insure that the effects of the energy crisis on low-income persons, the elderly, and the near poor are taken into account in the formulation and administration of programs relating to the energy crisis.

“(13) A program to be known as ‘Summer Youth Recreation’ designed to provide recreational opportunities for low-income children during the summer months. Funds made available for this section shall be allocated by the Director, after consultation with the Secretary of Labor, among prime sponsors and other agencies designated under title I of the Comprehensive Employment and Training Act of 1973 on the basis of (1) the relative number of public assistance recipients in the area served by such prime sponsor or agency, as compared to the Nation; (2) the relative number of unemployed persons in such area as compared with the Nation; and (3) the relative number of related children living with families with incomes below the poverty line in such area, as compared to the Nation. That part of any allotment which the Director determines will not be needed may be reallocated, at such dates during the fiscal year as the Director may fix, to the extent feasible, in proportion to the original allotments. In making allocations under this section, the Director shall insure, to the maximum extent possible, that for the program commencing in the fiscal year ending June 30, 1975, and for the program in each succeeding fiscal year no prime sponsor or other designated agency shall receive an amount less than the amount received for such programs during the fiscal year ending June 30, 1973, or the fiscal year ending June 30, 1974, whichever is higher.

Summer Youth
Recreation.

29 USC 811.

(2) Section 226(d) and section 228(c) are each amended by striking out “shall make whatever arrangements are necessary” and inserting in lieu thereof “is authorized to make whatever arrangements are necessary”.

42 USC 2813,
2815.

(e) (1) Section 225(a) of the Economic Opportunity Act of 1964 is amended by striking out the third sentence thereof and inserting in lieu thereof the following: “The remainder shall be allotted among the States, in accordance with the latest available data, so that equal

42 USC 2812.

proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the relative number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with incomes below the poverty line in each State as compared to all States. For purposes of this subsection, the Director shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census. The Director shall insure that for the fiscal year ending June 30, 1975, and for each succeeding fiscal year, no State shall be allotted for programs under section 221 and section 222(a) an amount which is less than the amount received for use within such State for programs described in such sections during the fiscal year ending June 30, 1974.”

42 USC 2808.
Ante, p. 2294.

42 USC 2812.

(2) Section 225(c) of such Act is amended by striking out “shall not exceed 90 per centum of the approved cost of the assisted programs or activities and thereafter shall not exceed 80 per centum of such costs” and inserting in lieu thereof the following: “shall not exceed 80 per centum of the approved cost of the assisted programs or activities with respect to fiscal year 1975, and 70 per centum of such costs with respect to fiscal year 1976, and shall not exceed 60 per centum of such costs with respect to fiscal year 1977, except that in the case of community action agencies receiving such financial assistance annually of \$300,000 or less, such financial assistance shall not exceed 75 per centum of such costs with respect to fiscal year 1976, and shall not exceed 70 per centum of such costs with respect to fiscal year 1977”.

(f) The Economic Opportunity Act of 1964 is further amended by inserting after section 234 thereof the following new sections:

“DEMONSTRATION COMMUNITY PARTNERSHIP AGREEMENTS

42 USC 2828.

“SEC. 235. (a) The Director may provide financial assistance from funds appropriated to carry out this section to community action agencies or public or private nonprofit agencies designated under section 210 for programs authorized under this title, and to State economic opportunity offices for programs and activities authorized under section 231(a). Financial assistance extended to a community action agency or other agency pursuant to this section may be used for new programs or to supplement existing programs and shall not exceed 50 per centum of the cost of such new or supplemental programs.

42 USC 2790.

42 USC 2824.

“(b) Matching local and State funds supplied under this section shall be in cash and shall represent State and local initiatives newly obligated within the previous year to the purposes of the grant-supported activity; and no program shall be approved for assistance under this section unless the Director satisfies himself (1) that the activities to be carried out under such program will be in addition to, and not in substitution for, activities previously carried on without Federal assistance, (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community, area, or State will not be diminished in order to provide the contributions required under this section. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

“(c) The provisions of section 242 of this Act shall not apply to assistance provided under this section.

42 USC 2834.

“INTERGOVERNMENTAL ADVISORY COUNCIL ON COMMUNITY SERVICES

“SEC. 236. (a) There shall be established within the Office of Economic Opportunity or successor authority an Intergovernmental Advisory Council on Community Services (referred to in this section as the ‘Council’).

Establishment.
42 USC 2829.

“(b) The Council shall be composed of nine members who shall be appointed by the President as follows:

Membership.

“(i) Three members shall be appointed from among representatives of States and county and municipal governments or organizations which represent such governmental units, selected on an equitable political and geographic basis after considering recommendations made by the National Governors’ Conference, the National League of Cities-United States Conference of Mayors, the National Association of Counties and similar organizations representative of State and local government.

“(ii) Three members shall be appointed from among representatives of community action agencies and other grantees under this Act or organizations which represent such agencies and grantees, selected on an equitable political and geographic basis after considering recommendations previously made by the Director of the Office of Economic Opportunity.

“(iii) Three members shall be appointed from among representatives of labor, management, and other sectors which have demonstrated active interest in community action and antipoverty programs.

“(c) The Council shall—

“(1) encourage the formation of community partnership agreements;

“(2) review the substance of such agreements and any regulations, guidelines, or other program criteria with respect thereto and advise the Director thereon prior to final approval thereof;

“(3) evaluate the effectiveness of such agreements in meeting the purposes of this Act;

“(4) conduct a continuing survey throughout the Nation on the extent to which, and terms under which, public and private resources have been and may be available for antipoverty efforts;

“(5) identify and encourage means of increasing resources available for such activities; and

“(6) submit annual reports to the President and to the Congress on or before March 1, 1976, and March 1, 1977, with respect to its activities and findings, together with such recommendations for legislation as it may deem appropriate.

Reports to
President and
Congress.

“(d) The Director shall provide the Council with such information as shall be necessary for the Council to discharge its functions under this section and shall furnish the Council with copies of all grant applications within ten days of receipt thereof.

“FUNDS AVAILABLE

“SEC. 237. There is also authorized to be appropriated not to exceed \$50,000,000 to carry out section 235 during the fiscal year 1975, and such sums as may be necessary during each of the two succeeding fiscal years, except that in no event may more than 12½ per centum of such additional amounts be used in any one State.”

42 USC 2830.

Ante, p. 2296.

ASSISTANCE FOR MIGRANT AND OTHER SEASONALLY EMPLOYED
FARMWORKERS AND THEIR FAMILIES

42 USC 2862. SEC. 6. (a) Section 312(b) (3) of the Economic Opportunity Act of 1964 is amended by striking out "and training" and inserting in lieu thereof "and developmental programs".

(b) The Economic Opportunity Act of 1964 is further amended by inserting after section 314 thereof the following new section:

"SPECIAL RESPONSIBILITIES

42 USC 2865. "SEC. 315. The Director shall be responsible for coordinating programs under this part with other Federal programs designed to assist or serve migrant and seasonal farmworkers, and for reviewing and monitoring such programs."

42 USC 2865
note.
42 USC 2861. (c) In providing financial assistance under the provisions of part B of title III of the Economic Opportunity Act of 1964, the Director shall give special consideration to any public or private nonprofit agency which has previously received financial assistance thereunder for the provision of services for migrant and other seasonally employed farmworkers and their families, taking into account financial assistance provided to any such agency under section 303 of the Comprehensive Employment and Training Act of 1973.

29 USC 873.

COMPREHENSIVE HEALTH SERVICES

SEC. 7. Title IV of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE IV—COMPREHENSIVE HEALTH SERVICES

"COMPREHENSIVE HEALTH SERVICES

Establishment.
42 USC 2901.

"SEC. 401. (a) The Secretary shall establish within the Department of Health, Education, and Welfare a 'Comprehensive Health Services' program which shall include—

"(1) programs to aid in developing and carrying out comprehensive health services projects focused upon the needs of urban and rural areas having high concentrations or proportions of poverty and marked inadequacy of health services for the poor. These projects shall be designed—

"(A) to make possible, with maximum feasible use of existing agencies and resources, the provision of comprehensive health services, such as preventive medical, diagnostic, treatment, rehabilitation, family planning, narcotic addiction and alcoholism prevention and rehabilitation, mental health, dental, and followup services, together with necessary related facilities and services, except in rural areas where the lack of even elemental health services and personnel may require simpler, less comprehensive services to be established first; and

"(B) to assure that these services are made readily accessible to low-income residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served except that pursuant to such regula-

tions as the Secretary of Health, Education, and Welfare may prescribe, persons provided assistance through programs assisted under this paragraph who are not members of low-income families may be required to make payment, or have payment made in their behalf, in whole or in part for such assistance; and

“(2) programs to provide financial assistance to public or private agencies to projects designed to develop knowledge or enhance skills in the field of health services for the poor. Such projects shall encourage both prospective and practicing health professionals to direct their talents and energies toward providing health services for the poor.

Funds for financial assistance under paragraph (1) of this subsection shall be allotted according to need, and capacity of applicants to make rapid and effective use of that assistance, and may be used as necessary, to pay the full costs of projects. Before approving any project, the Secretary shall solicit and consider the comments and recommendations of the local medical associations in the area and shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services. In carrying out the provisions of paragraph 2 of this subsection, the Secretary is authorized to provide or arrange for training and study in the field of health services for the poor.

“(c) Pursuant to regulations prescribed by him, the Secretary may arrange for the payment of stipends and allowances (including travel and subsistence expenses) for persons undergoing such training and study and for their dependents.

“(d) The Secretary shall achieve effective coordination of programs and projects authorized under this section with other related activities.

“DRUG REHABILITATION AND ALCOHOLIC COUNSELING PROGRAMS

“SEC. 402. In addition to the authority conferred under section 401 of this title the Secretary is authorized, as part of the Comprehensive Health Services program, to carry out the following programs:

42 USC 2902.

“(1) An ‘Alcoholic Counseling and Recovery’ program designed to discover and treat the disease of alcoholism. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as counselors, and emphasize the reentry of the alcoholic into society rather than the institutionalization of the alcoholic.

“(2) A ‘Drug Rehabilitation’ program designed to discover the causes of drug abuse and addiction, to treat narcotic and drug addiction and the dependence associated with drug abuse, and to rehabilitate the drug abuser and drug addict. Such program should deal with the abuse or addiction resulting from the use of narcotic drugs such as heroin, opium, and cocaine, stimulants such as amphetamines, depressants, marihuana, hallucinogens, and tranquilizers. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual drug abuser or addict, encourage the use of neighborhood facilities and the services of recovered drug abusers and addicts as counselors, and emphasize the reentry of the drug abuser and addict into society rather

than his institutionalization. The Director is authorized to undertake special programs aimed at promoting employment opportunities for rehabilitated addicts or addicts enrolled and participating in methadone maintenance treatment or therapeutic programs, and assisting employers in dealing with addiction and drug abuse and dependency problems among formerly hardcore unemployed so that they can be maintained in employment. In undertaking such programs, the Director shall give special priority to veterans and employers of significant numbers of veterans, with priority to those areas within the States having the highest percentages of addicts. The Director is further authorized to establish procedures and policies which will allow clients to complete a full course of rehabilitation even though they become non-low-income by virtue of becoming employed as a part of the rehabilitation process but there shall be no change in income eligibility criteria for initial admission to treatment and rehabilitation programs under this Act."

HEADSTART AND FOLLOW THROUGH

SEC. 8. (a) Title V of the Economic Opportunity Act of 1964 is amended by striking out the heading thereof and all of such title preceding part B thereof (which is hereby redesignated as part D) and inserting in lieu thereof the following:

Headstart-
Follow Through
Act.

"TITLE V—HEADSTART AND FOLLOW THROUGH

"SHORT TITLE

42 USC 2921.

"SEC. 501. This title may be cited as the "Headstart-Follow Through Act" (hereinafter in this title referred to as the "Act").

"STATEMENT OF PURPOSE

42 USC 2922.

"SEC. 502. In recognition of the role which Project Headstart has played in the effective delivery of comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families, the Act extends the authority for appropriation of funds for that program.

"POLICY WITH RESPECT TO INDIAN AND MIGRANT CHILDREN

42 USC 2923.

"SEC. 503. In carrying out the purposes of part A the Secretary shall continue the administrative arrangement responsible for meeting the needs of migrant and Indian children and shall assure that appropriate funding is provided to meet such needs.

"PART A—HEADSTART PROGRAMS

"FINANCIAL ASSISTANCE FOR HEADSTART PROGRAMS

42 USC 2928.

"SEC. 511. The Secretary may, upon application by an agency which is eligible for designation as a Headstart agency pursuant to section 514, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Headstart program focused primarily upon children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, nutritional, educational, social, and other services as will aid the children to attain their full potential, and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 512. There are authorized to be appropriated for carrying out the purposes of this part such sums as may be necessary for fiscal years 1975 through 1977.

42 USC 2928a.

"ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

"SEC. 513. (a) Of the sums appropriated pursuant to section 512 for any fiscal year beginning after June 30, 1975, the Secretary shall allot not more than 2 per centum among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. In addition, the Secretary shall reserve not more than 20 per centum of the sums so appropriated for use in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest satisfactory available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, and (2) the relative number of related children living with families with incomes below the poverty line in each State as compared to all States; but there shall be made available, for use by Headstart programs within each State, no less funds for any fiscal year than were obligated for use by Headstart programs within such State with respect to fiscal year 1975. Allocation of such increases within each State shall, to the extent feasible, be made in such manner as to reflect the proportionate increases in program costs incurred by grantees, in accordance with regulations which the Secretary shall prescribe for this purpose. For the purpose of this subsection, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.

42 USC 2928b.

"(b) Financial assistance extended under this part for a Headstart program shall not exceed 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this part.

"(c) No programs shall be approved for assistance under this part unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may prescribe.

"(d) The Secretary shall establish policies and procedures designed to assure that for fiscal year 1975 not less than 10 per centum of the total number of enrollment opportunities in Headstart programs in the Nation shall be available for handicapped children and that for fiscal year 1976 and thereafter no less than 10 per centum of the total number of enrollment opportunities in Headstart programs in each State shall be available for handicapped children (as defined in paragraph (1) of section 602 of the Education of the Handicapped Act) and that services shall be provided to meet their special needs. The Secretary shall report to the Congress at least annually on the status of handicapped children in Headstart programs, including the number of children being served, their handicapping conditions, and the services being provided such children.

Handicapped
children.20 USC 1401.
Report to Con-
gress.

“(e) The Secretary shall adopt appropriate administrative measures to assure that the benefits of this part will be distributed equitably between residents of rural and urban areas.

“DESIGNATION OF HEADSTART AGENCIES

42 USC 2928c.

“SEC. 514. (a) The Secretary is authorized to designate as a Headstart agency any local public or private nonprofit agency which (1) has the power and authority to carry out the purposes of this part and perform the functions set forth in section 515 within a community, and (2) is determined by the Secretary to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Headstart program.

“(b) For the purposes of this title, a community may be a city, county, multicity, or multicounty unit within a State, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organization base and possesses the commonality of interest needed to operate a Headstart program.

Priority.

“(c) In the administration of the provisions of this section, the Secretary shall give priority in the designation of Headstart agencies to any local public or private nonprofit agency which is receiving funds under any Headstart program on the date of the enactment of this Act, except that the Secretary shall, before giving such priority, determine that the agency involved meets program and fiscal requirements established by the Secretary.

“POWERS AND FUNCTIONS OF HEADSTART AGENCIES

42 USC 2928d.

“SEC. 515. (a) In order to be designated as a Headstart agency under this part, an agency must have authority under its charter or applicable law to receive and administer funds under this part, funds and contributions from private or local public sources which may be used in support of a Headstart program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Headstart program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

“(b) In order to be so designated, a Headstart agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to influence the character of programs affecting their interests, (2) provide for their regular participation in the implementation of such programs, and (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources.

“SUBMISSION OF PLANS TO GOVERNORS

42 USC 2928e.

“SEC. 516. In carrying out the provisions of this part, no contract, agreement, grant, or other assistance shall be made for the purpose of carrying out a Headstart program within a State unless a plan

setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by him to be fully consistent with the provisions and in furtherance of the purposes of this part. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of enactment of this Act.

“ADMINISTRATIVE REQUIREMENTS AND STANDARDS

“SEC. 517. (a) Each Headstart agency shall observe standards of organization, management, and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this part and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

42 USC 2928f.

Public access
to information.

“(b) No financial assistance shall be extended under the Act in any case in which the Secretary determines that the costs of developing and administering a program assisted under the Act exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such program. The Secretary shall establish by regulation, criteria for determining (i) the costs of developing and administering such program and (ii) the total costs of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 per centum and such total costs but is, in his judgment, excessive, he shall forthwith require the recipient of such financial assistance to take such steps prescribed by him as will eliminate such excessive administrative cost, including the sharing by one or more Headstart agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this paragraph for specific periods of time not to exceed six months

whenever he determines that such a waiver is necessary in order to carry out the purposes of the Act.

Rules and regulations.

“(c) The Secretary shall prescribe rules or regulations to supplement subsection (a) of this section, which shall be binding on all agencies carrying on Headstart program activities with financial assistance under this part. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. Policies and procedures shall be established to insure that indirect costs attributable to the common or joint use of facilities and services by programs assisted under this part and other programs shall be fairly allocated among the various programs which utilize such facilities and services.

Publication in Federal Register.

“(d) At least thirty days prior to their effective date, all rules, regulations, guidelines, instructions, and application forms shall be published in the Federal Register and shall be sent to each grantee with the notification that each such grantee has the right to submit comments pertaining thereto to the Secretary prior to the final adoption thereof.

“PARTICIPATION IN HEADSTART PROGRAMS

42 USC 2928g.

“SEC. 518. (a) The Secretary shall by regulation prescribe eligibility for the participation of persons in Headstart programs assisted under this part. Such criteria may provide (1) that children from low-income families shall be eligible for participation in programs assisted under this part if their families are below the poverty line, or if their families are eligible or in the absence of child care would potentially be eligible for public assistance; and (2) pursuant to such regulations as the Secretary shall prescribe that programs assisted under this part may include, to a reasonable extent, participation of children in the area served who would benefit from such programs but whose families do not meet the low-income criteria prescribed pursuant to clause (1).

“(b) The Secretary shall not prescribe any fee schedule or otherwise provide for the charging of any fees for participation in Headstart programs, unless such fees are authorized by legislation hereafter enacted. Nothing in this subsection shall be construed to prevent the families of children who participate in Headstart programs and who are willing and able to pay the full cost of such participation from doing so.

“APPEALS, NOTICE, AND HEARING

42 USC 2928h.

“SEC. 519. The Secretary shall prescribe procedures to assure that—

“(1) special notice of and an opportunity for a timely and expeditious appeal to the Secretary will be provided for an agency or organization which desires to serve as a delegate agency under this part and whose application to the Headstart agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Secretary, in accordance with regulations which he shall prescribe;

“(2) financial assistance under this part shall not be suspended, except in emergency situations, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

“(3) financial assistance under this part shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

"RECORDS AND AUDITS

"SEC. 520. (a) Each recipient of financial assistance under this part shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such financial assistance, the total cost of the project or undertaking in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

42 USC 2928i.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under this part.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 521. The Secretary may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this part, and (2) training for specialized or other personnel needed in connection with Headstart programs.

42 USC 2928j.

"RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

"SEC. 522. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this part.

42 USC 2928k.

"(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, or pilot projects and the use of all research authority under this part. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECTS
CONTRACTS

"SEC. 523. (a) The Secretary shall make a public announcement concerning—

42 USC 2928l.

"(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this title; and

"(2) the results, findings, data, or recommendations made or reported as a result of such activities.

"(b) The public announcements required by subsection (a) of this section shall be made within thirty days of making such grants or contracts, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results.

"(c) The Director shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under this title shall become the property of the United States.

"(d) The Director shall publish studies of the results of activities carried out pursuant to this title not later than ninety days after the

Studies, submitted to congressional committees.

completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such studies.

"EVALUATION

42 USC 2928m.

"SEC. 524. (a) The Secretary shall provide, directly or through grants or contracts, for the continuing evaluation of programs under this part, including evaluations that measure and evaluate the impact of programs authorized by this part, in order to determine their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluation.

"(b) Prior to obligating funds for the programs and projects covered by this part with respect to fiscal year 1976, the Secretary shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this part. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this part.

"(c) In carrying out evaluations under this part, the Secretary may require Headstart agencies to provide for independent evaluations.

"(d) In carrying out evaluations under this part, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this part about such programs and projects.

Studies and summaries, submitted to congressional committees.

"(e) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

"(f) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this part shall become the property of the United States.

"POVERTY LINE

42 USC 2928n.

Post, p. 2316.

"SEC. 525. (a) The Secretary shall revise annually (or at any shorter interval he deems feasible and desirable) a poverty line which, except as provided in section 711, shall be used as a criterion of eligibility for participation in Headstart programs.

"(b) The revision required by subsection (a) of this section shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

"(c) Revisions required by subsection (a) of this section shall be made and issued not more than thirty days after the date on which the necessary Consumer Price Index data becomes available.

"PART B—FOLLOW THROUGH PROGRAMS

"FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS

42 USC 2929.

"SEC. 551. (a) (1) The Secretary is authorized to provide financial assistance in the form of grants to local educational agencies, combinations of such agencies, and, as provided in paragraph (2) of this

subsection, any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out Follow Through programs focused primarily on children from low-income families in kindergarten and primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Headstart or similar programs.

“(2) Whenever the Secretary determines (A) that a local educational agency receiving assistance under paragraph (1) is unable or unwilling to include in a Follow Through program children enrolled in nonprofit private schools who would otherwise be eligible to participate therein, or (B) that it is otherwise necessary in order to accomplish the purposes of this section, he may provide financial assistance for the purpose of carrying out a Follow Through program to any other public or appropriate nonprofit private agency, organization, or institution.

“(3) Programs to be assisted under this section shall provide such comprehensive services as the Secretary determines will aid in the continued development of children described in paragraph (1) to their full potential. Such projects shall provide for the direct participation of the parents of such children in the development, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the project of children who are not from low-income families will serve to carry out the purposes of this section, he may provide for the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in paragraph (1) of this subsection.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 552. (a) There are authorized to be appropriated for carrying out the purposes of this part \$60,000,000 for the fiscal year 1975, and for each of the two succeeding fiscal years. Funds so appropriated shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

42 USC 2929a.

“(b) Financial assistance extended under this part for a Follow Through program shall not exceed 80 per centum of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this part.

“(c) No project shall be approved for assistance under this part unless the Secretary is satisfied that the services to be provided under such project will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.

“RESEARCH, DEMONSTRATION, AND PILOT PROJECTS; EVALUATION; AND TECHNICAL ASSISTANCE ACTIVITIES

“SEC. 553. (a) In conjunction with other activities authorized by this part, the Secretary may—

42 USC 2929b.

“(1) provide financial assistance, by contract or otherwise, for research, demonstration, or pilot projects conducted by public

or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this part;

“(2) provide, directly or through grants or contracts, for the continuing evaluation of projects assisted under this part, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects, which evaluations shall be conducted by persons not directly involved in the administration of the project evaluated; and

“(3) provide, directly or through grants or other appropriate arrangements, (A) technical assistance to Follow Through programs in developing, conducting, and administering programs under this part, and (B) training for specialized or other personnel which is needed in connection with Follow Through programs.

“SPECIAL CONDITIONS

42 USC 2929c.

“SEC. 554. (a) Recipients of financial assistance under this part shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in projects assisted under this part.

“(b) Financial assistance under this part shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken.

“(c) Financial assistance under this part shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

“PART C—GENERAL PROVISIONS

“DEFINITIONS

42 USC 2930.

“SEC. 571. As used in this title, the term—

“(1) ‘Secretary’ means the Secretary of Health, Education, and Welfare;

“(2) ‘State’ means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; except that when used in section 513(a) of this title, the term means only a State, Puerto Rico, or the District of Columbia; and

Ante, p. 2301.

“(3) ‘financial assistance’ includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

“LABOR STANDARDS

42 USC 2930a.

“SEC. 572. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this title shall be paid wages at rates not less

than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(C)).

40 USC 276a
note.

5 USC app.

40 USC 276c.

“COMPARABILITY OF WAGES

“SEC. 573. (a) The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this title shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher, or (2) less than the minimum wage rate prescribed in section 6(a) (1) of the Fair Labor Standards Act of 1938.

42 USC 2930b.

29 USC 206.

“NONDISCRIMINATION PROVISIONS

“SEC. 574. (a) The Secretary shall not provide financial assistance for any program, project, or activity under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

42 USC 2930c.

“(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this title.

42 USC 2000d-1.

42 USC 2000d-2.

“LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

“SEC. 575. No individual employed or assigned by any Headstart agency or other agency assisted under this title shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this part by such Headstart agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

42 USC 2930d.

“POLITICAL ACTIVITIES

“SEC. 576. (a) For purposes of chapter 15 of title 5 of the United States Code any agency which assumes responsibility for planning, developing, and coordinating Headstart programs and receives assist-

42 USC 2930e.

5 USC 1501.

5 USC 1502.

ance under this title shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this part shall be deemed to be a State or local agency.

“(b) Programs assisted under this title shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Secretary, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

“ADVANCE FUNDING

42 USC 2930f.

“SEC. 577. For the purpose of affording adequate notice of funding available under this title, appropriations for carrying out this part are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.”

Infra.

(b) The Economic Opportunity Act of 1964 is further amended by striking out “Director” each place it appears in sections 522 and 523 and inserting in lieu thereof “Secretary”, by striking out “and the Secretary of Health, Education, and Welfare” in section 522(d), and by striking out “their jurisdictions” in section 522(d) and inserting in lieu thereof “his jurisdiction”.

42 USC 2931-2933.

(c) Sections 521 through 523 of the Economic Opportunity Act of 1964 are redesignated as sections 581 through 583, respectively.

42 USC 5101.

(d) (1) Section 2 of the Child Abuse Prevention and Treatment Act is amended by adding at the end thereof the following new subsection:

“(c) The Secretary may carry out his functions under subsection (b) of this section either directly or by way of grant or contract.”.

42 USC 5103.

(2) Section 4 of such Act is amended by adding at the end thereof the following new subsection:

“State.”

“(e) For the purpose of this section, the term ‘State’ includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, Guam and the Trust Territories of the Pacific.”.

ADMINISTRATION

SEC. 9. (a) Section 601 of the Economic Opportunity Act of 1964 is amended to read as follows:

“COMMUNITY SERVICES ADMINISTRATION

42 USC 2941.
Ante, p. 2291.

“SEC. 601. Upon the date of enactment of the Headstart, Economic Opportunity, and Community Partnership Act of 1974, there is established within the executive branch an agency known as the ‘Community Services Administration’ which shall be headed by a Director and which shall be, in all respects and for all purposes, the successor authority to the Office of Economic Opportunity. The Director of the Administration shall be appointed by the President by and with the advice and consent of the Senate. The Director shall be compensated

at a rate equal to the rate in effect for the compensation of the Director of the Office of Economic Opportunity on the date of the enactment of such Act.

“(b) There shall also be in the Administration one Deputy Director and Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may prescribe. The Deputy Director and the Assistant Directors shall be compensated at a rate equal to the rate in effect for the Deputy Director and the Assistant Directors, respectively, of the Office of Economic Opportunity on the date of enactment of the Headstart, Economic Opportunity, and Community Partnership Act of 1974.

Ante, p. 2291.

“(c) Subject to the provisions of subsection (e) of this section, the Administration shall be an independent agency. The Director shall have the responsibility for carrying out titles I, II, III-B, VI, VII, and IX of this Act. The functions of the Director with respect to carrying out titles I, II (except section 232), III-B, VI, VII, and IX of this Act shall not be delegated to any other officer not directly responsible, both with respect to program operation and administration, to the Director. Beginning after June 15, 1975, the policymaking functions, including the final approval of grants and contracts, of the Director, shall not be delegated to any regional office or official.

Ante, p. 2292.
42 USC 2861,
2941.
Post, p. 2315,
2328.

“(d) (1) All official actions taken by the Director of the Office of Economic Opportunity, his designee, or any other person under the authority of the Economic Opportunity Act of 1964 which are in force on the date of the enactment of the Headstart, Economic Opportunity, and Community Partnership Act of 1974, and for which there is continuing authority under the provisions of this Act, shall continue in full force and effect until modified, superseded, or revoked by the Director.

42 USC 2701
note.

“(2) All references to the Office of Economic Opportunity, or to the Director of the Office of Economic Opportunity, in any statute, reorganization plan, executive order, regulation, or other official document or proceeding shall, on and after such date, be deemed to refer to the Administration, or to the Director, as the case may be.

“(3) No suit, action, or other proceeding, and no cause of action, by or against the Office of Economic Opportunity, or any action by any officer thereof acting in his official capacity, shall abate by reason of the enactment of the Headstart, Economic Opportunity, and Community Partnership Act of 1974.

“(4) Persons appointed by the President, by and with the advice and consent of the Senate, to positions in the Office of Economic Opportunity, requiring appointment by and with such advice and consent, may, if the President so desires, continue to serve in comparable positions in the Administration; but the President may submit to the Senate nominations for appointment to any or all positions in the Administration, requiring the advice and consent of the Senate.

“(e) (1) After March 15, 1975, the President may submit to the Congress a reorganization plan which, subject to the provisions of paragraph (2) of this subsection, shall take effect if such reorganization plan is not disapproved by enactment of a joint resolution which shall be considered in Congress in accordance with the provisions of paragraph (3) of this subsection and the procedures established with respect to reorganization plans by chapter 9 of title 5, United States Code, except to the extent otherwise provided in this Act.

Reorganization
plan, submittal to
Congress.

“(2) A reorganization plan submitted in accordance with the provisions of paragraph (1) shall provide—

5 USC 901.

“(A) for establishing in the Department of Health, Education, and Welfare a Community Services Administration—

“(i) which shall be headed by a Director,

“(ii) which shall be the principal agency, and the Director of which shall be the principal officer, for carrying out titles I, II, III-B, VI, and IX of this Act, and which, with respect to such provisions, shall be the successor authority to the Community Services Administration established by subsection (a) of this section,

“(iii) the Director of which shall be, in the performance of his functions, directly responsible to the Secretary, and

“(iv) in which no policymaking functions, including the final approval of grants or contracts, of the Director shall be delegated to any regional office or official.

“(B) for establishing in the Department of Commerce a Community Economic Development Administration—

“(i) which shall be headed by a Director,

“(ii) which shall be the principal agency, and the Director of which shall be the principal officer, for carrying out title VII of this Act, and which, with respect to such provisions, shall be the successor authority to the Community Services Administration established by subsection (a) of this section,

“(iii) the Director of which shall be, in the performance of his functions, directly responsible to the Secretary, and

“(iv) in which no policymaking functions, including the final approval of grants or contracts, of the Director shall be delegated to any regional office or official.

“(3) For the purpose of this subsection and chapter 9, title 5, United States Code, to the extent incorporated by this subsection, the following provisions apply:

“(A) The term ‘resolution’ means a joint resolution the matter after the resolving clause of which is: ‘That the Congress of the United States disapproves the Community Services Administration Reorganization Plan transmitted to the Congress by the President on _____, 19—.’ The blank spaces therein are to be appropriately filled.

“(B) If, prior to the passage by one House of the joint resolution of that House with respect to the reorganization plan, such House receives from the other House a joint resolution with respect to the same plan, then the following procedure applies:

“(i) If no resolution of the first House with respect to such plan has been referred to committee, no other resolution with respect to the same plan may be reported or (despite the provisions of section 912(a) of title 5, United States Code) be made the subject of a motion to discharge.

“(ii) If a resolution of the first House with respect to such plan has been referred to committee—

“(I) the procedure with respect to that or other resolutions of such House with respect to such plan which have been referred to committee shall be the same as if no resolution from the other House with respect to such plan had been received; but

“(II) on any vote on final passage of a resolution of the first House with respect to such plan the resolution from the other House with respect to such plan shall be automatically substituted for the resolution of the first House.”

Ante, p. 2292.
42 USC 2861,
2941.
Post, p. 2328.

Post, p. 2315.

5 USC 901.

“Resolution.”

“(4) The transfers authorized under subparagraphs (A) and (B) of paragraph (3) of this subsection shall be effective 30 days after the last date on which such reorganization plan could be disapproved under this subsection.

“(f) In the event that the reorganization plan pursuant to subsection (e) takes effect, the Director of the Community Services Administration and the Director of the Community Economic Development Administration shall each be appointed by the President, by and with the advice and consent of the Senate, except that the person serving as Director of the independent Community Services Administration pursuant to the advice and consent of the Senate may, if the President notifies the Congress accordingly, continue to serve as Director of the Community Services Administration within the Department of Health, Education, and Welfare; but the President may in such event submit to the Senate a nomination for such position.

“(g) In the event that the reorganization plan pursuant to subsection (e) of this section takes effect, on the effective date thereof the property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions of the Director of the independent Community Services Administration, established by subsection (a) of this section, shall be transferred to the Director of the Community Services Administration, within the Department of Health, Education, and Welfare and to the Director of the Economic Development Administration within the Department of Commerce, as appropriate. All grants, applications for grants, contracts, and other agreements awarded or entered into by the Director of the independent Community Services Administration shall continue to be recognized so that there is no disruption of ongoing activities for which there is continuing authority.

“(h) (1) In the event that the reorganization plan pursuant to subsection (e) of this section takes effect, on the effective date thereof all Federal personnel employed by the independent Community Services Administration under the authorization and appropriations for the Economic Opportunity Act of 1964, transferred to the Community Services Administration within the Department of Health, Education, and Welfare or to the Community Economic Development Administration within the Department of Commerce shall, to the extent feasible, be assigned to related functions and organizational units in the appropriate Administration, without loss of salary, rank, or other benefits, including the right to representation and to the existing basic collective-bargaining agreement.

42 USC 2701
note.

“(2) In the event that the reorganization plan pursuant to subsection (e) of this section takes effect, on the effective date thereof all official actions taken by the Director of the independent Community Services Administration, his designee, or any other person under the authority of the Economic Opportunity Act of 1964 which are in force on such date, and for which there is continuing authority under the provisions of this Act, shall continue in full force and effect until modified, superseded, or revoked by the Director of the Community Services Administration within the Department of Health, Education and Welfare or the Director of the Community Economic Development Administration within the Department of Commerce, as appropriate.

“(3) In the event that the reorganization plan submitted pursuant to subsection (e) of this section takes effect, on the effective date thereof all references to the independent Community Services Administration or to the Director of that Administration in any statute, reorganization plan, executive order, regulation, or other official docu-

ment or proceeding shall, on and after such date, be deemed to refer to the Community Services Administration within the Department of Health, Education and Welfare, or the Director of the Community Economic Development Administration, in the Department of Commerce as appropriate, or to the Director of either such Administration, as the case may be.

“(4) In the event that the reorganization plan submitted pursuant to subsection (e) of this section takes effect, on the effective date thereof no suit, action, or other proceeding, and no cause of action, by or against the independent Community Services Administration, or any action by any officer thereof acting in his official capacity, shall abate by reason of the taking effect of such plan.”

Repeal.
42 USC 2942
note.

(b) Section 28 of the Economic Opportunity Amendments of 1972 (86 Stat. 705, September 19, 1972) is repealed effective on the date on which a reorganization plan is effective under subsection (c) of this section.

42 USC 2701
note.

(c) The Economic Opportunity Act of 1964 is further amended by—

42 USC 2942.

(1) striking out “Office of Economic Opportunity” and “Office” each time that they appear in section 602(d) and inserting in lieu thereof “Community Services Administration”;

42 USC 2943.

(2) striking out “Office of Economic Opportunity” in section 603(c) and inserting in lieu thereof “Community Services Administration”;

42 USC 2945.

(3) striking out “in the Office” in section 605(a) and inserting in lieu thereof “in the Community Services Administration”;

42 USC 2974.

(4) striking out “Office of Economic Opportunity” in section 632(2) and inserting in lieu thereof “Community Services Administration”;

42 USC 2979.

(5) striking out “of the Office of Economic Opportunity” in section 637(b)(2), and inserting in lieu thereof “of the Community Services Administration”; and

Repeal.
42 USC 2949.

(6) repealing section 609 of such Act.

(d) Section 625 of the Economic Opportunity Act of 1964 is amended to read as follows:

“CRITERIA FOR DETERMINING ELIGIBILITY

42 USC 2971d.

“SEC. 625. (a) Every agency administering programs authorized by this Act in which the poverty line is a criterion of eligibility shall revise the poverty line at annual intervals, or at any shorter interval it deems feasible and desirable.

“(b) The revision required by subsection (a) of this section shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

“(c) Revisions required by subsection (a) of this section shall be made and issued not more than thirty days after the date on which the necessary consumer price index data becomes available.”

“(e) The Economic Opportunity Act of 1964 is further amended by inserting after section 625 the following new sections:

“CRIMINAL PROVISIONS

42 USC 2971f.

“SEC. 626. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under this Act embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of

assistance pursuant to this Act, shall be fined not more than \$10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

“(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under this Act induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

“WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

“SEC. 627. Upon notice from the Secretary of the Treasury or his delegate that any person otherwise entitled to receive a payment made pursuant to a grant, contract, agreement, loan or other assistance made or entered into under this Act is delinquent in paying or depositing (1) the taxes imposed on such person under chapters 21 and 23 of the Internal Revenue Code of 1954, or (2) the taxes deducted and withheld by such person under chapters 21 and 24 of such Code, the Director shall suspend such portion of such payment due to such person, which, if possible, is sufficient to satisfy such delinquency, and shall not make or enter into any new grant, contract, agreement, loan or other assistance under this Act with such person until the Secretary of the Treasury or his delegate has notified him that such person is no longer delinquent in paying or depositing such tax or the Director determines that adequate provision has been made for such payment. In order to effectuate the purpose of this section on a reasonable basis the Secretary of the Treasury and the Director shall consult on a quarterly basis.”

42 USC 2971g.

26 USC 3101,
3301.
26 USC 3401.

COMMUNITY ECONOMIC DEVELOPMENT

SEC. 10. (a) Title VII of the Economic Opportunity Act of 1964 is amended to read as follows:

“TITLE VII—COMMUNITY ECONOMIC DEVELOPMENT

“STATEMENT OF PURPOSE

“SEC. 701. The purpose of this title is to encourage the development of special programs by which the residents of urban and rural low-income areas may, through self-help and mobilization of the community at large, with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elimination of poverty and the establishment of permanent economic and social benefits.

42 USC 2981.

“DEFINITION

“SEC. 702. As used in this title the term ‘community development corporation’ means a nonprofit organization responsible to residents of the area it serves which is receiving financial assistance under part A of this title and any organization more than 50 per centum of which is owned by such an organization, or otherwise controlled by such an organization, or designated by such an organization for the purpose of this title.

42 USC 2981a.

“AUTHORIZATION OF APPROPRIATIONS

42 USC 2981b.

“SEC. 703. For the purpose of carrying out this title, there are authorized to be appropriated \$39,000,000 and such additional sums as may be necessary for fiscal year 1975 and such sums as may be necessary for each of the two succeeding fiscal years.

“PART A—URBAN AND RURAL SPECIAL IMPACT PROGRAMS

“STATEMENT OF PURPOSE

42 USC 2982.

“SEC. 711. The purpose of this part is to establish special programs of assistance to nonprofit private locally initiated community development corporations which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) within those urban and rural areas having concentrations or substantial numbers of low-income persons; (2) are of sufficient size, scope, and duration to have an appreciable impact in such communities, neighborhoods, and rural areas in arresting tendencies toward dependency, chronic unemployment, and community deterioration; (3) hold forth the prospect of continuing to have such impact after the termination of financial assistance under this part, and (4) provide financial and other assistance to start, expand, or locate enterprises in or near the area to be served so as to provide employment and ownership opportunities for residents of such areas, including those who are disadvantaged in the labor market because of their limited speaking, reading, and writing abilities in the English language.

“ESTABLISHMENT AND SCOPE OF PROGRAMS

42 USC 2982a.

“SEC. 712. (a) The Director is authorized to provide financial assistance in the form of grants to nonprofit and for profit community development corporations and other affiliated and supportive agencies and organizations associated with qualifying community development corporations for the payment of all or part of the cost of programs which are designed to carry out the purposes of this part. Financial assistance shall be provided so that each community economic development program is of sufficient size, scope, and duration to have an appreciable impact on the area served. Such programs may include—

“(1) community economic and business development programs, including but not limited to: (A) programs which provide financial and other assistance (including equity capital) to start, expand, or locate businesses in or near the area served so as to provide employment and ownership opportunities for residents of such areas, and (B) programs for small businesses located in or owned by residents of such areas;

“(2) community development including industrial parks and housing activities which contribute to an improved environment and which create new training, employment, and ownership opportunities for residents of such area;

“(3) training and public service employment programs and related services for unemployed or low-income persons which support and complement community development programs financed under this part, including, without limitation, activities such as those described in the Comprehensive Employment and Training Act of 1973; and

“(4) social service programs which support and complement community economic development programs financed under this part, including but not limited to child care, educational services,

health services, credit counseling, energy conservation, and programs for the maintenance of housing facilities.

“(b) The Director shall conduct programs assisted under this part so as to contribute, on an equitable basis between urban and rural areas, to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.

“FINANCIAL ASSISTANCE REQUIREMENTS

“SEC. 713. (a) The Director, under such regulations as he may establish, shall not provide financial assistance for any community economic development program under this part unless he determines that—

42 USC 2982b.

“(1) such community development corporation is responsible to residents of the area served (i) through a governing body not less than 50 per centum of the members of which are area residents and (ii) in accordance with such other guidelines as may be established by the Director, except that the composition of the governing bodies of organizations owned or controlled by the community development corporation need not be subject to such residency requirement;

“(2) the program will be appropriately coordinated with local planning under this title, with housing and community development programs, with employment and training programs, and with other relevant planning for physical and human resources in the areas served;

“(3) adequate technical assistance is made available and committed to the programs being supported;

“(4) such financial assistance will materially further the purposes of this part;

“(5) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met;

“(6) all projects and related facilities will, to the maximum feasible extent, be located in the areas served;

“(7) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses and housing, cooperatively or otherwise, by residents of the area served;

“(8) projects will be planned and carried out with the fullest possible participation of resident or local businessmen and representatives of financial institutions, including participation through contract, joint venture, partnership, stock ownership or membership on the governing boards or advisory councils of such projects consistent with the self-help purposes of this title;

“(9) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

“(10) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal or other funds in connection with work that would otherwise be performed;

“(11) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

“(12) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

“(13) preference will be given to low-income or economically disadvantaged residents of the areas served in filling jobs and training opportunities; and

“(14) training programs carried out in connection with projects financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities, neighborhoods, or rural areas other than those for which programs are established under this part.

“(b) Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in an increase in unemployment in the area of original location.

“(c) The level of financial assistance for related purposes under this Act, or any other program for Federal financial assistance, to the area served by a special impact program shall not be diminished in order to substitute funds authorized by this part.

“FEDERAL SHARE OF PROGRAM COSTS

42 USC 2982c.

“SEC. 714. Federal assistance to any program carried out pursuant to this part, including grants used by community development corporations for capital improvements, shall (1) not exceed 90 per centum of the cost of such program including costs of administration unless the Director determines that the assistance in excess of such percentage is required in furtherance of the purposes of this part, and (2) be made available for deposit to the order of the grantee, under conditions which the Director deems appropriate, within thirty days following approval of the grant agreement by the Director and such grantee of the grant agreement. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. Capital investments made with funds granted as a result of the Federal share of the costs of programs carried out under this title, and the proceeds from such capital investments, shall not be considered Federal property. Upon investment, title rights vest in the community development corporation. The Federal Government retains the right to direct that on severance of the grant relationship the assets purchased continue to be used for the original purpose for which they were granted.

“PART B—SPECIAL RURAL PROGRAMS

“STATEMENT OF PURPOSE

42 USC 2983.

“SEC. 721. It is the purpose of this part to meet the special economic needs of rural communities or areas with concentrations or substantial numbers of low-income persons by providing support to self-help programs which promote economic development and independence, as a supplement to existing similar programs conducted by other departments and agencies of the Federal Government. Such programs should encourage low-income families to pool their talents and resources so as to create and expand rural economic enterprise.

“FINANCIAL ASSISTANCE

42 USC 2983a.

“SEC. 722. (a) The Director is authorized to provide financial assistance, including loans having a maximum maturity of 15 years and in amounts not resulting in an aggregate principal indebtedness of more than \$3,500 at any one time, to any low-income rural family where, in the judgment of the Director, such financial assistance has a reasonable possibility of effecting a permanent increase in the income of

such families, or will contribute to the improvement of their living or housing conditions, by assisting or permitting them to—

“(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon;

“(2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment; or

“(3) participate in cooperative associations, or to finance non-agricultural enterprises which will enable such families to supplement their income.

“(b) The Director is authorized to provide financial assistance to local cooperative associations in rural areas containing concentrations or substantial numbers of low-income persons for the purpose of defraying all or part of the costs of establishing and operating cooperative programs for farming, purchasing, marketing, processing, and to improve their income as producers and their purchasing power as consumers, and to provide such essentials as credit and health services. Costs which may be defrayed shall include but not be limited to—

“(1) administrative costs of staff and overhead;

“(2) costs of planning and developing new enterprises;

“(3) costs of acquiring technical assistance; and

“(4) initial capital where it is determined by the Director that the poverty of the families participating in the program and the social conditions of the rural area require such assistance.

“LIMITATION ON ASSISTANCE

“SEC. 723. (a) No financial assistance shall be provided under this part unless the Director determines that—

42 USC 2983b.

“(1) any cooperative association receiving assistance has a minimum of fifteen active members, a majority of which are low-income rural persons;

“(2) adequate technical assistance is made available and committed to the programs being supported;

“(3) such financial assistance will materially further the purposes of this part; and

“(4) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met.

“(b) The level of financial assistance for related purposes under this Act to the area served by a program under this part shall not be diminished in order to substitute funds authorized by this part.

“PART C—DEVELOPMENT LOANS TO COMMUNITY ECONOMIC DEVELOPMENT PROGRAMS

“DEVELOPMENT LOAN FUND

“SEC. 731. (a) The Director is authorized to make or guarantee loans (either directly or in cooperation with banks or other organizations through agreements to participate on an immediate or deferred basis) to community development corporations, and families and local cooperatives eligible for financial assistance under this title, for business, housing, and community development projects which the Director determines will carry out the purposes of this part. No loans, guarantees, or other financial assistance shall be provided under this section unless the Director determines that—

42 USC 2984.

“(1) there is reasonable assurance of repayment of the loan;

“(2) the loan is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs; and

“(3) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made.

Interest rate on loans.

Loans made by the Director pursuant to this section shall bear the interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes, except that, for the five years following the date in which funds are initially available to the borrower, the rate of interest shall be set at a rate considered appropriate by the Director in light of the particular needs of the borrower which rate shall not be lower than 1 per centum. All such loans shall be repayable within a period of not more than thirty years.

“(b) The Director is authorized to adjust interest rates, grant moratoriums on repayment of principal and interest, collect or compromise any obligations held by him, and to take such other actions in respect to such loans as he shall determine to be necessary or appropriate, consistent with the purposes of this section.

“(c) (1) To carry out the lending and guaranty functions authorized under this part, there shall be established a Development Loan Fund consisting of two separate accounts, one of which shall be a revolving fund called the Rural Development Loan Fund and the other of which shall be a revolving fund called the Community Development Loan Fund. The capital of each such revolving fund shall remain available until expended.

42 USC 2841.

“(2) The Rural Development Loan Fund shall consist of the remaining funds provided for in part A of title III of this Act and such amounts as may be deposited in such Fund by the Director out of funds made available from appropriations for the purposes of carrying out this part. The Director shall utilize the services of the Farmers Home Administration in administering the Fund.

Ante, p. 2318.

“(3) The Community Development Loan Fund shall consist of such amounts as may be deposited in such fund by the Secretary out of funds made available from appropriations for the purpose of carrying out this subchapter. The Secretary may make deposits in the Community Development Loan Fund in any fiscal year in which he has made available for grants to community development corporations under part B of this title not less than \$60,000,000 out of funds made available from appropriations for the purpose of carrying out this title.

“ESTABLISHMENT OF MODEL COMMUNITY ECONOMIC DEVELOPMENT FINANCE CORPORATION

42 USC 2984a.

“SEC. 732. (a) To the extent he deems appropriate, the Director shall utilize funds available under this part to prepare a plan of action for the establishment of a Model Community Economic Development Finance Corporation to provide a user-controlled independent and professionally operated long-term financing vehicle with the principal purpose of providing financial support for community economic development corporations, cooperatives, other affiliated and supportive agencies and organizations associated with community economic development corporations, and other entities eligible for assistance under this title.

“(d) Not later than June 1, 1975, the Director shall submit to the appropriate committees of the Congress the plan required by this section. Plan, submitted to congressional committees.

“PART D—SUPPORTIVE PROGRAMS AND ACTIVITIES

“TRAINING AND TECHNICAL ASSISTANCE

“SEC. 741. (a) The Director shall provide, directly or through grants, contracts or other arrangements, such technical assistance and training of personnel as may be required to effectively implement the purposes of this title. No financial assistance shall be provided to any public or private organization under this section unless the Director provides the beneficiaries of these services with opportunity to participate in the selection of and to review the quality and utility of the services furnished them by such organization.

42 USC 2985.

“(b) Technical assistance to community development corporations and both urban and rural cooperatives may include planning, management, legal preparation of feasibility studies, product development, marketing, and the provision of stipends to encourage skilled professionals to engage in full-time activities under the direction of a community organization financially assisted under this title.

“(c) Training for employees of community development corporations and for employees and members of urban and rural cooperatives shall include, but not be limited to, on-the-job training, classroom instruction, and scholarships to assist them in development, managerial, entrepreneurial, planning, and other technical and organizational skills which will contribute to the effectiveness of programs assisted under this subchapter.

“APPLICATIONS OF OTHER FEDERAL RESOURCES—SMALL BUSINESS ADMINISTRATION PROGRAMS

“SEC. 742. (a) (1) Funds granted under this part which are invested directly or indirectly, in a small business investment company or a local development company, limited small business investment company shall be included as “private paid-in capital and paid-in surplus,” “combined paid-in capital and paid-in surplus,” and “paid-in capital” for purposes of sections 302, 303, and 502, respectively, of the Small Business Investment Act of 1958.

42 USC 2985a.

“(2) Within ninety days of the enactment of this title, the Administrator of the Small Business Administration, after consultation with the Secretary, shall prescribe such regulations as may be necessary and appropriate to insure the availability to community development corporations of such programs as shall further the purposes of this part.

15 USC 682,
683, 696.
Regulations.

“(b) (1) Areas selected for assistance under this title shall be deemed ‘redevelopment areas’ within the meaning of section 401 of the Public Works and Economic Development Act of 1965, shall qualify for assistance under the provisions of title I and title II of that Act, and shall be deemed to have met the overall economic development program requirements of section 202(b) (10) of such Act.

Redevelopment
areas.
42 USC 3161.

42 USC 3131,
3141.

42 USC 3142.

“(2) Within ninety days of the enactment of this title, the Secretary shall prescribe regulations which will insure that community development corporations and cooperatives shall qualify for assistance and shall be eligible to receive such assistance under all such programs of the Economic Development Administration as shall further the purposes of this title.

“DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS

42 USC 2985b. “SEC. 743. The Secretary of Housing and Urban Development, after consultation with the Director, shall take all necessary steps to assist community development corporations and local cooperative associations to qualify for and receive (1) such assistance in connection with technical assistance, counseling to tenants and homeowners, and loans to sponsors of low- and moderate-income housing under section 106 of the Housing and Urban Development Act of 1968 as amended by section 811 of the Housing and Community Development Act of 1974, (2) such land for housing and business location and expansion under title I of the Housing and Community Development Act of 1974, and (3) such funds for comprehensive planning under section 701 of the Housing Act of 1954 as amended by section 401 of the Housing and Community Development Act of 1974, as shall further the purposes of this Act.

12 USC 1701x.
Ante, p. 735.

Ante, p. 633.

40 USC 461.
Ante, p. 686.

“DEPARTMENT OF AGRICULTURE AND FARMERS HOME ADMINISTRATION PROGRAMS

42 USC 2985c. “SEC. 744. (a) The Secretary of Agriculture or, where appropriate, the Administrator of the Farmers Home Administration, after consultation with the Director, shall take all necessary steps to insure that community development corporations and local cooperative associations shall qualify for and shall receive (1) such assistance in connection with housing development under the Housing Act of 1949, (2) such assistance in connection with housing, business, industrial, and community development under the Consolidated Farmers Home Administration Act of 1961 and the Rural Development Act of 1972, and (3) such further assistance under all such programs of the United States Department of Agriculture, as shall further the purposes of this title.

42 USC 1441
note.

7 USC 1921
note.

Report to Congress.

“(b) On or before six months after the enactment of this title, and annually thereafter, the Secretary shall submit to the Congress a detailed report setting forth a description of all Federal agency programs which he finds relevant to achieving the purposes of this part and the extent to which such programs have been made available to community development corporations receiving financial assistance under this part including specifically the availability and effectiveness of programs referred to in subsection (a) of this section. Where appropriate, the report required under this subsection also shall contain recommendations for the more effective utilization of Federal agency programs for carrying out the purposes of this title.

“COORDINATION AND ELIGIBILITY

42 USC 2985d. “SEC. 745. (a) The Director shall take all necessary and appropriate steps to encourage Federal departments and agencies and State and local governments to make grants, provide technical assistance, enter into contracts, and generally support and cooperate with community development corporations and local cooperative associations.

“(b) Eligibility for assistance under other Federal programs shall not be denied to any applicant on the ground that it is a community development corporation or any other entity assisted under this title.

“EVALUATION AND RESEARCH

42 USC 2985e. “SEC. 746. (a) Each program for which grants are made under this title shall provide for a thorough evaluation of the effectiveness of the program in achieving its purposes, which evaluation shall be conducted

by such public or private organizations as the Director, in consultation with existing grantees familiar with programs carried out under this Act, may designate, and all or part of the costs of evaluation may be paid from funds appropriated to carry out this part. In evaluating the performance of any community development corporation funded under part A of this title, the criteria for evaluation shall be based upon such program objectives, goals, and priorities as are consistent with the purposes of this title and were set forth by such community development corporation in its proposal for funding as approved and agreed upon by the Director or as subsequently modified from time to time by mutual agreement between the Director and such community development corporation.

“(b) The Director shall conduct, either directly or through grants or other arrangements, research designed to suggest new programs and policies to achieve the purposes of this title in such ways as to provide opportunities for employment, ownership, and a better quality of life for low-income residents.

“PLANNING GRANTS

“SEC. 747. In order to facilitate the purposes of this title, the Director is authorized to provide financial assistance to any public or private nonprofit agency or organization for planning of community economic development programs and cooperative programs under this title.

42 USC 2985f.

“NONDISCRIMINATION PROVISIONS

“SEC. 748. (a) The Director shall not provide financial assistance for any program, project, or activity under this title unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

42 USC 2985g.

“(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this title. The Director shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this title.”

42 USC 2000d-1.

42 USC 2000d-2.

NATIVE AMERICAN PROGRAMS

SEC. 11. The Economic Opportunity Act of 1964 is further amended by inserting after title VII thereof the following new title VIII:

Native American Programs Act of 1974.

“TITLE VIII—NATIVE AMERICAN PROGRAMS

“SHORT TITLE

42 USC 2991. “SEC. 801. This title may be cited as the ‘Native American Programs Act of 1974’.

“STATEMENT OF PURPOSE

42 USC 2991a. “SEC. 802. The purpose of this title is to promote the goal of economic and social self-sufficiency for American Indians, Hawaiian Natives and Alaskan Natives.

“FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

42 USC 2991b. “SEC. 803. (a) The Secretary is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, and such public and nonprofit private agencies serving Hawaiian Natives, and Indian organizations in urban or rural nonreservation areas, for projects pertaining to the purposes of this title. In determining the projects to be assisted under this title, the Secretary shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible.

43 USC 1061
note.

“(b) Financial assistance extended to an agency under this title shall not exceed 80 per centum of the approved costs of the assisted project, except that the Secretary may approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this title.

“(c) No project shall be approved for assistance under this title unless the Secretary is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Secretary may waive this requirement in any case in which he determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of this title.

“TECHNICAL ASSISTANCE AND TRAINING

42 USC 2991c. “SEC. 804. The Secretary may provide, directly or through other arrangements, (1) technical assistance to public and private agencies in developing, conducting, and administering projects under this title, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title.

“RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

42 USC 2991d. “SEC. 805. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot proj-

ects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title.

“(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

“ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, OR PILOT PROJECTS

“SEC. 806. (a) The Secretary shall make a public announcement concerning—

42 USC 2991e.

“(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency for a research, demonstration, or pilot project; and

“(2) except in cases in which the Secretary determines that it would not be consistent with the purposes of this title, the results, findings, data, or recommendations made or reported as a result of such activities.

“(b) The public announcements required by subsection (a) shall be made within thirty days of making such grants or contracts, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results.

“SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

“SEC. 807. (a) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out on or in an Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

42 USC 2991f.

“(b) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village or Hawaiian Homestead, unless the Secretary has notified the chief executive officer of the State of his decision to provide that assistance.

“(c) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan Native village, or Hawaiian Homestead, unless the Secretary has notified the local governing officials of the political subdivision of his decision to provide that assistance.

“RECORDS AND AUDITS

“SEC. 808. (a) Each agency which receives financial assistance under this title shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other

42 USC 2991g.

sources, and such other records as will facilitate an effective audit.

“(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any agency which receives financial assistance under this title that are pertinent to the financial assistance received under this title.

“APPEALS, NOTICE, AND HEARING

42 USC 2991h.

“SEC. 809. The Secretary shall prescribe procedures to assure that—

“(1) financial assistance under this title shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

“(2) financial assistance under this title shall not be terminated, and application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

“EVALUATION

42 USC 2992.

“SEC. 810. (a) The Secretary shall provide, directly or through grants or contracts, for the evaluation of projects assisted under this title, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated.

“(b) Prior to obligating funds for the programs and projects covered by this title with respect to fiscal year 1976, the Secretary shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this title. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this title.

“(c) In carrying out evaluations under this title, the Secretary may require agencies which receive assistance under this title to provide for independent evaluations.

“(d) In carrying out evaluations under this title, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this title about such programs and projects.

“(e) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

“(f) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this title shall become the property of the United States.

Studies and
summaries, sub-
mittal to congress-
sional commit-
tees.

“LABOR STANDARDS

“SEC. 811. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this title, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

42 USC 2992a.

40 USC 276a
note.

5 USC app.

42 USC 276c.

“DELEGATION OF AUTHORITY

“SEC. 812. (a) The Secretary is authorized to delegate to the heads of other departments and agencies of the Federal Government any of his functions, powers, and duties under this title, as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

42 USC 2992b.

“(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this title.

“(c) Funds appropriated for the purpose of carrying out this title may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are authorized and appropriated.

“DEFINITIONS

“SEC. 813. As used in this title, the term—

42 USC 2992c.

“(1) ‘financial assistance’ includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

“(2) ‘Indian reservation or Alaskan Native village’ includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaskan Natives or Alaskan Native organizations under the Alaska Native Claims Settlement Act;

“(3) ‘Native Hawaiian’ means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.

“AUTHORIZATION OF APPROPRIATIONS

“SEC. 814. There are authorized to be appropriated for the purpose of carrying out the provisions of this title, such sums as may be necessary for fiscal years 1975 through 1977.”

42 USC 2992d.

EVALUATION

SEC. 12. Title IX of the Economic Opportunity Act of 1964 is amended to read as follows:

“TITLE IX—EVALUATION

“PROGRAM AND PROJECT EVALUATION

42 USC 2995.

“SEC. 901. (a) (1) The Director shall, directly or through grants or contracts, measure and evaluate the impact of all programs authorized by this Act and of poverty-related programs authorized by other Acts, in order to determine their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated.

Ante, p. 2294.

“(2) In carrying out his responsibilities under this section, the Director, in the case of research, demonstrations, and related activities carried out under title I of this Act, shall, after taking into consideration the views of State agencies and community action agencies designated pursuant to section 210 of this Act, on an annual basis—

“(A) reassess priorities to which such activities should be directed; and

Ante, p. 2292.

“(B) review present research, demonstration, and related activities to determine, in terms of the purpose specified for such activities in section 102(a) of this Act, whether and on what basis such activities should be continued, revised, or terminated.

Report to congressional committees.

“(3) The Director shall, within 12 months after the date of enactment of this Act, and on each April 1 thereafter, prepare and furnish to the appropriate committees of the Congress a complete report on the determination and review carried out under paragraph (2) of this subsection, together with such recommendations, including any recommendations for additional legislation, as he deems appropriate.

“(b) Prior to obligating funds for the programs and projects covered by this Act with respect to fiscal year 1976, the Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this Act. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under any section of this Act. Reports submitted pursuant to section 608 of this Act shall describe the actions taken as a result of these evaluations.

42 USC 2948.

“(c) In carrying out evaluations under this title, the Director shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this Act about such programs and projects, and shall consult, when appropriate, with State agencies and community action agencies designated pursuant to section 210, in order to provide for jointly sponsored objective evaluation studies on a State or areawide basis.

Studies and summaries, submittal to congressional committees.

“(d) The Director shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Director shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

“(e) The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this Act shall become the property of the United States.

“COOPERATION OF AND CONSULTATION WITH OTHER FEDERAL AGENCIES

“SEC. 902. (a) Such information and cooperation as the Director may deem necessary for purposes of the evaluations conducted under this title shall be made available to him, upon request, by the agencies of the executive branch.

42 USC 2995a.

“(b) In carrying out evaluations under this title, the Director shall consult with the heads of other Federal agencies carrying out activities related to the subject matter of those evaluations.

“VALUATION BY OTHER ADMINISTERING AGENCIES

“SEC. 903. The head of any agency administering a program authorized under this Act may, with respect to such program, conduct evaluations and take other actions authorized under this title to the same extent and in the same manner as the Director under this part. Nothing in this section shall preclude the Director from conducting such evaluations or taking such actions otherwise authorized under this title with respect to such programs.”

42 USC 2995b.

CONGRESSIONAL REVIEW

SEC. 13. (a) The Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor shall conduct joint study which shall include—

42 USC 2981
note.

(1) a consideration of an appropriate administrative agency for the conduct of programs after July 1, 1975, under title VII of the Economic Opportunity Act,

Ante, p. 2315.

(2) review the extent to which programs and activities conducted under title VII of the Economic Opportunity Act meet the overall need in the Nation for community economic development programs and the resources available from public and private funds in meeting those needs, and

(3) the extent to which there is maximum utilization of the resources of all Federal agencies having responsibilities under title VII of the Economic Opportunity Act, and other public and private agencies and organizations.

(b) The Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor shall submit such reports as they deem appropriate on their findings, together with any recommendations for further legislation, not later than one year after enactment of this title.

Report.

EXTENSION OF PROGRAM AUTHORITY

SEC. 14. (a) Sections 245, 321, and 615 of the Economic Opportunity Act of 1964, are each amended by striking out “eight succeeding fiscal years” and inserting in lieu thereof “eleven succeeding fiscal years”.

42 USC 2837,
2871, 2965.

(b) Section 523 of such Act (redesignated as section 583 by section 3(c) of this Act) is amended by striking out “seven succeeding fiscal years” and inserting in lieu thereof “ten succeeding fiscal years”.

42 USC 2933.

AUTHORIZATION OF APPROPRIATIONS

SEC. 15. (a) (1) For the purpose of carrying out title I, title II, title III, title IV, title V, title VI, title VII, title VIII, and title IX of the Economic Opportunity Act of 1964, there are authorized to be

42 USC 2707.

Ante, p. 2292.
42 USC 2841.
Ante, pp. 2298-
2328.

appropriated such sums as may be necessary for each of the fiscal years 1975 through 1977.

42 USC 2808.

(2) For the purpose of carrying out the programs authorized under section 221 there is authorized to be appropriated \$330,000,000 for the fiscal year 1975 and such sums as may be necessary for each of the two succeeding fiscal years.

42 USC 2701
note.

(b) Unless the Congress has passed or formally rejected legislation extending the authorizations of appropriations for carrying out any title of the Economic Opportunity Act of 1964 specified in subsection (a) of this section, or adopts a concurrent resolution providing that the provisions of this subsection shall not apply, the authorizations of appropriations specified in subsection (a) are hereby automatically extended for one additional fiscal year beyond the terminal year specified in the Economic Opportunity Act of 1964 or in this section.

REPEALER

42 USC 2705.

SEC. 16. (a) Section 115 of the Economic Opportunity Amendments of 1969 is repealed.

42 USC 2703.

(b) Section 301 of the Economic Opportunity Amendments of 1967 is repealed.

Approved January 4, 1975.

Public Law 93-645

January 4, 1975
[H. R. 14689]

AN ACT

To provide for a plan for the preservation, interpretation, development, and use of the historic, cultural, and architectural resources of the Lowell Historic Canal District in Lowell, Massachusetts, and for other purposes.

Lowell Historic
Canal District
Commission.
Establishment.
16 USC 461
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of preserving and interpreting for the educational and inspirational benefit of present and future generations the unique and significant contribution to our national heritage of certain historic and cultural lands, waterways, and edifices in the city of Lowell, Massachusetts (the cradle of the industrial revolution in America as well as America's first planned industrial city) with emphasis on harnessing this unique urban environment for its educational value as well as for recreation, there is hereby established the Lowell Historic Canal District Commission (hereinafter referred to as the "Commission"), the purpose of which shall be to prepare a plan for the preservation, interpretation, development, and use, by public and private entities, of the historic, cultural, and architectural resources of the Lowell Historic Canal District in the city of Lowell, Massachusetts.

Membership.
16 USC 461
note.

SEC. 2. (a) The Commission shall consist of nine members, as follows:

(1) the Secretary of the Interior, the Secretary of Housing and Urban Development, the Secretary of Transportation, and the Secretary of Commerce, all ex officio; and

(2) five members appointed by the Secretary of the Interior, one of whom shall be the Director of the National Park Service, two of whom shall be appointed from recommendations submitted by the manager of the city of Lowell, and two of whom shall be appointed from recommendations submitted by the Governor of the Commonwealth of Massachusetts. The members appointed pursuant to this paragraph shall have knowledge and experience in one or more of the fields of history, architecture, the arts, recreation planning, city planning, or government.

(b) Each member of the Commission specified in paragraph (1) of subsection (a) and the Director of the National Park Service may designate an alternate official to serve in his stead. Members appointed pursuant to paragraph (2) of subsection (a) who are officers or employees of the Federal Government, the city of Lowell, or the Commonwealth of Massachusetts, shall serve without compensation as such. Other members, when engaged in activities of the Commission, shall be entitled to compensation at the rate of not to exceed \$100 per diem. All members of the Commission shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Commission.

SEC. 3. (a) The Commission shall elect a Chairman from among its members. Financial and administrative services (including those relating to budgeting, accounting, financial reporting, personnel, and procurement) shall be provided for the Commission by the General Services Administration, for which payments shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator, General Services Administration: *Provided*, That the regulations of the Department of the Interior for the collection of indebtedness of personnel resulting from erroneous payments shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Secretary for the administrative control of funds shall apply to appropriations of the Commission: *And provided further*, That the Commission shall not be required to prescribe such regulations.

16 USC 461
note.

Regulations.

(b) The Commission shall have power to appoint and fix the compensation of such additional personnel as may be necessary to carry out its duties, without regard to the provisions of the civil service laws and the Classification Act of 1949.

5 USC 5101 *et*
seq., 5331 *et seq.*

(c) The Commission may also procure, without regard to the civil service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the executive departments by section 15 of the Administrative Expenses Act of 1946, but at rates not to exceed \$100 per diem for individuals.

5 USC 3109.

(d) The members of the Commission specified in paragraph (1) of section 2(a) shall provide the Commission, on a reimbursable basis, with such facilities and services under their jurisdiction and control as may be needed by the Commission to carry out its duties, to the extent that such facilities and services are requested by the Commission and are otherwise available for that purpose. To the extent of available

appropriations, the Commission may obtain, by purchase, rental, donation, or otherwise, such additional property, facilities, and services as may be needed to carry out its duties. Upon the termination of the Commission all property, personal and real, and unexpended funds shall be transferred to the Department of the Interior.

Plan, submitted
to Congress.
16 USC 461
note.

SEC. 4. It shall be the duty of the Commission to prepare the plan referred to in the first section of this Act, and to submit the plan together with any recommendations for additional legislation, to the Congress not later than two years from the effective date of this Act. The plan for the Lowell Historic Canal District shall include considerations and recommendations, without limitation, regarding (1) the objectives to be achieved by the establishment, development, and operation of the area; (2) the types of use, both public and private, to be accommodated; (3) criteria for the design and appearance of buildings, facilities, open spaces, and other improvements; (4) a program for the staging of development; (5) the anticipated interpretive, cultural, and recreational programs and uses for the area; (6) the proposed ownership and operation of all structures, facilities, and lands; (7) areas where cooperative agreements may be anticipated; (8) estimates of costs, both public and private, of implementing the plan; and (9) procedures to be used in implementing and insuring continuing conformance to the plan.

Termination.
16 USC 461
note.

SEC. 5. The Commission shall be dissolved (1) upon the termination, as determined by its members, of need for its continued existence for the implementation of the plan and the operation or coordination of the entity established by the plan, or (2) upon expiration of a two-year period commencing on the effective date of this Act, whereupon the completed plan has not been submitted to the Congress, whichever occurs first.

16 USC 461
note.

SEC. 6. It is contemplated that the plan to be developed may propose that the Commission may be authorized to—

(1) acquire lands and interests therein within the Lowell Historic Canal District by purchase, lease, donation, or exchange;

(2) hold, maintain, use, develop, or operate buildings, facilities, and any other properties;

(3) sell, lease, or otherwise dispose of real or personal property as necessary to carry out the plan;

(4) enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, the Commonwealth of Massachusetts, and any governmental unit within its boundaries, or any person, firm, association, or corporation as may be necessary;

(5) establish (through covenants, regulations, agreements, or otherwise) such restrictions, standards, and requirements as are necessary to assure development, maintenance, use, and protection of the Lowell Historic Canal District in accordance with the plan; and

(6) borrow money from the Treasury of the United States in such amounts as may be authorized in appropriation Acts on the basis of obligations issued by the Commission in accordance with terms and conditions approved by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any such obligations of the Commission.

16 USC 461
note.

SEC. 7. Title to property of the Commission shall be in the name of the Commission, but it shall not be subject to any Federal, State, or municipal taxes.

16 USC 461
note.

SEC. 8. There are authorized to be appropriated not to exceed \$150,000 for the preparation of the plan authorized by this Act.

Approved January 4, 1975.

Public Law 93-646

AN ACT

To amend the Export-Import Bank Act of 1945, and for other purposes.

January 4, 1975
[H. R. 15977]*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*Export-Import
Bank Amendments
of 1974.

SHORT TITLE

SECTION 1. This Act may be cited as the "Export-Import Bank Amendments of 1974". 12 USC 635 note.

CHARTER AMENDMENTS

SEC. 2. Section 2(a)(1) of the Export-Import Bank Act of 1945 is amended— 12 USC 635.

(1) by inserting in the third sentence immediately after "other evidences of indebtedness;" the following: "to guarantee, insure, coinsure, and reinsure against political and credit risks of loss;";

(2) by inserting in the third sentence immediately after "competent jurisdiction;" the following: "to represent itself or to contract for representation in all legal and arbitral proceedings outside the United States;"; and

(3) by inserting after the fourth sentence the following new sentence: "The Bank is authorized to publish or arrange for the publication of any documents, reports, contracts, or other material necessary in connection with or in furtherance of its objects and purposes without regard to the provisions of section 501 of title 44, United States Code, whenever the Bank determines that publication in accordance with the provisions of such section would not be practicable."

POLICY

SEC. 3. Section 2(b)(1) of the Export-Import Bank Act of 1945 is amended to read as follows: 12 USC 635.

"(b)(1)(A) It is the policy of the United States to foster expansion of exports of goods and related services, thereby contributing to the promotion and maintenance of high levels of employment and real income and to the increased development of the productive resources of the United States. To meet this objective, the Export-Import Bank is directed, in the exercise of its functions, to provide guarantees, insurance, and extensions of credit at rates and on terms and other conditions which are competitive with the Government-supported rates and terms and other conditions available for the financing of exports from the principal countries whose exporters compete with United States exporters. The Bank shall, in cooperation with the export financing instrumentalities of other governments, seek to minimize competition in government-supported export financing. The Bank shall, on a semiannual basis, report to the appropriate committees of Congress its actions in complying with these directives. In this report the Bank shall include a survey of all other major export-financing facilities available from other governments and government-related agencies through which foreign exporters compete with the United States exporters and indicate in specific terms the ways in which the Bank's rates, terms, and other conditions compare with those offered from such other governments directly or indirectly. Further, the Bank shall at the same time survey a representative number of United States exporters and United States commercial lending institutions which provide export credit to determine their experience in meeting financial competition from other countries whose exporters compete

Expansion of ex-
ports of goods and
services.Reports to con-
gressional com-
mittees.

Report on
energy-related
loans.

with United States exporters. The results of this survey shall be included as part of the semiannual report required by this subparagraph. The Bank shall also include in the semiannual report a description of each loan by the Bank involving the export of any product or service related to the production, refining or transportation of any type of energy or the development of any energy resource with a statement assessing the impact, if any, on the availability of such products, services, or energy supplies thus developed for use within the United States.

15 USC 631.

“(B) It is further the policy of the United States that loans made by the Bank shall bear interest at rates determined by the Board of Directors of the Bank, taking into consideration the average cost of money to the Bank as well as the Bank’s mandate to support United States exports at rates and on terms and conditions which are competitive with exports of other countries; that the Bank in the exercise of its functions should supplement and encourage, and not compete with, private capital; that the Bank shall accord equal opportunity to export agents and managers, independent export firms, and small commercial banks in the formulation and implementation of its programs; that the Bank shall give due recognition to the policy stated in section 2(a) of the Small Business Act that ‘the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise’ and that in furtherance of this policy the Board of Directors shall designate an officer of the Bank who shall be responsible to the President of the Bank for all matters concerning or affecting small business concerns and who, among other duties, shall be responsible for advising small businessmen of the opportunities for small business concerns in the functions of the Bank and for maintaining liaison with the Small Business Administration and other departments and agencies in matters affecting small business concerns; that loans, so far as possible consistent with the carrying out of the purposes of subsection (a) of this section, shall generally be for specific purposes, and, in the judgment of the Board of Directors, offer reasonable assurance of repayment; and that in authorizing any loan or guarantee, the Board of Directors shall take into account any serious adverse effect of such loan or guarantee on the competitive position of United States industry, the availability of materials which are in short supply in the United States, and employment in the United States.”

NATIONAL INTEREST DETERMINATIONS

12 USC 635.

SEC. 4. Section 2(b) (2) of the Export-Import Bank Act of 1945 is amended to read as follows:

“(2) The Bank in the exercise of its functions shall not guarantee, insure, or extend credit, or participate in any extension of credit—

22 USC 2370.

“(A) in connection with the purchase or lease of any product by a Communist country (as defined in section 620(f) of the Foreign Assistance Act of 1961), or agency, or national thereof, or

“(B) in connection with the purchase or lease of any product by any other foreign country, or agency or national thereof, if the product to be purchased or leased by such other country, agency, or national is, to the knowledge of the Bank, principally for use in, or sale or lease to, a Communist country (as so defined), unless the President determines that guarantees, insurance, or extensions of credit in connection therewith to such Communist or such other country or agency or national thereof would be in the national interest. The President shall make a separate determination with respect to each transaction in which the Bank would extend a loan to such Communist or such other country, or agency, or national thereof

an amount of \$50,000,000 or more. Any determination required under the first sentence of this paragraph shall be reported to the Congress not later than the earlier of thirty days following the date of such determination, or the date on which the Bank takes final action on a transaction which is the first transaction involving such country or agency or national after the date of enactment of the Export-Import Bank Amendments of 1974, unless a determination with respect to such country or agency or national has been made and reported prior to such date of enactment. Any determination required to be made under the second sentence of this paragraph shall be reported to the Congress not later than the earlier of thirty days following the date of such determination or the date on which the Bank takes final action on the transaction involved."

Report to Congress.

Ante, p. 2333.

CONGRESSIONAL NOTIFICATION

SEC. 5. Section 2(b) of the Export-Import Bank Act of 1945 is amended—

12 USC 635.

(1) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6) respectively; and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) No loan or financial guarantee or combination thereof in an amount which equals or exceeds \$60,000,000 shall be finally approved by the Board of Directors of the Bank, and no loan or financial guarantee or combination thereof which equals or exceeds \$25,000,000 for the export of goods or services involving research, exploration, or production of fossil fuel energy resources in the Union of Soviet Socialist Republics shall be finally approved by the Board of Directors of the Bank, unless in each case the Bank has submitted to the Congress with respect to such loan, financial guarantee, or combination thereof, a detailed statement describing and explaining the transaction, at least 25 days of continuous session of the Congress prior to the date of final approval. For the purpose of the preceding sentence, continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 25 day period referred to in such sentence. Such statement shall contain—

"(A) a brief description of the purposes of the transaction, the identity of the party or parties requesting the loan or financial guarantee, the nature of the goods or services to be exported, and the use for which the goods or services are to be exported; and

"(B) a full explanation of the reasons for Bank financing of the transaction, the amount of the loan to be provided by the Bank, the approximate rate and repayment terms at which such loan will be made available and the approximate amount of the financial guarantee."

FRACTIONAL CHARGE OF GUARANTEES AND INSURANCE

SEC. 6. Section 2(c) (1) of the Export-Import Bank Act of 1945 is amended to read as follows:

12 USC 635.

"(c) (1) The Bank is authorized and empowered to charge against the limitations imposed by section 7 of this Act, not less than 25 per centum of the related contractual liability which the Bank incurs for

12 USC 635e.

guarantees, insurance, coinsurance, and reinsurance against political and credit risks of loss. The aggregate amount of guarantees, insurance, coinsurance, and reinsurance which may be charged on this fractional basis pursuant to this section shall not exceed \$20,000,000,000 outstanding at any one time. Fees and premiums shall be charged in connection with such contracts commensurate, in the judgment of the Bank, with risks covered.”

INTEREST RATE ON OBLIGATIONS OF THE BANK

12 USC 635d.

SEC. 7. Section 6 of the Export-Import Bank Act of 1945 is amended by striking the third sentence and inserting in lieu thereof the following new sentence: “Each such Bank obligation issued to the Treasury after the enactment of the Export-Import Bank Amendments of 1974 shall bear interest at a rate not less than the current average yield on outstanding marketable obligations of the United States of comparable maturity during the month preceding the issuance of the obligation of the Bank as determined by the Secretary of the Treasury.”

AUTHORITY

12 USC 635e.

SEC. 8. Section 7 of the Export-Import Bank Act of 1945 is amended—

(1) by inserting “(a)” after “Sec. 7”;

(2) by striking out “\$20,000,000,000” and inserting in lieu thereof “\$25,000,000,000”; and

(3) by adding at the end thereof the following:

Exports to
U.S.S.R.
Ante, p. 2333.

“(b) After the date of enactment of the Export-Import Bank Amendments of 1974, the Bank shall not approve any loans or financial guarantees, or combination thereof, in connection with exports to the Union of Soviet Socialist Republics in an aggregate amount in excess of \$300,000,000. No such loan or financial guarantee, or combination thereof, shall be for the purchase, lease, or procurement of any product or service for production (including processing and distribution) of fossil fuel energy resources. Not more than \$40,000,000 of such aggregate amount shall be for the purchase, lease, or procurement of any product or service which involves research or exploration of fossil fuel energy resources. The President may establish a limitation in excess of \$300,000,000 if he determines that such higher limitation is in the national interest and if he reports such determination to the Congress together with the reasons therefor, including the amount of such proposed increase which would be available for the export of products and services for research, exploration, and production (including processing and distribution) of fossil fuel energy resources in the Union of Soviet Socialist Republics, and if, after the receipt of such report together with the reasons, the Congress adopts a concurrent resolution approving such determination.”

Presidential
determination; re-
port to Congress.

EXPIRATION

Ante, p. 1368.

SEC. 9. Section 8 of the Export-Import Bank Act of 1945 is amended by striking out “November 30, 1974” and inserting in lieu thereof “June 30, 1978”.

REPORT

12 USC 635g.

SEC. 10. Section 9 of the Export-Import Bank Act of 1945 is amended to read as follows:

Annual report
to Congress.

“SEC. 9. (a) The Export-Import Bank of the United States shall transmit to the Congress annually a complete and detailed report of its operations. Such report shall be as of the close of business on the last day of each fiscal year.

“(b) The report shall contain a description of actions taken by the Bank in pursuance of the policy of aiding, counseling, assisting, and protecting, insofar as is possible, the interests of small business concerns.”

CEILING ON BORROWING BY NATIONAL BANKS

SEC. 11. Section 5202 of the Revised Statutes, as amended (12 U.S.C. 82), is amended by adding at the end thereof the following:

“Twelfth. Liabilities incurred in borrowing from the Export-Import Bank of the United States.”.

RELATIONSHIP TO THE TRADE REFORM ACT

SEC. 12. Until such time as the Trade Reform Act is approved by the Congress and signed into law by the President, no loan, guarantee, insurance, or credit shall be extended by the Export-Import Bank of the United States to the Union of Soviet Socialist Republics.

12 USC 635
note.
Ante, p. 1978.

REPEAL OF SECTION 2(a)(2)

SEC. 13. Effective at the close of September 30, 1976, section 2(a)(2) of the Export-Import Bank Act of 1945 is repealed.

Approved January 4, 1975.

12 USC 635.

Public Law 93-647

AN ACT

To amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States.

January 4, 1975
[H. R. 17045]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Social Services Amendments of 1974”.

Social Services
Amendments of
1974.
42 USC 1397
note.

PART A—SOCIAL SERVICES AMENDMENTS

SEC. 2. The Social Security Act is amended by inserting at the end thereof the following new title:

42 USC 1305.

“TITLE XX—GRANTS TO STATES FOR SERVICES

“APPROPRIATION AUTHORIZED

“SEC. 2001. For the purpose of encouraging each State, as far practicable under the conditions in that State, to furnish services directed at the goal of—

42 USC 1397.

“(1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

“(2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

“(3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

“(4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

“(5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions,

there is authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States under section 2002.

Infra.

“PAYMENTS TO STATES

“SEC. 2002. (a) (1) From the sums appropriated therefor, the Secretary shall, subject to the provisions of this section and section 2003, pay to each State, for each quarter, an amount equal to 90 per centum of the total expenditures during that quarter for the provision of fam-

42 USC 1397a.
Post, p. 2343.

ily planning services and 75 per centum of the total expenditures during that quarter for the provision of other services directed at the goal of—

“(A) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

“(B) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

“(C) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

“(D) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

“(E) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions,

including expenditures for administration (including planning and evaluation) and personnel training and retraining directly related to the provision of those services (including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions). Services that are directed at these goals include, but are not limited to, child care services, protective services for children and adults, services for children and adults in foster care, services related to the management and maintenance of the home, day care services for adults, transportation services, training and related services, employment services, information, referral, and counseling services, the preparation and delivery of meals, health support services and appropriate combinations of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, and alcoholics and drug addicts.

Limitation.

“(2) (A) No payment with respect to any expenditures other than expenditures for personnel training or retraining directly related to the provision of services may be made under this section to any State for any fiscal year in excess of an amount which bears the same ratio to \$2,500,000,000 as the population of that State bears to the population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph prior to the first day of the third month of the preceding fiscal year, as determined on the basis of the most recent satisfactory data available from the Department of Commerce.

“(B) Each State with respect to which a limitation is promulgated under subparagraph (A) for any fiscal year shall, at the earliest practicable date after the commencement of such fiscal year (and in accordance with regulations prescribed by the Secretary), certify to the Secretary whether the amount of its limitation is greater or less than the amount needed by the State, for uses to which the limitation applies, for such fiscal year and, if so, the amount by which the amount of such limitation is greater or less than such need.

“(C) If any State certifies, in accordance with subparagraph (B), that the amount of its limitation for any fiscal year is greater than its need for such year, then the amount of the limitation of such State for such year shall be reduced by the excess of its limitation amount over its need, and the amount of such reduction shall be available for allotment as provided in subparagraph (D).

“(D) Of the amounts made available, pursuant to subparagraph (C), for allotment for any fiscal year, the Secretary (i) shall allot to the jurisdiction of Puerto Rico \$15,000,000, to the jurisdiction of Guam \$500,000, and to the jurisdiction of the Virgin Islands \$500,000, which shall be available to each such jurisdiction in addition to amounts available under section 1108 for purposes of matching the expenditures of such jurisdictions for services pursuant to sections 3(a)(4) and (5), 403(a)(3), 1003(a)(3) and (4), 1403(a)(3) and (4), and 1603(a)(4) and (5): *Provided*, That if the amounts made available, pursuant to subparagraph (C), are insufficient to meet the requirements of this clause, then such amounts as are available shall be allotted to each of the three jurisdictions in proportion to their respective populations.

42 USC 1308.

42 USC 303,
603, 1203, 1353,
1383 note.

“(3) No payment may be made under this section to any State with respect to any expenditure for the provision of any service to any individual unless—

“(A) the State’s services program planning meets the requirements of section 2004, and

Post, p. 2346.

“(B) the final comprehensive annual services plan in effect when the service is provided to the individual includes the provision of that service to a category of individuals which includes that individual in the descriptions required by section 2004(2) (B) and (C) of the services to be provided under the plan and the categories of individuals to whom the services are to be provided.

The Secretary may not deny payment under this section to any State with respect to any expenditure on the ground that it is not an expenditure for the provision of a service or is not an expenditure for the provision of a service directed at a goal described in paragraph (1) of this subsection.

Payment denial,
prohibition.

“(4) So much of the aggregate expenditures with respect to which payment is made under this section to any State for any fiscal year as equals 50 per centum of the payment made under this section to the State for that fiscal year must be expended for the provision of services to individuals—

“(A) who are receiving aid under the plan of the State approved under part A of title IV or who are eligible to receive such aid, or

42 USC 601.

“(B) whose needs are taken into account in determining the needs of an individual who is receiving aid under the plan of the State approved under part A of title IV, or who are eligible to have their needs taken into account in determining the needs of an individual who is receiving or is eligible to receive such aid, or

42 USC 1381.
Post, p. 2348.

“(C) with respect to whom supplemental security income benefits under title XVI or State supplementary payments, as defined in section 2007(1), are being paid, or who are eligible to have such benefits or payments paid with respect to them, or

“(D) whose income and resources are taken into account in determining the amount of supplemental security income benefits or State supplementary payments, as defined in section 2007(1), being paid with respect to an individual, or whose income and resources would be taken into account in determining the amount of such benefits or payments to be paid with respect to an individual who is eligible to have such benefits or payments paid with respect to him, or

42 USC 1396.

“(E) who are eligible for medical assistance under the plan of the State approved under title XIX.

“(5) No payment may be made under this section to any State with respect to any expenditure for the provision of any service to any individual—

“(A) who is receiving, or whose needs are taken into account in determining the needs of an individual who is receiving, aid under the plan of the State approved under part A of title IV, or with respect to whom supplemental security income benefits under title XVI or State supplementary payments, as defined in section 2007(1), are being paid, or

“(B) who is a member of a family the monthly gross income of which is less than the lower of—

“(i) 80 per centum of the median income of a family of four in the State, or

“(ii) the median income of a family of four in the fifty States and the District of Columbia,

adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family,

if any fee or other charge (other than a voluntary contribution) imposed on the individual for the provision of that service is not consistent with such requirements (including requirements prohibiting the imposition of any such fee or charge) as the Secretary shall prescribe.

“(6) No payment may be made under this section to any State with respect to any expenditure for the provision of any service, other than an information or referral service or a service directed at the goal of preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, to any individual who is not an individual described in paragraph (5), and—

“(A) who is a member of a family the monthly gross income of which exceeds 115 per centum of the median income of a family of four in the State, adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family, or

“(B) who is a member of a family the monthly gross income of which—

“(i) exceeds the lower of—

“(I) 80 per centum of the median income of a family of four in the State, or

“(II) the median income of a family of four in the fifty States and the District of Columbia, adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family, and

“(ii) does not exceed 115 per centum of the median income of a family of four in the State, adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family,

unless a fee or other charge reasonably related to income is imposed on the individual for the provision of the service.

The Secretary shall promulgate the median income of a family of four in each State and the fifty States and the District of Columbia applicable to payments with respect to expenditures in each fiscal year prior to the first day of the third month of the preceding fiscal year.

“(7) No payment may be made under this section to any State with respect to any expenditure—

“(A) for the provision of medical or any other remedial care, other than family planning services, unless it is an integral but subordinate part of a service described in paragraph (1) of this subsection and Federal financial participation with respect to the expenditure is not available under the plan of the State approved under title XIX; or

42 USC 1396.

“(B) for the purchase, construction, or major modification of any land, building or other facility, or fixed equipment; or

“(C) which is in the form of goods or services provided in kind by a private entity; or

“(D) which is made from donated private funds, unless such funds—

“(i) are transferred to the State and are under its administrative control, and

“(ii) are donated to the State without restrictions as to use, other than restrictions as to the services with respect to which the funds are to be used imposed by a donor who is not a sponsor or operator of a program to provide those services, or the geographic area in which the services with respect to which the contribution is used are to be provided, and

“(iii) do not revert to the donor's facility or use if the donor is other than a nonprofit organization; or

“(E) for the provision of room or board (except as provided by paragraph (11)(C)) other than room or board provided for a period of not more than six consecutive months as an integral but subordinate part of a service described in paragraph (1) of this subsection.

42 USC 603,
622.

“(8) No payment may be made under this section with respect to any expenditure if payment is made with respect to that expenditure under section 403 or 422 of this Act.

“(9) (A) No payment may be made under this section with respect to any expenditure in connection with the provision of any child day care service, unless—

“(i) in the case of care provided in the child’s home, the care meets standards established by the State which are reasonably in accord with recommended standards of national standard-setting organizations concerned with the home care of children, or

“(ii) in the case of care provided outside the child’s home, the care meets the Federal interagency day care requirements as approved by the Department of Health, Education, and Welfare and the Office of Economic Opportunity on September 23, 1968; except that (I) subdivision III of such requirements with respect to educational services shall be recommended to the States and not required, and staffing standards for school-age children in day care centers may be revised by the Secretary, (II) the staffing standards imposed with respect to such care in the case of children under age 3 shall conform to regulations prescribed by the Secretary, and (III) the staffing standards imposed with respect to such care in the case of children aged 10 to 14 shall require at least one adult for each 20 children, and in the case of school-aged children under age 10 shall require at least one adult for each 15 children,

except as provided in subparagraph (B).

“(B) The Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives, after December 31, 1976, and prior to July 1, 1977, an evaluation of the appropriateness of the requirements imposed by subparagraph (A), together with any recommendations he may have for modification of those requirements. No earlier than ninety days after the submission of that report, the Secretary may, by regulation, make such modifications in the requirements imposed by subparagraph (A) as he determines are appropriate.

Ante, p. 2310.

“(C) The requirements imposed by this paragraph are in lieu of any requirements that would otherwise be applicable under section 522(d) of the Economic Opportunity Act of 1964 to child day care services with respect to which payment is made under this section.

“(10) No payment may be made under this section with respect to any expenditure for the provision of any educational service which the State makes generally available to its residents without cost and without regard to their income.

“(11) No payment may be made under this section with respect to any expenditure for the provision of any service to any individual living in any hospital, skilled nursing facility, or intermediate care facility (including any such hospital or facility for mental diseases or for the mentally retarded), any prison, or any foster family home except—

“(A) any expenditure for the provision of a service that (i) is provided by other than the hospital, facility, prison, or foster family home in which the individual is living, and (ii) is provided, under the State’s program for the provision of the services described in paragraph (1), to individuals who are not living in a hospital, skilled nursing facility, intermediate care facility, prison, or foster family home,

“(B) any expenditure which is for the cost, in addition to the cost of basic foster care, of the provision, by a foster family home, to an individual living in that home, of a service which meets a special need of that individual, as determined under regulations prescribed by the Secretary, and

“(C) any expenditure for the provision of emergency shelter provided to a child, for not in excess of thirty days, as a protective service.

“(12) No payment may be made under this section with respect to any expenditure for the provision of cash payments as a service.

“(13) No payment may be made under this section with respect to any expenditure for the provision of any service to any individual to the extent that the provider of the service or the individual receiving the service is eligible to receive payment under title XVIII with respect to the provision of the service.

42 USC 1395.

“(b) (1) Prior to the beginning of each quarter the Secretary shall estimate the amount to which a State will be entitled under this section for that quarter on the basis of a report filed by the State containing its estimate of the amount to be expended during that quarter with respect to which payment must be made under this section, together with an explanation of the bases for that estimate.

“(2) The Secretary shall then pay to the State, in such installments as he may determine, the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to the State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

“(3) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

“PROGRAM REPORTING

“SEC. 2003. (a) Each State which participates in the program established by this title shall make such reports concerning its use of Federal social services funds as the Secretary may by regulation provide.”

42 USC 1397b.

“(b) Each State which participates in the program established by this title shall assure that the aggregate expenditures from appropriated funds from the State and political subdivisions thereof for the provision of services during each services program year (as established under the requirements of section 2002(a)(3)) with respect to which payment is made under section 2002 is not less than the aggregate expenditures from such appropriated funds for the provision of those services during the fiscal year ending June 30, 1973, or the fiscal year ending June 30, 1974, with respect to which payment was made under the plan of the State approved under title I, VI, X, XIV, or XVI, or part A of title IV, whichever is less, except that the requirements of this subsection shall not apply to any State for any services program year if the payment to the State under section 2002, for each fiscal year any part of which is included in that services program year, with

Ante, p. 2337.

42 USC 301, 801,
1201, 1351, 1381,
601.

respect to expenditures other than expenditures for personnel training or retraining directly related to the provision of services, equals the allotment of the State for that fiscal year under section 2002(a)(2).

Ante, p. 2337.
Notice, hearing
opportunity.

“(c)(1) If the Secretary, after reasonable notice and an opportunity for a hearing to the State, finds that there is a substantial failure to comply with any of the requirements imposed by subsections (a) and (b) of this section, he shall, except as provided in paragraph (2), notify the State that further payments will not be made to the State under section 2002 until he is satisfied that there will no longer be any such failure to comply, and until he is so satisfied he shall make no further payments to the State.

Payments termi-
nation, suspen-
sion.

“(2) The Secretary may suspend implementation of any termination of payments under paragraph (1) for such period as he determines appropriate and instead reduce the amount otherwise payable to the State under section 2002 for expenditures during that period by 3 per centum for each of subsections (a) and (b) of this section with respect to which there was a finding of substantial noncompliance and with respect to which he is not yet satisfied that there will no longer be any such failure to comply.

“(d)(1) Each State which participates in the program established by this title shall have a plan applicable to its program for the provision of the services described in section 2002(a)(1) which—

“(A) provides that an opportunity for a fair hearing before the appropriate State agency will be granted to any individual whose claim for any service described in section 2002(a)(1) is denied or is not acted upon with reasonable promptness;

“(B) provides that the use or disclosure of information obtained in connection with administration of the State's program for the provision of the services described in section 2002(a)(1) concerning applicants for and recipients of those services will be restricted to purposes directly connected with the administration of that program, the plan of the State approved under part A of title IV, the plan of the State developed under part B of that title, the supplemental security income program established by title XVI, or the plan of the State approved under title XIX;

42 USC 601,
620,

42 USC 1381,
1396.

“(C) provides for the designation, by the chief executive officer of the State or as otherwise provided by the laws of the State, of an appropriate agency which will administer or supervise the administration of the State's program for the provision of the services described in section 2002(a)(1);

“(D) provides that the State will, in the administration of its program for the provision of the services described in section 2002(a)(1), use such methods relating to the establishment and maintenance of personnel standards on a merit basis as are found by the Secretary to be necessary for the proper and efficient operation of the program, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods;

“(E) provides that no durational residency or citizenship requirement will be imposed as a condition to participation in the program of the State for the provision of the services described in section 2002(a)(1);

“(F) provides, if the State program for the provision of the services described in section 2002(a)(1) includes services to individuals living in institutions or foster homes, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such

institutions or homes which are reasonably in accord with recommended standards of national organizations concerned with standards for such institutions or homes, including standards related to admissions policies, safety, sanitation, and protection of civil rights;

“(G) provides, if the State program for the provision of the services described in section 2002(a)(1) includes child day care services, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such services which are reasonably in accord with recommended standards of national organizations concerned with standards for such services, including standards related to admission policies for facilities providing such services, safety, sanitation, and protection of civil rights;

Ante, p. 2337.

“(H) provides that the State’s program for the provision of the services described in section 2002(a)(1) will be in effect in all political subdivisions of the State; and

“(I) provides for financial participation by the State in the provision of the services described in section 2002(a)(1).

Notwithstanding clause (C), if on December 1, 1974, the State agency which administered or supervised the administration of the portion of the plan of the State for services to the aged, blind, or disabled approved under title VI of this Act which related to blind individuals was different from the agency which administered or supervised the administration of the rest of that plan, the State agency which administered or supervised the administration of the portion of the plan of the State for services to the aged, blind, or disabled related to blind individuals may be designated to administer or supervise the administration of the portion of the State’s program for the provision of the services described in section 2002(a)(1) related to blind individuals and a separate State agency may be designated to administer or supervise the administration of the rest of the program; and in such case the part of the program which each agency administers, or the administration of which each agency supervises, shall be regarded as a separate program for the provision of the services described in section 2002(a)(1) for purposes of this title. The date selected by the State pursuant to section 2004(1) as the beginning of the services program year for each of the separate programs shall be the same.

42 USC 801.

“(2) The Secretary shall approve any plan which complies with the provisions of paragraph (1).

“(e)(1) No payment may be made under section 2002 to any State which does not have a plan approved under subsection (g).

“(2) In the case of any State plan which has been approved by the Secretary under subsection (d), if the Secretary, after reasonable notice and an opportunity for a hearing to the State, finds—

Notice, hearing opportunity.

“(A) that the plan no longer complies with the provisions of subsection (d)(1), or

“(B) that in the administration of the plan there is a substantial failure to comply with any such provision, the Secretary shall, except as provided in paragraph (3), notify the State that further payments will not be made to the State under section 2002 until he is satisfied that there will no longer be any such failure to comply, and until he is so satisfied he shall make no further payments to the State.

“(3) The Secretary may suspend implementation of any termination of payments under paragraph (2) for such period as he determines appropriate and instead reduce the amount otherwise payable to the

Payments termination, suspension.

Ante, p. 2337.

State under section 2002 for expenditures during that period by 3 percent for each clause of subsection (d)(1) with respect to which there is a finding of noncompliance and with respect to which he is not yet satisfied that there will no longer be any such failure to comply.

“SERVICES PROGRAM PLANNING

42 USC 1397c.

“SEC. 2004. A State’s services program planning meets the requirements of this section if, for the purpose of assuring public participation in the development of the program for the provision of the services described in section 2002(a)(1) within the State—

“(1) the beginning of the fiscal year of either the Federal Government or the State government is established as the beginning of the State’s services program year; and

“(2) at least ninety days prior to the beginning of the State’s services program year, the chief executive officer of the State, or such other official as the laws of the State provide, publishes and makes generally available (as defined in regulations prescribed by the Secretary after consideration of State laws governing notice of actions by public officials) to the public a proposed comprehensive annual services program plan prepared by the agency designated pursuant to the requirements of section 2003(d)(1)(C) and, unless the laws of the State provide otherwise, approved by the chief executive officer, which sets forth the State’s plan for the provision of the services described in section 2002(a)(1) during that year, including—

Ante, p. 2343.

“(A) the objectives to be achieved under the program,

“(B) the services to be provided under the program, including at least one service directed at at least one of the goals in each of the five categories of goals set forth in section 2002(a)(1) (as determined by the State) and including at least three types of services (selected by the State) for individuals who are recipients of supplemental security income benefits under title XVI and who are in need of such services, together with a definition of those services and a description of their relationship to the objectives to be achieved under the program and the goals described in section 2002(a)(1),

42 USC 1381.

“(C) the categories of individuals to whom those services are to be provided, including any categories based on the income of individuals or their families,

“(D) the geographic areas in which those services are to be provided, and the nature and amount of the services to be provided in each area,

“(E) a description of the planning, evaluation, and reporting activities to be carried out under the program,

“(F) the sources of the resources to be used to carry out the program,

“(G) a description of the organizational structure through which the program will be administered, including the extent to which public and private agencies and volunteers will be utilized in the provision of services,

42 USC 601,
620.

“(H) a description of how the provision of services under the program will be coordinated with the plan of the State approved under part A of title IV, the plan of the State developed under part B of that title, the supplemental security income program established by title XVI, the plan of the State approved under title XIX, and other programs for the provision of related human services within the State, includ-

42 USC 1396.

ing the steps taken to assure maximum feasible utilization of services under these programs to meet the needs of the low income population,

“(I) the estimated expenditures under the program, including estimated expenditures with respect to each of the services to be provided, each of the categories of individuals to whom those services are to be provided, and each of the geographic areas in which those services are to be provided, and a comparison between estimated non-Federal expenditures under the program and non-Federal expenditures for the provision of the services described in section 2002(a)(1) in the State during the preceding services program year, and

Ante, p. 2337.

“(J) a description of the steps taken, or to be taken, to assure that the needs of all residents of, and all geographic areas in, the State were taken into account in the development of the plan; and

“(3) public comment on the proposed plan is accepted for a period of at least forty-five days; and

“(4) at least forty-five days after publication of the proposed plan and prior to the beginning of the State's services program year, the chief executive officer of the State, or such other official as the laws of the State provide, publishes a final comprehensive annual services program plan prepared by the agency designated pursuant to the requirements of section 2003(d)(1)(C) and, unless the laws of the State provide otherwise, approved by the chief executive officer, which sets forth the same information required to be included in the proposed plan, together with an explanation of the differences between the proposed and final plan and the reasons therefor; and

Ante, p. 2343.

“(5) any amendment to a final comprehensive services program plan is prepared by the agency designated pursuant to section 2003(d)(1)(C), approved by the chief executive officer of the State unless the laws of the State provide otherwise, and published by the chief executive officer of the State, or such other official as the laws of the State provide, as a proposed amendment on which public comment is accepted for a period of at least thirty days, and then prepared by the agency designated pursuant to section 2003(d)(1)(C), approved by the chief executive officer of the State unless the laws of the State provide otherwise, and published by the chief executive officer of the State, or such other official as the laws of the State provide, as a final amendment, together with an explanation of the differences between the proposed and final amendment and the reasons therefor.

“EFFECTIVE DATE OF REGULATIONS PUBLISHED BY THE SECRETARY

“SEC. 2005. No final regulation published by the Secretary under this title shall be effective with respect to payments under section 2002 for expenditures during any quarter commencing before the beginning of the first services program year established by the State under the requirements of section 2002(a)(3) which begins at least sixty days after the publication of the final regulation.

42 USC 1397d.

“EVALUATION; PROGRAM ASSISTANCE

“SEC. 2006. (a) The Secretary shall provide for the continuing evaluation of State programs for the provision of the services described in section 2002(a)(1).

42 USC 1397e.

“(b) The Secretary shall make available to the States assistance with respect to the content of their services program, and their services program planning, reporting, administration, and evaluation.

Report to Con-
gress.

“(c) Within six months after the close of each fiscal year, the Secretary shall submit to the Congress a report on the operation of the program established by this title during that year, including—

“(1) the evaluations carried out under subsection (a) and the results obtained therefrom, and

“(2) the assistance provided under subsection (b) during that year.

“DEFINITIONS

42 USC 1397f.

“SEC. 2007. For purposes of this title—

“(1) the term ‘State supplementary payment’ means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under title XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementation of such benefits, as determined by the Secretary, and

42 USC 1381.

“(2) the term ‘State’ means the fifty States and the District of Columbia.”.

TECHNICAL AND CONFORMING AMENDMENTS

42 USC 602.

SEC. 3. (a) (1) Section 402(a) (5) of the Social Security Act is amended by striking out “(A)” and striking out everything after “proper and efficient operation of the plan” and inserting “; and” in lieu thereof.

Post, p. 2360.

(2) Section 402(a) of that Act is further amended by striking out paragraphs (13) and (14).

42 USC 603.

(3) Section 403(a) (3) of that Act is amended to read as follows:

“(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

“(A) 75 per centum of so much of such expenditures as are for the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision, and

“(B) one-half of the remainder of such expenditures, except that no payment shall be made with respect to amounts expended in connection with the provision of any service described in section 2002(a) (1) of this Act other than services the provision of which is required by section 402(a) (19) to be included in the plan of the State; and”

Ante, p. 2337.

(4) Section 403 of that Act is further amended by striking out subsection (e).

42 USC 606.

(5) Section 406 of that Act is amended by striking out subsection (d).

42 USC 622.

(6) Section 422(a) (1) (A) (i) of that Act is amended by striking out “the State agency designated pursuant to section 402(a) (3) to administer or supervise the administration of the plan of the State approved under part A of this title” and inserting “the individual or agency designated pursuant to section 2003(d) (1) (C) to administer or supervise the administration of the State’s services program” in lieu thereof.

Ante, p. 2343.

(7) Section 422(a) (1) (A) (ii) of that Act is amended by striking out “the organizational unit in such State or local agency established pursuant to section 402(a) (15)” and inserting “a single organiza-

tional unit in such State or local agency, as the case may be," in lieu thereof.

(8) Section 402(a) (15) of that Act is amended by inserting "as part of the program of the State for the provision of services under title XX" immediately after "provide".

42 USC 602.

(b) Title VI of the Social Security Act is repealed.

Repeal.

(c) Section 1115 of the Social Security Act is amended by—

42 USC 801-805.
42 USC 1315.

(1) striking out "or XIX" and inserting "XIX, or XX" in lieu thereof,

(2) striking out "or 1902" in clause (a) and inserting "1902, 2002, 2003, or 2004" in lieu thereof,

(3) striking out "or 1903" in clause (b) and inserting "1903, or 2002" in lieu thereof, and

(4) inserting "or expenditures with respect to which payment shall be made under section 2002," immediately after "administration of such State plan or plans," in clause (b).

(d) Section 1116 of the Social Security Act is amended by—

42 USC 1316.

(1) striking out "or XIX" in subsections (a) (1) and (b) and inserting "XIX or XX" in lieu thereof,

(2) striking out "or 1904" and inserting "1904, or 2003" in lieu thereof in subsection (a) (3), and

(3) inserting "XX," immediately after "XIX," in subsection (d).

(e) (1) Section 1130 of the Social Security Act is repealed.

Repeal.

(2) Sections 3(a), 403(a), 1003(a), 1403(a), and 1603(a) of that Act (relating to payments to States with approved State plans) are each amended by striking out "(subject to section 1130)".

42 USC 1320b.
42 USC 303, 603,
1203, 1353, 1383
note.

(f) Any child day care service provided under any plan of a State approved under part A, or developed under part B, of title IV of the Social Security Act must meet the requirements applicable, under subsection (a) (9) of section 2002 of the Social Security Act, as amended by this Act, to child day care services with respect to which payment is made under that section. The requirements imposed by this subsection are in lieu of any requirements that would otherwise be applicable under section 522(d) of the Economic Opportunity Act of 1964 to child day care services provided under any plan of a State approved under part A, or developed under part B, of title IV of the Social Security Act.

42 USC 1397a
note.

42 USC 601, 620.
Ante, p. 2337.

Ante, p. 2310.

(g) Section 12(a) of Public Law 93-233 is amended by striking out "January 1, 1975" and inserting "October 1, 1975" in lieu thereof. Notwithstanding the provisions of section 12(a) of Public Law 93-233, the Secretary may make any modification in any regulation described in that section if the modification is necessary to implement the provisions of this part.

42 USC 1320b
note.

(h) Section 422 of the Social Security Act is amended by inserting at the end thereof the following new subsection:

42 USC 622.

"(c) If on December 1, 1974, the agency of a State administering its plan under this part was not the agency designated pursuant to section 402(a) (3), subsection (a) (1) (A) of this section shall not apply with respect to such agency but only so long as such agency is not the agency designated under section 2003(d) (1) (C), and if on December 1, 1974, the local agency administering the plan of a State under this part in a subdivision of the State is not the local agency in such subdivision administering the plan of such State under part A of this title, subsection (a) (1) (A) of this section shall not apply with respect to such local agency but only so long as such local agency is not the local agency administering the program of the State for the provision of services under title XX."

42 USC 1308.

Ante, p. 2337.

42 USC 1397a
note.

(i) Section 1108(a) of the Social Security Act is amended by striking out "The total amount" and inserting in lieu thereof "Except as provided in 2002(a) (2) (D), the total amount".

(j) Notwithstanding the provisions of paragraph (2) of section 2002(a) of the Social Security Act, as amended by this Act, the limitation imposed by such paragraph (2) for the fiscal year beginning July 1, 1975, with respect to any State shall be the allotment of the State for that fiscal year as determined under section 1130 of the Social Security Act. In determining, for the purposes of that limitation, the total amount of the payments made to any State with respect to expenditures during the fiscal year beginning July 1, 1975, there shall be included the amount of any payments made to the State that are chargeable against the allotment of the State for the fiscal year beginning July 1, 1975, under such section 1130.

Ante, p. 2349.

REPORT BY THE SECRETARY

Report to Con-
gress.
42 USC 1397a
note.

SEC. 4. Prior to July 1, 1977, the Secretary shall submit to the Congress a report on the effectiveness of the program established by title XX of the Social Security Act, as amended by this Act, during calendar years 1975 and 1976, together with recommendations, if any, for improvements in that program.

PAYMENTS TO STATES FOR EDUCATIONAL PURPOSES

42 USC 303.

SEC. 5. (a) Section 3(a) (4) (A) (iv) of the Social Security Act (as applicable to Puerto Rico, the Virgin Islands, and Guam) is amended by inserting "(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)" following "training".

42 USC 603.

(b) Section 403(a) (3) (A) (iii) of the Social Security Act is amended by inserting "(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)" following "training".

42 USC 1203.

(c) Section 1003(a) (3) (A) (iv) of the Social Security Act (as applicable to Puerto Rico, the Virgin Islands, and Guam) is amended by inserting "(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)" following "training".

42 USC 1353.

(d) Section 1403(a) (3) (A) (iv) of the Social Security Act (as applicable to Puerto Rico, the Virgin Islands, and Guam) is amended by inserting "(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)" following "training".

42 USC 1383
note.

(e) Section 1603(a) (4) (A) (iv) of the Social Security Act (as applicable to Puerto Rico, the Virgin Islands, and Guam) is amended by inserting "(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled at such institutions)" following "training".

DEFINITION OF SECRETARY

SEC. 6. As used in this part and the amendments made by this part, the term "Secretary" means, unless the context otherwise requires, the Secretary of Health, Education, and Welfare.

EFFECTIVE DATES

SEC. 7. (a) (1) The amendments made by sections 2 and 5 of this Act shall be effective with respect to payments for quarters commencing after September 30, 1975.

42 USC 1397
note.
Ante, pp. 2337,
2350.

(2) Notwithstanding the provisions of section 2004 of the Social Security Act, as amended by this Act, the first services program year of each State shall begin on October 1, 1975, and end with the close of, at the option of the State—

Ante, p. 2346.

(A) the day in the twelve-month period beginning October 1, 1975, or

(B) the day in the twelve-month period beginning October 1, 1976,

which is the last day of the twelve-month period established by the State as its services program year under that section. Notwithstanding the provisions of subsection (b) of section 2003 of the Social Security Act, as amended by this Act, the aggregate expenditures required by that subsection with respect to the first services program year of each State shall be the amount which bears the same ratio to the amount that would otherwise be required under that subsection as the number of months in the State's first services program year bears to twelve.

Ante, p. 2343.

(b) The amendments made by section 3 of this Act shall be effective with respect to payments under sections 403 and 603 of the Social Security Act for quarters commencing after September 30, 1975, except that the amendments made by section 3(a) shall not be effective with respect to the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.

Ante, p. 2348.

42 USC 603,
803.

PART B—CHILD SUPPORT PROGRAMS

CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

In General

SEC. 101. (a) Title IV of the Social Security Act is amended by adding after part C the following new part:

“PART D—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

“APPROPRIATION

“SEC. 451. For the purpose of enforcing the support obligations owed by absent parents to their children, locating absent parents, establishing paternity, and obtaining child support, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part.

42 USC 651.

“DUTIES OF THE SECRETARY

“SEC. 452. (a) The Secretary shall establish, within the Department of Health, Education, and Welfare a separate organizational unit, under the direction of a designee of the Secretary, who shall report directly to the Secretary and who shall—

42 USC 652.

“(1) establish such standards for State programs for locating absent parents, establishing paternity, and obtaining child support as he determines to be necessary to assure that such programs will be effective;

“(2) establish minimum organizational and staffing requirements for State units engaged in carrying out such programs under plans approved under this part;

“(3) review and approve State plans for such programs;

Annual audit.

"(4) evaluate the implementation of State programs established pursuant to such plan, conduct such audits of State programs established under the plan approved under this part as may be necessary to assure their conformity with the requirements of this part, and, not less often than annually, conduct a complete audit of the programs established under such plan in each State and determine for the purposes of the penalty provision of section 403(h) whether the actual operation of such programs in each State conforms to the requirements of this part;

"(5) assist States in establishing adequate reporting procedures and maintain records of the operations of programs established pursuant to this part in each State;

"(6) maintain records of all amounts collected and disbursed under programs established pursuant to the provisions of this part and of the costs incurred in collecting such amounts;

Technical assistance.

"(7) provide technical assistance to the States to help them establish effective systems for collecting child support and establishing paternity;

"(8) receive applications from States for permission to utilize the courts of the United States to enforce court orders for support against absent parents and, upon a finding that (A) another State has not undertaken to enforce the court order of the originating State against the absent parent within a reasonable time, and (B) that utilization of the Federal courts is the only reasonable method of enforcing such order, approve such applications;

Post, p. 2353.
Report to Congress.

"(9) operate the Parent Locator Service established by section 453; and

"(10) not later than June 30 of each year beginning after December 31, 1975, submit to the Congress a report on all activities undertaken pursuant to the provisions of this part.

Post, p. 2358.

"(b) The Secretary shall, upon the request of any State having in effect a State plan approved under this part, certify the amount of any child support obligation assigned to such State to the Secretary of the Treasury for collection pursuant to the provisions of section 6305 of the Internal Revenue Code of 1954. No amount may be certified for collection under this subsection except the amount of the delinquency under a court order for support and upon a showing by the State that such State has made diligent and reasonable efforts to collect such amounts utilizing its own collection mechanisms, and upon an agreement that the State will reimburse the United States for any costs involved in making the collection. The Secretary after consultation with the Secretary of the Treasury may, by regulation, establish criteria for accepting amounts for collection and for making certification under this subsection including imposing such limitations on the frequency of making such certifications under this subsection.

Revolving fund.
Establishment.

"(c) (1) There is hereby established in the Treasury a revolving fund which shall be available to the Secretary without fiscal year limitation, to enable him to pay to the States for distribution in accordance with the provisions of section 457 such amounts as may be collected and paid (subject to paragraph (2)) into such fund under section 6305 of the Internal Revenue Code of 1954.

Post, p. 2356.

26 USC 6305.

"(2) There is hereby appropriated to the fund, out of any moneys in the Treasury not otherwise appropriated, amounts equal to the amounts collected under section 6305 of the Internal Revenue Code of 1954, reduced by the amounts credited or refunded as overpayments of the amounts so collected. The amounts appropriated by the preceding section shall be transferred at least quarterly from the general fund of the Treasury to the fund on the basis of estimates made by

the Secretary of the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

“PARENT LOCATOR SERVICE

“SEC. 453. (a) The Secretary shall establish and conduct a Parent Locator Service, under the direction of the designee of the Secretary referred to in section 452(a), which shall be used to obtain and transmit to any authorized person (as defined in subsection (c)) information as to the whereabouts of any absent parent when such information is to be used to locate such parent for the purpose of enforcing support obligations against such parent.

Establishment.
42 USC 653.

“(b) Upon request, filed in accordance with subsection (d) of any authorized person (as defined in subsection (c)) for the most recent address and place of employment of any absent parent, the Secretary shall, notwithstanding any other provision of law, provide through the Parent Locator Service such information to such person, if such information—

“(1) is contained in any files or records maintained by the Secretary or by the Department of Health, Education, and Welfare; or

“(2) is not contained in such files or records, but can be obtained by the Secretary, under the authority conferred by subsection (e), from any other department, agency, or instrumentality, or the United States or of any State.

No information shall be disclosed to any person if the disclosure of such information would contravene the national policy or security interests of the United States or the confidentiality of census data. The Secretary shall give priority to requests made by any authorized person described in subsection (c)(1).

Information disclosure, prohibited.

“(c) As used in subsection (a), the term ‘authorized person’ means—

“Authorized person.”

“(1) any agent or attorney of any State having in effect a plan approved under this part, who has the duty or authority under such plans to seek to recover any amounts owed as child support (including, when authorized under the State plan, any official of a political subdivision);

“(2) the court which has authority to issue an order against an absent parent for the support and maintenance of a child, or any agent of such court; and

“(3) the resident parent, legal guardian, attorney, or agent of a child (other than a child receiving aid under part A of this title) (as determined by regulations prescribed by the Secretary) without regard to the existence of a court order against an absent parent who has a duty to support and maintain any such child.

“(d) A request for information under this section shall be filed in such manner and form as the Secretary shall by regulation prescribe and shall be accompanied or supported by such documents as the Secretary may determine to be necessary.

“(e) (1) Whenever the Secretary receives a request submitted under subsection (b) which he is reasonably satisfied meets the criteria established by subsections (a), (b), and (c), he shall promptly undertake to provide the information requested from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States or of any State.

“(2) Notwithstanding any other provision of law, whenever the individual who is the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized to be provided by the Secretary under

this section, such individual shall promptly cause a search to be made of the files and records maintained by such department, agency, or instrumentality with a view to determining whether the information requested is contained in any such files or records. If such search discloses the information requested, such individual shall immediately transmit such information to the Secretary, except that if any information is obtained the disclosure of which would contravene national policy or security interests of the United States or the confidentiality of census data, such information shall not be transmitted and such individual shall immediately notify the Secretary. If such search fails to disclose the information requested, such individual shall immediately so notify the Secretary. The costs incurred by any such department, agency, or instrumentality of the United States or of any State in providing such information to the Secretary shall be reimbursed by him. Whenever such services are furnished to an individual specified in subsection (c) (3), a fee shall be charged such individual. The fee so charged shall be used to reimburse the Secretary or his delegate for the expense of providing such services.

Fees.

“(f) The Secretary, in carrying out his duties and functions under this section, shall enter into arrangements with State agencies administering State plans approved under this part for such State agencies to accept from resident parents, legal guardians, or agents of a child described in subsection (c) (3) and, after determining that the absent parent cannot be located through the procedures under the control of such State agencies, to transmit to the Secretary requests for information with regard to the whereabouts of absent parents and otherwise to cooperate with the Secretary in carrying out the purposes of this section.

“STATE PLAN FOR CHILD SUPPORT

Provisions.
42 USC 654.

“SEC. 454. A State plan for child support must—

“(1) provide that it shall be in effect in all political subdivisions of the State;

“(2) provide for financial participation by the State;

“(3) provide for the establishment or designation of a single and separate organizational unit, which meets such staffing and organizational requirements as the Secretary may by regulation prescribe, within the State to administer the plan;

“(4) provide that such State will undertake—

Post, p. 2359.

“(A) in the case of a child born out of wedlock with respect to whom an assignment under section 402(a) (26) of this title is effective, to establish the paternity of such child, and

“(B) in the case of any child with respect to whom such assignment is effective, to secure support for such child from his parent (or from any other person legally liable for such support), utilizing any reciprocal arrangements adopted with other States, except that when such arrangements and other means have proven ineffective, the State may utilize the Federal courts to obtain or enforce court orders for support;

Post, p. 2356.

“(5) provide that, in any case in which child support payments are collected for a child with respect to whom an assignment under section 402(a) (26) is effective, such payments shall be made to the State for distribution pursuant to section 457 and shall not be paid directly to the family except that this paragraph shall not apply to such payments (except as provided in section 457(c)) for any month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;

“(6) provide that (A) the child support collection or paternity determination services established under the plan shall be made available to any individual not otherwise eligible for such services upon application filed by such individual with the State, (B) an application fee for furnishing such services may be imposed, except that the amount of any such application fee shall be reasonable, as determined under regulations of the Secretary, and (C) any costs in excess of the fee so imposed may be collected from such individual by deducting such costs from the amount of any recovery made;

Application fee.

“(7) provide for entering into cooperative arrangements with appropriate courts and law enforcement officials (A) to assist the agency administering the plan, including the entering into of financial arrangements with such courts and officials in order to assure optimum results under such program, and (B) with respect to any other matters of common concern to such courts or officials and the agency administering the plan;

“(8) provide that the agency administering the plan will establish a service to locate absent parents utilizing—

“(A) all sources of information and available records, and

“(B) the Parent Locator Service in the Department of Health, Education, and Welfare;

“(9) provide that the State will, in accordance with standards prescribed by the Secretary, cooperate with any other State—

“(A) in establishing paternity, if necessary,

“(B) in locating an absent parent residing in the State (whether or not permanently) against whom any action is being taken under a program established under a plan approved under this part in another State,

“(C) in securing compliance by an absent parent residing in such State (whether or not permanently) with an order issued by a court of competent jurisdiction against such parent for the support and maintenance of a child or children of such parent with respect to whom aid is being provided under the plan of such other State, and

“(D) in carrying out other functions required under a plan approved under this part;

“(10) provide that the State will maintain a full record of collections and disbursements made under the plan and have an adequate reporting system;

“(11) provide that amounts collected as child support shall be distributed as provided in section 457;

Post, p. 2356.

“(12) provide that any payment required to be made under section 456 or 457 to a family shall be made to the resident parent, legal guardian, or caretaker relative having custody of or responsibility for the child or children; and

“(13) provide that the State will comply with such other requirements and standards as the Secretary determines to be necessary to the establishment of an effective program for locating absent parents, establishing paternity, obtaining support orders, and collecting support payments.

“PAYMENTS TO STATES

“SEC. 455. From the sums appropriated therefor, the Secretary shall pay to each State for each quarter, beginning with the quarter commencing July 1, 1975, an amount equal to 75 percent of the total amounts expended by such State during such quarter for the operation of the plan approved under section 454 except that no amount shall be

42 USC 655.

Ante, p. 2354.

Ante, p. 2354.

paid to any State on account of furnishing collection services (other than parent locator services) to individuals under section 454(6) during any period beginning after June 30, 1976.

“SUPPORT OBLIGATIONS

42 USC 656.

Post, p. 2359.

“SEC. 456. (a) The support rights assigned to the State under section 402(a)(26) shall constitute an obligation owed to such State by the individual responsible for providing such support. Such obligation shall be deemed for collection purposes to be collectible under all applicable State and local processes.

“(1) The amount of such obligation shall be—

“(A) the amount specified in a court order which covers the assigned support rights, or

“(B) if there is no court order, an amount determined by the State in accordance with a formula approved by the Secretary, and

“(2) Any amounts collected from an absent parent under the plan shall reduce, dollar for dollar, the amount of his obligation under paragraphs (1) (A) and (B).

“(b) A debt which is a child support obligation assigned to a State under section 402(a)(26) is not released by a discharge in bankruptcy under the Bankruptcy Act.

11 USC 1 note.

“DISTRIBUTION OF PROCEEDS

42 USC 657.

“SEC. 457. (a) The amounts collected as child support by a State pursuant to a plan approved under this part during the 15 months beginning July 1, 1975, shall be distributed as follows:

“(1) 40 per centum of the first \$50 of such amounts as are collected periodically which represent monthly support payments shall be paid to the family without any decrease in the amount paid as assistance to such family during such month;

“(2) such amounts as are collected periodically which are in excess of any amount paid to the family under paragraph (1) which represent monthly support payments shall be retained by the State to reimburse it for assistance payments to the family during such period (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

“(3) such amounts as are in excess of amounts retained by the State under paragraph (2) and are not in excess of the amount required to be paid during such period to the family by a court order shall be paid to the family; and

“(4) such amounts as are in excess of amounts required to be distributed under paragraphs (1), (2), and (3) shall be (A) retained by the State (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing) as reimbursement for any past assistance payments made to the family for which the State has not been reimbursed or (B) if no assistance payments have been made by the State which have not been repaid, such amounts shall be paid to the family.

“(b) The amounts collected as child support by a State pursuant to a plan approved under this part during any fiscal year beginning after September 30, 1976, shall be distributed as follows:

“(1) such amounts as are collected periodically which represent monthly support payments shall be retained by the State to reimburse it for assistance payments to the family during such period

(with appropriate reimbursement of the Federal Government to the extent of its participation in the financing) ;

“(2) such amounts as are in excess of amounts retained by the State under paragraph (1) and are not in excess of the amount required to be paid during such period to the family by a court order shall be paid to the family; and

“(3) such amounts as are in excess of amounts required to be distributed under paragraphs (1) and (2) shall be (A) retained by the State (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing) as reimbursement for any past assistance payments made to the family for which the State has not been reimbursed or (B) if no assistance payments have been made by the State which have not been repaid, such amounts shall be paid to the family.

“(c) Whenever a family for whom child support payments have been collected and distributed under the plan ceases to receive assistance under part A of this title, the State may—

“(1) continue to collect such support payments from the absent parent for a period of not to exceed three months from the month following the month in which such family ceased to receive assistance under part A of this title, and pay all amounts so collected to the family; and

“(2) at the end of such three-month period, if the State is authorized to do so by the individual on whose behalf the collection will be made, continue to collect such support payments from the absent parent and pay the net amount of any amount so collected to the family after deducting any costs incurred in making the collection from the amount of any recovery made.

“INCENTIVE PAYMENT TO LOCALITIES

“SEC. 458. (a) When a political subdivision of a State makes, for the State of which it is a political subdivision, or one State makes, for another State, the enforcement and collection of the support rights assigned under section 402(a)(26) (either within or outside of such State), there shall be paid to such political subdivision or such other State from amounts which would otherwise represent the Federal share of assistance to the family of the absent parent—

42 USC 658.

Post, p. 2359.

“(1) an amount equal to 25 per centum of any amount collected (and required to be distributed as provided in section 457 to reduce or repay assistance payments) which is attributable to the support obligation owed for 12 months; and

“(2) an amount equal to 10 per centum of any amount collected (and required to be distributed as provided in section 457 to reduce or repay assistance payments) which is attributable to the support obligation owed for any month after the first twelve months for which such collections are made.

“(b) Where more than one jurisdiction is involved in such enforcement or collection, the amount of the incentive payment determined under paragraphs (1) and (2) of subsection (a) shall be allocated among the jurisdictions in a manner to be prescribed by the Secretary.

“CONSENT BY THE UNITED STATES TO GARNISHMENT AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS

“SEC. 459. Notwithstanding any other provision of law, effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States (including any agency or instrumentality thereof and any

42 USC 659.

wholly owned Federal corporation) to any individual, including members of the armed services, shall be subject, in like manner and to the same extent as if the United States were a private person, to legal process brought for the enforcement, against such individual of his legal obligations to provide child support or make alimony payments.

“CIVIL ACTIONS TO ENFORCE CHILD SUPPORT OBLIGATIONS

42 USC 660.

“SEC. 460. The district courts of the United States shall have jurisdiction, without regard to any amount in controversy, to hear and determine any civil action certified by the Secretary of Health, Education, and Welfare under section 452(a) (8) of this Act. A civil action under this section may be brought in any judicial district in which the claim arose, the plaintiff resides, or the defendant resides.”

Ante, p. 2351.

Collection of Child Support Obligations

(b) (1) Subchapter A of chapter 64 of the Internal Revenue Code of 1954 (relating to collection of taxes) is amended by adding at the end thereof the following new section:

26 USC 6305.

“SEC. 6305. COLLECTION OF CERTAIN LIABILITY.

“(a) IN GENERAL.—Upon receiving a certification from the Secretary of Health, Education, and Welfare, under section 452(b) of the Social Security Act with respect to any individual, the Secretary or his delegate shall assess and collect the amount certified by the Secretary of Health, Education, and Welfare, in the same manner, with the same powers, and (except as provided in this section) subject to the same limitations as if such amount were a tax imposed by subtitle C the collection of which would be jeopardized by delay, except that—

“(1) no interest or penalties shall be assessed or collected,

26 USC 6334.

“(2) for such purposes, paragraphs (4), (6), and (8) of section 6334(a) (relating to property exempt from levy) shall not apply,

“(3) there shall be exempt from levy so much of the salary, wages, or other income of an individual as is being withheld therefrom in garnishment pursuant to a judgment entered by a court of competent jurisdiction for the support of his minor children, and

“(4) in the case of the first assessment against an individual for delinquency under a court order against such individual for a particular person or persons, the collection shall be stayed for a period of 60 days immediately following notice and demand as described in section 6303.

26 USC 6303.

“(b) REVIEW OF ASSESSMENTS AND COLLECTIONS.—No court of the United States, whether established under article I or article III of the Constitution, shall have jurisdiction of any action, whether legal or equitable, brought to restrain or review the assessment and collection of amounts by the Secretary or his delegate under subsection (a), nor shall any such assessment and collection be subject to review by the Secretary or his delegate in any proceeding. This subsection does not preclude any legal, equitable, or administrative action against the State by an individual in any State court or before any State agency to determine his liability for any amount assessed against him and collected, or to recover any such amount collected from him, under this section.”

USC prec.
title 1.

(2) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

“Sec. 6305. Collection of certain liability.”.

Amendments to Part A of Title IV

(c)(1) Notwithstanding the provisions of section 402(a) of the Social Security Act, in addition to the amounts required to be disregarded under clause (8)(A) of such section, there is imposed the requirement (and the State plan shall be deemed to include the requirement) that for the 15 months beginning July 1, 1975, in making the determination under clause (7), the State agency shall with respect to any month in such year and in addition to the amounts required to be disregarded under clause (8)(A), disregard amounts payable under section 457(a)(1).

42 USC 602
note.

(2) Section 402(a)(9) is amended to read as follows:

“(9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only to (A) public officials who require such information in connection with their official duties, or (B) other persons for purposes directly connected with the administration of aid to families with dependent children;”.

Ante, p. 2356.

42 USC 602.

(3) Section 402(a)(10) is amended by inserting immediately before “be furnished” the following: “, subject to paragraphs (25) and (26).”.

(4) Section 402(a)(11) is amended to read as follows:

“(11) provide for prompt notice (including the transmittal of all relevant information) to the State child support collection agency (established pursuant to part D of this title) of the furnishing of aid to families with dependent children with respect to a child who has been deserted or abandoned by a parent (including a child born out of wedlock without regard to whether the paternity of such child has been established);”.

(5) Section 402(a) is further amended—

(A) by striking out “and” at the end of paragraph (23);

(B) by inserting immediately before the first word in paragraph (24) the following: “provide that”; and

(C) by striking out the period at the end of paragraph (24) and inserting in lieu thereof a semicolon and the following:

“(25) provide (A) that, as a condition of eligibility under the plan, each applicant for or recipient of aid shall furnish to the State agency his social security account number (or numbers, if he has more than one such number), and (B) that such State agency shall utilize such account numbers, in addition to any other means of identification it may determine to employ in the administration of such plan;

“(26) provide that, as a condition of eligibility for aid, each applicant or recipient will be required—

“(A) to assign the State any rights to support from any other person such applicant may have (i) in his own behalf or in behalf of any other family member for whom the applicant is applying for or receiving aid, and (ii) which have accrued at the time such assignment is executed,

“(B) to cooperate with the State (i) in establishing the paternity of a child born out of wedlock with respect to whom aid is claimed, and (ii) in obtaining support payments for such applicant and for a child with respect to whom such aid is claimed, or in obtaining any other payments or property due such applicant or such child and that, if the relative with whom a child is living is found to be ineligible because of failure to comply with the requirements of subparagraphs (A) and (B) of this paragraph, any aid for which such child

is eligible will be provided in the form of protective payments as described in section 406(b)(2) (without regard to subparagraphs (A) through (E) of such section); and
 42 USC 606. “(27) provide, that the States have in effect a plan approved under part D and operate a child support program in conformity with such plan.”.

42 USC 603. (6) (A) Section 403 of the Social Security Act is amended by adding at the end thereof the following new subsection:

“(h) Notwithstanding any other provision of this Act, the amount payable to any State under this part for quarters in a fiscal year shall with respect to quarters beginning after December 31, 1976, be reduced by 5 per centum of such amount if such State is found by the Secretary as the result of the annual audit to have failed to have an effective program meeting the requirements of section 402(a)(27) in any fiscal year beginning after September 30, 1976 (but, in the case of the fiscal year beginning October 1, 1976, only considering the second, third, and fourth quarters thereof).”.

42 USC 604. (B) Section 404 of such Act is amended by adding at the end thereof the following new subsections:

“(c) No State shall be found, prior to January 1, 1977, to have failed substantially to comply with the requirements of section 402(a)(27) if, in the judgment of the Secretary, such State is making a good faith effort to implement the program required by such section.

“(d) After December 31, 1976, in the case of any State which is found to have failed substantially to comply with the requirements of section 402(a)(27), the reduction in any amount payable to such State required to be imposed under section 403(h) shall be imposed in lieu of any reduction, with respect to such failure, which would otherwise be required to be imposed under this section.”

42 USC 606. (7) Section 406 of the Social Security Act is amended by adding at the end thereof the following new subsection:

“(f) Notwithstanding the provisions of subsection (b), the term ‘aid to families with dependent children’ does not mean payments with respect to a parent (or other individual whose needs such State determines should be considered in determining the need of the child or relative claiming aid under the plan of such State approved under this part) of a child who fails to cooperate with any agency or official of the State in obtaining such support payments for such child. Nothing in this subsection shall be construed to make an otherwise eligible child ineligible for protective payments because of the failure of such parent (or such other individual) to so cooperate.”.

Repeals.
 42 USC 602,
 610. (8) Section 402(a), (17), (18), (21), and (22), and section 410 of such Act are repealed.

Conforming Amendments to Title XI

42 USC 1306.

(d) Section 1106 of such Act is amended—

(1) by striking out the period at the end of the first sentence of subsection (a) and inserting in lieu thereof the following: “and except as provided in part D of title IV of this Act.”;

Ante, p. 2351.

(2) by adding at the end of subsection (b) the following new sentence: “Notwithstanding the preceding provisions of this subsection, requests for information made pursuant to the provisions of part D of title IV of this Act for the purpose of using Federal records for locating parents shall be complied with and the cost incurred in providing such information shall be paid for as provided in such part D of title IV.”; and

(3) by striking out subsection (c).

Authorization of Appropriations

(e) There are authorized to be appropriated to the Secretary of Health, Education, and Welfare such sums as may be necessary to plan and prepare for the implementation of the program established by this section. 42 USC 651 note.

Effective Date

(f) The amendments made by this section shall become effective on July 1, 1975, except that section 459 of the Social Security Act, as added by subsection (a) of this section shall become effective on January 1, 1975, and subsection (e) of this section shall become effective upon the date of enactment of this Act. 42 USC 651 note.
Ante, p. 2357.

Approved January 4, 1975.

Public Law 93-648

AN ACT

January 8, 1975
[H. R. 510]

To authorize and direct the Secretary of Agriculture to convey any interest held by the United States in certain property in Jasper County, Georgia, to the Jasper County Board of Education.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized and directed to convey to the Jasper County Board of Education, Jasper County, Georgia, all right, title, and interest in and to the real property described in the quitclaim deed made by the United States, as grantor, to the Jasper County Board of Education, as grantee, on April 26, 1940, and recorded on June 5, 1940, in Jasper County, Georgia, which the United States might hold as a result of covenants contained in such quitclaim deed: *Provided, however,* That any proceeds from the sale, lease, exchange or other use or disposition of the lands shall be used exclusively for educational purposes by the Jasper County Board of Education.

Jasper County
Board of Educa-
tion, Ga.
Land convey-
ance.

Approved January 8, 1975.

Public Law 93-649

AN ACT

January 8, 1975
[H. R. 12860]

To amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial service expenses in the case of members of the armed forces whose remains are not recovered.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 1482(e) of title 10, United States Code, is amended by inserting immediately before "whichever is later." the following: "or the date the person who would have been designated under subsection (c) to direct disposition of the remains, if they had been recovered, receives notification that the member has been reported or determined to be dead under authority of chapter 10, title 37."

Armed Forces.
Memorial expen-
ses, reimburse-
ment.

37 USC 551.

Approved January 8, 1975.

Public Law 93-650
93d Congress

An Act

To amend the Urban Mass Transportation Act of 1964 to permit financial assistance to be furnished under that Act for the acquisition of certain equipment which may be used for charter service in a manner which does not foreclose private operators from furnishing such service, and for other purposes.

Jan. 4, 1974

[H.R. 10511]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

“(f) No Federal financial assistance under this Act may be provided for the purchase of buses unless as a condition of such assistance the applicant or any public body receiving assistance for the purchase of buses under this Act or any publicly owned operator receiving such assistance shall as a condition of such assistance enter into an agreement with the Secretary that such public body, or any operator of mass transportation for the public body, shall not engage in charter bus operations outside of the urban area within which it provides regularly scheduled mass transportation service, except as provided in the agreement authorized by this subsection. Such agreement shall provide for fair and equitable arrangements, appropriate in the judgment of the Secretary, to assure that the financial assistance granted under this Act will not enable public bodies and publicly and privately owned operators for public bodies to foreclose private operators from the intercity charter bus industry where such operators are willing and able to provide such service. In addition to any other remedies specified in the agreements, the Secretary shall have the authority to bar a grantee or operator from the receipt of further financial assistance for mass transportation facilities and equipment where he determines that there has been a continuing pattern of violations of the terms of the agreement. Upon receiving a complaint regarding an alleged violation, the Secretary shall investigate and shall determine whether a violation has occurred. Upon determination that a violation has occurred, he shall take appropriate action to correct the violation under the terms and conditions of the agreement.”.

Urban mass
transportation.
Federal financial
assistance.
49 USC 1602.
Agreement.

Investigation.

(b) (1) The first sentence of section 164(a) of Public Law 93-87, approved August 13, 1973, is amended—

49 USC 1602a.

(1) by inserting “or” before “(2)”; and

(2) by striking out “or (3) the Urban Mass Transportation Act of 1964,”.

(2) The second sentence of such section 164(a) is amended by striking out “, (2), and (3)” and inserting in lieu thereof “and (2)”.

49 USC 1602a
note.
49 USC 1602a.

SEC. 2. The Secretary shall amend any agreements entered into pursuant to section 164a of the Federal-Aid Highway Act of 1973, Public Law 93-87, to conform to the requirements of section 1 of this Act. The effective date of such conformed agreements shall be the effective date of the original agreements entered into pursuant to section 164a.

[Note by the Office of the Federal Register.—The foregoing Act, having been presented to the President of the United States on Saturday, December 22, 1973, for his approval and not having been returned by him to the House of Congress in which it originated within the time prescribed by the Constitution of the United States, has become a law without his approval on January 4, 1974, in accordance with the order of the United States District Court for the District of Columbia, *Kennedy v. Jones, et al.*, Civil Action No. 74-194, D.D.C. 1976. The Court decision came too late for this law to be published in regular sequence in 88 Stat. Therefore it is placed at the beginning of 89 Stat.]

LEGISLATIVE HISTORY:

HOUSE REPORT No. 93-553 (Comm. on Public Works).

SENATE REPORT No. 93-547 (Comm. on Banking, Housing and Urban Affairs).

CONGRESSIONAL RECORD, Vol. 119 (1973):

Oct. 15, considered and passed House.

Nov. 20, considered and passed Senate, amended.

Dec. 21, House agreed to Senate amendments with an amendment; Senate agreed to House amendment.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 10, No. 1:

Jan. 3, 1974, Presidential memorandum of disapproval.

Kennedy v. Jones, et al.,

Civil Action No. 74-194 (412 F. Supp. 353).

Public Law 93-651
93d Congress

An Act

To extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals.

Nov. 21, 1974
[H.R. 14225]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 100. This title shall be known as the "Rehabilitation Act Amendments of 1974".

Vocational
rehabilitation
services.
Rehabilitation
Act Amendments
of 1974.
29 USC 701 note.
29 USC 702.

REHABILITATION SERVICES ADMINISTRATION

SEC. 101. (a) Section 3(a) of the Rehabilitation Act of 1973 is amended to read as follows:

"(a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the 'Commissioner') appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Commissioner."

29 USC 780,
790.

(b) The amendment made by subsection (a) of this section shall be effective sixty days after the date of enactment of this Act.

Effective date.
29 USC 702 note.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL
REHABILITATION SERVICES

SEC. 102. (a) Section 100(b) of such Act is amended by—

Federal grants to
States.
29 USC 720.

(1) striking out "and" after "1974," in paragraph (1) and inserting before the period at the end of such paragraph a comma and "and \$720,000,000 for the fiscal year ending June 30, 1976"; and

(2) striking out "and" after "1974," in the first sentence of paragraph (2) and inserting after "1975," in such sentence "and \$12,000,000 for the fiscal year ending June 30, 1976";

(b) Section 112(a) of such Act is amended by striking out "and" after "1974," and by inserting "and up to \$2,500,000 but no less than \$1,000,000 for the fiscal year ending June 30, 1976," after "1975,"

Pilot projects.
29 USC 732.

(c) Section 121(b) of such Act is amended by striking out "1976" and inserting in lieu thereof "1977".

Payments to
States.
29 USC 741.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND
TRAINING

SEC. 103. Section 201(a) of such Act is amended by—

29 USC 761.

(1) striking out "and" after "1974," in the first sentence of paragraph (1) and inserting after "1975" in such sentence a comma and "and \$32,000,000 for the fiscal year ending June 30, 1976";

(2) striking out the comma after "20 per centum" in the second sentence of paragraph (1) and inserting after "respectively,"

in such sentence “and 25 per centum of the amounts appropriated in each succeeding fiscal year”; and

(3) striking out “there is authorized to be appropriated” in paragraph (2) and inserting after “1975” in such paragraph a comma and “and \$32,000,000 for the fiscal year ending June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR
CONSTRUCTION OF REHABILITATION FACILITIES

29 USC 771.

SEC. 104. Section 301(a) of such Act is amended by—

(1) striking out “and” after “1974,” in the first sentence and inserting before the period at the end of such sentence a comma and “and June 30, 1976”; and

(2) striking out “1977” in the last sentence and inserting in lieu thereof “1978”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL
TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

29 USC 772.

SEC. 105. Section 302(a) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL
PROJECTS AND DEMONSTRATIONS

29 USC 774.

SEC. 106. Section 304(a)(1) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and \$20,000,000 for the fiscal year ending June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL
CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

29 USC 775.

SEC. 107. Section 305(a) of such Act is amended by striking out “and” after “1974,” and by inserting after “1975” a comma and “and June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR PROGRAM AND
PROJECT EVALUATION

29 USC 783.

SEC. 108. Section 403 of such Act is amended by striking out “and” after “1974,” and by inserting after “1975,” the following: “and June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR
SECRETARIAL RESPONSIBILITIES

29 USC 785.

SEC. 109. Section 405(d) of such Act is amended by inserting before the period a comma and “and \$600,000 for the fiscal year ending June 30, 1976”.

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR ARCHITECTURAL
AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

29 USC 792.

SEC. 110. Section 502(h) of such Act is amended by inserting before the period at the end thereof a comma and “and \$1,500,000 for the fiscal year ending June 30, 1976”.

MISCELLANEOUS AMENDMENTS

SEC. 111. (a) Section 7(6) of such Act is amended by adding at the end thereof the following new sentence: "For the purposes of titles IV and V of this Act, such term means any person who (A) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (B) has a record of such an impairment, or (C) is regarded as having such an impairment."

Handicapped individual.
29 USC 706.
29 USC 780,
790.

(b) Section 101(a)(6) of such Act is amended by adding at the end thereof before the semicolon "(including a requirement that the State agency and facilities in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, section 503)".

State employment requirement.
29 USC 721.

(c) Section 101(a)(9)(C) of such Act is amended by adding at the end thereof before the semicolon "in such detail as required by the Secretary in order for him to analyze and evaluate annually the reasons for and numbers of such ineligibility determinations as part of his responsibilities under section 401, and that the State agency will at least annually categorize and analyze such reasons and numbers and report this information to the Secretary and will, not later than 12 months after each such determination, review each such ineligibility determination in accordance with the criteria set forth in section 102".

29 USC 793.
Ineligibility determinations, review.
29 USC 721.
29 USC 781.

(d) Section 101(a)(15) of such Act is amended by inserting after "facilities" at the end of the parenthetical "and review of the efficacy of the criteria employed with respect to ineligibility determinations described in subclause (C) of clause (9) of this subsection".

29 USC 722.
Continuing studies.
29 USC 721.

(e) Section 102 of such Act is amended by—

Individualized written rehabilitation program.
29 USC 722.

(1) inserting in subsection (a) after "program" where it first appears in the first sentence a comma and "or the specification of reasons for a determination of ineligibility prior to initiation of such program based on preliminary diagnosis," and inserting at the end of the second sentence of such subsection before the period a comma and "and, as appropriate, such specification of reasons for such an ineligibility determination shall set forth the rights and remedies, including recourse to the process set forth in subsection (b)(5) of this section, available to the individual in question";

(2) striking out in subsection (c) all of clause (1) from "in" the first time it appears through "primary" and inserting in lieu thereof "in making any determination of ineligibility referred to in subsection (a) of this section, or in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicapped individual,";

(3) striking out in clause (2) of subsection (c) "program, that the evaluation of rehabilitation potential" and inserting in lieu thereof "program, or as a part of the specification of reasons for an ineligibility determination, as appropriate, that the preliminary diagnosis or evaluation of rehabilitation potential, as appropriate,"; and

(4) inserting in clause (3) of subsection (c) a comma and "as an amendment to such written program," after "decision".

(f) Section 112(a) is amended by—

29 USC 732.

(1) striking out "an amount equal to the amount obligated for expenditure for carrying out such projects and demonstrations for appropriations under the Vocational Rehabilitation Act in

the fiscal year ending June 30, 1973," and inserting in lieu thereof "\$11,860,000"; and

Ante, p. 2-4.

(2) adding at the end thereof a new sentence as follows: "In the event that funds so appropriated under section 304 do not exceed \$11,860,000 in any fiscal year, the Secretary is authorized to utilize such funds to carry out this section".

29 USC 750.

(g) Section 130(b) of such Act is amended by striking out "February 1, 1975" and inserting in lieu thereof "June 30, 1975".

29 USC 762.

(h) Section 202(a) of such Act is amended by striking out "and analyses" in the penultimate clause and inserting in lieu thereof a comma and "analyses, and demonstrations".

29 USC 774.

(i) Section 304(b) of such Act is amended by—

(1) striking out "and" before "(2)" in the first sentence, and inserting at the end of such sentence before the period a comma and "and (3) for operating programs (including renovation and construction of facilities, where appropriate) to demonstrate methods of making recreational activities fully accessible to handicapped individuals"; and

(2) striking out "for" the third time it appears in the parenthetical in clause (2) in the first sentence and inserting in lieu thereof "or".

(j) Section 304(c) of such Act is amended by inserting after "Labor," in the first sentence "who".

Infra.

29 USC 776.

(k) Section 304(e) (1) of such Act is amended by inserting after "(B)" the following: "with the concurrence of the Board established by section 502,".

(l) (1) Section 306(b) of such Act is amended by inserting after "project" a comma and "or for a project which involves construction,".

(2) Section 306(b) (4) of such Act is amended by inserting after "specifications" the following: "which have been approved by the Board established by section 502,".

29 USC 785.

(m) Section 405(c) of such Act is amended by—

(1) striking out "the Handicapped" and inserting in lieu thereof "Handicapped Individuals"; and

(2) by adding at the end thereof the following new sentence: "In no event shall any functions under this section be further delegated to any persons with operational responsibilities for carrying out functions authorized under any other section of this Act or under any other provision of law designed to benefit handicapped individuals."

29 USC 792.

(n) (1) Section 502(a) of such Act is amended by redesignating clauses (6), (7), and (8) thereof as clauses (7), (8), and (9), respectively, and by inserting immediately after clause (5) the following new clause:

"(6) Department of Defense";

Architectural and
Transportation
Barriers
Compliance
Board, Chairman.
Consumer
Advisory Panel,
appointment.

(2) Section 502(a) of such Act is further amended by adding at the end thereof the following new sentence: "The Secretary of Health, Education, and Welfare shall be the Chairman of the Board, and the Board shall appoint, upon recommendation of the Secretary, a Consumer Advisory Panel, a majority of the members of which shall be handicapped individuals, to provide guidance, advice, and recommendations to the Board in carrying out its functions."

(o) (1) Section 502(d) of such Act is amended by striking out "section, the Board" in the first sentence and inserting in lieu thereof "Act, the Board shall, directly or through grants to or contracts with public or private nonprofit organizations, carry out its functions under subsections (b) and (c) of this section, and".

(2) Section 502(d) of such Act is further amended by adding at the end thereof the following new sentences: "Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building found not to be in compliance with standards prescribed pursuant to the Acts cited in subsection (b) of this section."

Ante, p. 2-6.

(p) Section 502(e) of such Act is amended by adding before the first sentence the following new first sentence: "There shall be appointed by the Board an executive director and such other professional and clerical personnel as are necessary to carry out its functions under this Act."

Withholding or suspension of Federal funds.

Additional Board appointees.
29 USC 792.

(q) Section 502(g) of such Act is amended by striking out in the penultimate sentence "prior to January 1" and inserting in lieu thereof "not later than September 30".

Reports to Congress.

TITLE II—RANDOLPH-SHEPPARD ACT AMENDMENTS

Randolph-Sheppard Act Amendments of 1974.

SHORT TITLE

SEC. 200. This title may be cited as the "Randolph-Sheppard Act Amendments of 1974".

20 USC 107 note.

FINDINGS

SEC. 201. The Congress finds—

20 USC 107 note.

(1) after review of the operation of the blind vending stand program authorized under the Randolph-Sheppard Act of June 20, 1936, that the program has not developed, and has not been sustained, in the manner and spirit in which the Congress intended at the time of its enactment, and that, in fact, the growth of the program has been inhibited by a number of external forces;

20 USC 107.

(2) that the potential exists for doubling the number of blind operators on Federal and other property under the Randolph-Sheppard program within the next five years, provided the obstacles to growth are removed, that legislative and administrative means exist to remove such obstacles, and that Congress should adopt legislation to that end; and

(3) that at a minimum the following actions must be taken to insure the continued vitality and expansion of the Randolph-Sheppard program—

(A) establish uniformity of treatment of blind vendors by all Federal departments, agencies, and instrumentalities,

(B) establish guidelines for the operation of the program by State licensing agencies,

(C) require coordination among the several entities with responsibility for the program,

(D) establish a priority for vending facilities operated by blind vendors on Federal property,

(E) establish administrative and judicial procedures under which fair treatment of blind vendors, State licensing agencies, and the Federal Government is assured,

(F) require stronger administration and oversight functions in the Federal office carrying out the program, and

(G) accomplish other legislative and administrative objectives which will permit the Randolph-Sheppard program to flourish.

OPERATION OF VENDING FACILITIES ON FEDERAL PROPERTY

SEC. 202. The first section of the Act entitled "An Act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes" (hereafter referred to in this title as the "Randolph-Sheppard Act"), approved June 20, 1936, as amended (20 U.S.C. 107), is amended by striking out all after the enacting clause and inserting in lieu thereof the following:

"That (a) for the purposes of providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting, blind persons licensed under the provisions of this Act shall be authorized to operate vending facilities on any Federal property.

Regulations.

"(b) In authorizing the operation of vending facilities on Federal property, priority shall be given to blind persons licensed by a State agency as provided in this Act; and the Secretary, through the Commissioner, shall, after consultation with the Administrator of General Services and other heads of departments, agencies, or instrumentalities of the United States in control of the maintenance, operation, and protection of Federal property, prescribe regulations designed to assure that—

Post, pp. 2-11,
2-12.

"(1) the priority under this subsection is given to such licensed blind persons (including assignment of vending machine income pursuant to section 7 of this Act to achieve and protect such priority), and

"(2) wherever feasible, one or more vending facilities are established on all Federal property to the extent that any such facility or facilities would not adversely affect the interests of the United States.

Any limitation on the placement or operation of a vending facility based on a finding that such placement or operation would adversely affect the interests of the United States shall be fully justified in writing to the Secretary, who shall determine whether such limitation is justified. A determination made by the Secretary pursuant to this provision shall be binding on any department, agency, or instrumentality of the United States affected by such determination. The Secretary shall publish such determination, along with supporting documentation, in the Federal Register."

Publication in
Federal Register.

FEDERAL AND STATE RESPONSIBILITIES

20 USC 107a.

SEC. 203. (a) (1) Section 2(a) of the Randolph-Sheppard Act is amended by redesignating paragraphs (1) through (5) as paragraphs (2) through (6), respectively, and by inserting the following new paragraph (1):

"(1) Insure that the Rehabilitation Services Administration is the principal agency for carrying out this Act; and the Commissioner shall, within one hundred and eighty days after enactment of the Randolph-Sheppard Act Amendments of 1974, establish requirements for the uniform application of this Act by each State agency designated under paragraph (5) of this subsection, including appropriate accounting procedures, policies on the selection and establishment of new vending facilities, distribution of income to blind vendors, and the use and control of set-aside funds under section 3(3) of this Act;"

20 USC 107b.

Supra.

(2) Section 2(a) (2) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

"(2) Through the Commissioner, make annual surveys of concession vending opportunities for blind persons on Federal and other property in the United States, particularly with respect to Federal property under the control of the General Services Administration, the Department of Defense, and the United States Postal Service;"

Concession
vending
opportunities,
annual surveys.

(3) Section 2(a) (5) of such Act, as redesignated by paragraph (1) of this subsection, is amended—

Ante, p. 2-8.
20 USC 107a.

(A) by striking out "commission" each place it appears and inserting in lieu thereof "agency",

(B) by striking out "and at least twenty-one years of age",

(C) by striking out "articles dispensed automatically or in containers or wrapping in which they are placed before receipt by the vending stand, and such other articles as may be approved for each property by the department or agency in control of the maintenance, operation, and protection thereof and the State licensing agency in accordance with the regulations prescribed pursuant to the first section" and inserting in lieu thereof the following: "foods, beverages, and other articles or services dispensed automatically or manually and prepared on or off the premises in accordance with all applicable health laws, as determined by the State licensing agency, and including the vending or exchange of chances for any lottery authorized by State law and conducted by an agency of a State",

(D) by striking out "stands" and "stand" and inserting in lieu thereof "facilities" and "facility", respectively, and

(E) by striking out the colon and all matter following the colon, and inserting in lieu thereof "; and".

(4) Section 2(a) (6) of such Act, as redesignated by paragraph (1) of this subsection, is amended to read as follows:

"(6) Through the Commission, (A) conduct periodic evaluations of the program authorized by this Act, including upward mobility and other training required by section 8, and annually submit to the appropriate committees of Congress a report based on such evaluations, and (B) take such other steps, including the issuance of such rules and regulations, as may be necessary or desirable in carrying out the provisions of this Act."

Evaluations,
annual report to
congressional
committees.
Post, p. 2-13.
Rules and
regulations.

(b) Section 2(b) of such Act is amended—

(1) by striking out "stand" the first time it appears in the first sentence and where it appears in the second sentence and inserting in lieu thereof "facility";

(2) by striking out "and have resided for at least one year in the State in which such stand is located"; and

(3) by striking out "but are able, in spite of such infirmity, to operate such stands".

(c) Section 2(c) of such Act is amended by striking out "stand" in each place in which it appears and inserting in lieu thereof "facility".

(d) Section 2 of such Act is further amended by adding at the end thereof the following new subsections:

"(d) (1) After January 1, 1975, no department, agency, or instrumentality of the United States shall undertake to acquire by ownership, rent, lease, or to otherwise occupy, in whole or in part, any building unless, after consultation with the head of such department, agency, or instrumentality and the State licensing agency, it is determined by the Secretary that (A) such building includes a satisfactory site or sites for the location and operation of a vending facility by a blind person, or (B) if a building is to be constructed, substantially altered, or renovated, or in the case of a building that is already occupied on such date by such department, agency, or instrumentality,

Federally occupied
buildings, sites
for vending
facilities.

Notice to State
licensing agency.

is to be substantially altered or renovated for use by such department, agency, or instrumentality, the design for such construction, substantial alteration, or renovation includes a satisfactory site or sites for the location and operation of a vending facility by a blind person. Each such department, agency, or instrumentality shall provide notice to the appropriate State licensing agency of its plans for occupation, acquisition, renovation, or relocation of a building adequate to permit such State agency to determine whether such building includes a satisfactory site or sites for a vending facility.

"(2) The provisions of paragraph (1) shall not apply (A) when the Secretary and the State licensing agency determine that the number of people using the property is or will be insufficient to support a vending facility, or (B) to any privately owned building, any part of which is leased by any department, agency, or instrumentality of the United States and in which, (i) prior to the execution of such lease, the lessor or any of his tenants had in operation a restaurant or other food facility in a part of the building not included in such lease, and (ii) the operation of such a vending facility by a blind person would be in proximate and substantial direct competition with such restaurant or other food facility, except that each such department, agency, and instrumentality shall make every effort to lease property in privately owned buildings capable of accommodating a vending facility.

"Satisfactory
site."

"(3) For the purposes of this subsection, the term 'satisfactory site' means an area determined by the Secretary to have sufficient space, electrical and plumbing outlets, and such other facilities as the Secretary may by regulation prescribe, for the location and operation of a vending facility by a blind person.

29 USC 31 note,
701 note.

"(e) In any State having an approved plan for vocational rehabilitation pursuant to the Vocational Rehabilitation Act or the Rehabilitation Act of 1973 (Public Law 93-112), the State licensing agency designated under paragraph (5) of subsection (a) of this section shall be the State agency designated under section 101(a)(1)(A) of such Rehabilitation Act of 1973."

29 USC 721.

DUTIES OF STATE LICENSING AGENCIES AND ARBITRATION

20 USC 107b.

SEC. 204. (a) Section 3 of the Randolph-Sheppard Act is amended—

(1) by striking out "commission" and inserting in lieu thereof "agency";

(2) by striking out in paragraphs (2) and (3) "stand" and "stands" wherever such terms appear and inserting in lieu thereof "facility" and "facilities", respectively; and

(3) by striking out in paragraph (6) the word "stand" and inserting in lieu thereof "facility", and, by inserting immediately before the period the following: "and to agree to submit the grievances of any blind licensee not otherwise resolved by such hearing to arbitration as provided in section 5 of this Act".

Post, p. 2-11.
Set-aside funds.

(b) Section 3(3) of such Act is further amended by striking out "and" immediately before subparagraph (D) and by inserting immediately before the colon at the end of such subparagraph the following "; and (E) retirement or pension funds, health insurance contributions, and provision for paid sick leave and vacation time, if it is determined by a majority vote of blind licensees licensed by such State agency, after such agency provides to each such licensee full information on all matters relevant to such proposed program, that funds under this paragraph shall be set aside for such purposes".

(c) Section 3(3) of such Act is further amended by inserting before the word "proceeds" in both places it appears, the word "net".

REPEALS

SEC. 205. Sections 4 and 7 of the Randolph-Sheppard Act are repealed. 20 USC 107c, 107e-1.

ARBITRATION; VENDING MACHINE INCOME; PERSONNEL; TRAINING

SEC. 206. The Randolph-Sheppard Act is further amended by redesignating sections 5, 6, and 8, as sections 4, 9, and 10, respectively, and by inserting immediately after section 4, as redesignated, the following new sections: 20 USC 107d, 107e, 107f.

"SEC. 5. (a) Any blind licensee who is dissatisfied with any action arising from the operation or administration of the vending facility program may submit to a State licensing agency a request for a full evidentiary hearing, which shall be provided by such agency in accordance with section 3(6) of this Act. If such blind licensee is dissatisfied with any action taken or decision rendered as a result of such hearing, he may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act. 20 USC 107d-1.

Ante, p. 2-10.

Infra.

"(b) Whenever any State licensing agency determines that any department, agency, or instrumentality of the United States that has control of the maintenance, operation, and protection of Federal property is failing to comply with the provisions of this Act or any regulations issued thereunder (including a limitation on the placement or operation of a vending facility as described in section 1(b) of this Act and the Secretary's determination thereon) such licensing agency may file a complaint with the Secretary who shall convene a panel to arbitrate the dispute pursuant to section 6 of this Act, and the decision of such panel shall be final and binding on the parties except as otherwise provided in this Act.

Ante, p. 2-8.

Infra.

"SEC. 6. (a) Upon receipt of a complaint filed under section 5 of this Act, the Secretary shall convene an ad hoc arbitration panel as provided in subsection (b). Such panel shall, in accordance with the provisions of subchapter II of chapter 5 of title 5, United States Code, give notice, conduct a hearing, and render its decision which shall be subject to appeal and review as a final agency action for purposes of chapter 7 of such title 5. Arbitration panel, duties. 20 USC 107d-2.

5 USC 551.

5 USC 701.

Membership.

"(b) (1) The arbitration panel convened by the Secretary to hear grievances of blind licensees shall be composed of three members appointed as follows:

"(A) one individual designated by the State licensing agency;

"(B) one individual designated by the blind licensee; and

"(C) one individual, not employed by the State licensing agency or, where appropriate, its parent agency, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (1) (A), (B), or (C), the Secretary shall designate such member on behalf of such party.

"(2) The arbitration panel convened by the Secretary to hear complaints filed by a State licensing agency shall be composed of three members appointed as follows:

"(A) one individual, designated by the State licensing agency;

"(B) one individual, designated by the head of the Federal department, agency, or instrumentality controlling the Federal property over which the dispute arose; and

"(C) one individual, not employed by the Federal department, agency, or instrumentality controlling the Federal property over

which the dispute arose, who shall serve as chairman, jointly designated by the members appointed under subparagraphs (A) and (B).

If any party fails to designate a member under subparagraph (2) (A), (B), or (C), the Secretary shall designate such member on behalf of such party. If the panel appointed pursuant to paragraph (2) finds that the acts or practices of any such department, agency, or instrumentality are in violation of this Act, or any regulation issued thereunder, the head of any such department, agency, or instrumentality shall cause such acts or practices to be terminated promptly and shall take such other action as may be necessary to carry out the decision of the panel.

Publication in
Federal Register.

"(c) The decisions of a panel convened by the Secretary pursuant to this section shall be matters of public record and shall be published in the Federal Register.

Publication in
Federal Register.

"(d) The Secretary shall pay all reasonable costs of arbitration under this section in accordance with a schedule of fees and expenses he shall publish in the Federal Register.

Vending machine
income accrual.
20 USC 107d-3.

"SEC. 7. (a) In accordance with the provisions of subsection (b) of this section, vending machine income obtained from the operation of vending machines on Federal property shall accrue (1) to the blind licensee operating a vending facility on such property, or (2) in the event there is no blind licensee operating such facility on such property, to the State agency in whose State the Federal property is located, for the uses designated in subsection (c) of this section, except that with respect to income which accrues under clause (1) of this subsection, the Commissioner may prescribe regulations imposing a ceiling on income from such vending machines for an individual blind licensee. In the event such a ceiling is imposed, no blind licensee shall receive less vending machine income under such ceiling than he was receiving on January 1, 1974. No limitation shall be imposed on income from vending machines, combined to create a vending facility, which are maintained, serviced, or operated by a blind licensee. Any amounts received by a blind licensee that are in excess of the amount permitted to accrue to him under any ceiling imposed by the Commissioner shall be disbursed to the appropriate State agency under clause (2) of this subsection and shall be used by such agency in accordance with subsection (c) of this section.

Excess amounts,
transfer to State
agency.

"Direct
competition."

"(b) (1) After January 1, 1975, 100 per centum of all vending machine income from vending machines on Federal property which are in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section. 'Direct competition' as used in this section means the existence of any vending machines or facilities operated on the same premises as a blind vending facility except that vending machines or facilities operated in areas serving employees the majority of whom normally do not have direct access to the blind vending facility shall not be considered in direct competition with the blind vending facility. After January 1, 1975, 50 per centum of all vending machine income from vending machines on Federal property which are not in direct competition with a blind vending facility shall accrue as specified in subsection (a) of this section, except that with respect to Federal property at which at least 50 per centum of the total hours worked on the premises occurs during periods other than normal working hours, 30 per centum of such income shall so accrue.

"(2) The head of each department, agency, and instrumentality of the United States shall insure compliance with this section with respect to buildings, installations, and facilities under his control, and shall be responsible for collection of, and accounting for, such vending machine income.

“(c) All vending machine income which accrues to a State licensing agency pursuant to subsection (a) of this section shall be used to establish retirement or pension plans, for health insurance contributions, and for provision of paid sick leave and vacation time for blind licensees in such State, subject to a vote of blind licensees as provided under section 3(3)(E) of this Act. Any vending machine income remaining after application of the first sentence of this subsection shall be used for the purposes specified in sections 3(3)(A), (B), (C), and (D) of this Act, and any assessment charged to blind licensees by a State licensing agency shall be reduced pro rata in an amount equal to the total of such remaining vending machine income.

State licensing agencies, income accrual, use.

Ante, p. 2-10.

20 USC 107b.

“(d) Subsections (a) and (b)(1) of this section shall not apply to income from vending machines within retail sales outlets under the control of exchange or ships’ stores systems authorized by title 10, United States Code, or to income from vending machines operated by the Veterans Canteen Service, or to income from vending machines not in direct competition with a blind vending facility at individual locations, installations, or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed \$3,000 annually.

Nonapplicability.

10 USC 101
et seq.

“(e) The Secretary, through the Commissioner, shall prescribe regulations to establish a priority for the operation of cafeterias on Federal property by blind licensees when he determines, on an individual basis and after consultation with the head of the appropriate installation, that such operation can be provided at a reasonable cost with food of a high quality comparable to that currently provided to employees, whether by contract or otherwise.

Cafeterias on Federal property, priority for operation, regulations.

“(f) This section shall not operate to preclude preexisting or future arrangements, or regulations of departments, agencies, or instrumentalities of the United States, under which blind licensees (1) receive a greater percentage or amount of vending machine income than that specified in subsection (b)(1) of this section, or (2) receive vending machine income from individual locations, installations, or facilities on Federal property the total of which at such individual locations, installations, or facilities does not exceed \$3,000 annually.

Preexisting conditions or future arrangements.

“(g) The Secretary shall take such action and promulgate such regulations as he deems necessary to assure compliance with this section.

Regulations.

“Sec. 8. The Commissioner shall insure, through promulgation of appropriate regulations, that uniform and effective training programs, including on-the-job training, are provided for blind individuals, through services under the Rehabilitation Act of 1973 (Public Law 93-112). He shall further insure that State agencies provide programs for upward mobility (including further education and additional training or retraining for improved work opportunities) for all trainees under this Act, and that follow-along services are provided to such trainees to assure that their maximum vocational potential is achieved.”

Training programs.
20 USC 107d-4.

29 USC 701 note.

DEFINITIONS

Sec. 207. Section 9 of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended to read as follows:

“Sec. 9. As used in the Act—

Ante, p. 2-11.
20 USC 107e.

“(1) ‘blind person’ means a person whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity, if better than 20/200, is accompanied by a limit to the field of vision in the better eye to such a degree that its widest diameter subtends an angle of no greater than twenty degrees. In determining whether an individual is blind, there shall be an examination by a physician skilled in diseases of the

eye, or by an optometrist, whichever the individual shall select;
 “(2) ‘Commissioner’ means the Commissioner of the Rehabilitation Services Administration;

“(3) ‘Federal property’ means any building, land, or other real property owned, leased, or occupied by any department, agency, or instrumentality of the United States (including the Department of Defense and the United States Postal Service), or any other instrumentality wholly owned by the United States, or by any department or agency of the District of Columbia or any territory or possession of the United States;

“(4) ‘Secretary’ means the Secretary of Health, Education, and Welfare;

“(5) ‘State’ means a State, territory, possession, Puerto Rico, or the District of Columbia;

“(6) ‘United States’ includes the several States, territories, and possessions of the United States, Puerto Rico, and the District of Columbia;

“(7) ‘vending facility’ means automatic vending machines, cafeterias, snack bars, cart service, shelters, counters, and such other appropriate auxiliary equipment as the Secretary may by regulation prescribe as being necessary for the sale of the articles or services described in section 2(a)(5) of this Act and which may be operated by blind licensees; and

“ (8) ‘vending machine income’ means receipts (other than those of a blind licensee) from vending machine operations on Federal property, after cost of goods sold (including reasonable service and maintenance costs), where the machines are operated, serviced, or maintained by, or with the approval of, a department, agency, or instrumentality of the United States, or commissions paid (other than to a blind licensee) by a commercial vending concern which operates, services, and maintains vending machines on Federal property for, or with the approval of, a department, agency, or instrumentality of the United States.”.

PERSONNEL

29 USC 702 note.

SEC. 208. (a) The Secretary of Health, Education, and Welfare is directed to assign to the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration of the Department of Health, Education, and Welfare ten additional full-time personnel (or their equivalent), five of whom shall be supportive personnel, to carry out duties related to the administration of the Randolph-Sheppard Act.

20 USC 107.

(b) Section 5108(c) of title 5, United States Code, is amended—

(1) by striking out “and” at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof “; and”; and

(3) by adding after paragraph (11) the following new paragraph:

“(12) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place one additional position in the Office for the Blind and Visually Handicapped of the Rehabilitation Services Administration in GS-16, GS-17, or GS-18.”.

5 USC 5332 note.

29 USC 702 note.

(c) In selecting personnel to fill any position under this section, the Secretary of Health, Education, and Welfare shall give preference to blind individuals.

20 USC 107d.

(d) Section 4(b) of the Randolph-Sheppard Act, as redesignated by section 206 of this title, is amended by striking out “, and at least 50 per centum of such additional personnel shall be blind persons”.

ADDITIONAL STAFF RESPONSIBILITIES

SEC. 209. In addition to other requirements imposed in this title and in the Randolph-Sheppard Act upon State licensing agencies, such agencies shall— 20 USC 107b-1.
20 USC 107.

(1) provide to each blind licensee access to all relevant financial data, including quarterly and annual financial reports, on the operation of the State vending facility program;

(2) conduct the biennial election of a Committee of Blind Vendors who shall be fully representative of all blind licensees in the State program, and

(3) insure that such committee's responsibilities include (A) participation, with the State agency, in major administrative decisions and policy and program development, (B) receiving grievances of blind licensees and serving as advocates for such licensees, (C) participation, with the State agency, in the development and administration of a transfer and promotion system for blind licensees, (D) participation, with the State agency, in developing training and retraining programs, and (E) sponsorship, with the assistance of the State agency, of meetings and instructional conferences for blind licensees.

STANDARDS, STUDIES, AND REPORTS

SEC. 210. (a) The Secretary, through the Commissioner, after a period of study not to exceed six months following the date of enactment of this title, and after full consultation with, and full consideration of the views of, blind vendors and State licensing agencies, shall promulgate national standards for funds set aside pursuant to section 3(3) of the Randolph-Sheppard Act which include maximum and minimum amounts for such funds, and appropriate contributions, if any, to such funds by blind vendors. National standards for set-aside funds.
20 USC 107b-2.

Ante, p. 2-10.

(b)(1) The Secretary shall study the feasibility and desirability of establishing a nationally administered retirement, pension, and health insurance system for blind licensees, and such study shall include, but not be limited to, consideration of eligibility standards, amounts and sources of contributions, number of potential participants, total costs, and alternative forms of administration, including trust funds and revolving funds. Nationally administered retirement, pension, and health insurance system, study.

(2) The Secretary shall, within one year following the date of enactment of this title, complete the study required by paragraph (1) of this subsection and report his findings, together with any recommendations, to the President and the Congress. Report to President and Congress.

(c) The Secretary shall, not later than September 30, 1975, complete an evaluation of the method of assigning vending machine income under section 7(b)(1) of the Randolph-Sheppard Act, including its effect on the growth of the program authorized by the Act, and on the operation of nonappropriated fund activities, and within thirty days thereafter he shall report his findings, together with any recommendations, to the appropriate committees of the Congress. Report to congressional committees.
Ante, p. 2-12.

(d) Each State licensing agency shall, within one year following the date of enactment of this title, submit to the Secretary a report, with appropriate supporting documentation, which shows the actions taken by such agency to meet the requirements of section 2(a)(1) of the Randolph-Sheppard Act. Report to Secretary.
Ante, p. 2-8.

AUDIT

SEC. 211. The Comptroller General is authorized to conduct regular and periodic audits of all nonappropriated fund activities which receive income from vending machines on Federal property, under 20 USC 107b-3.

such rules and regulations as he may prescribe. In the conduct of such audits he and his duly authorized representatives shall have access to any relevant books, documents, papers, accounts, and records of such activities as he deems necessary.

White House
Conference on
Handicapped
Individuals Act.

TITLE III—WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

SHORT TITLE

29 USC 701 note. SEC. 300. This title may be cited as the "White House Conference on Handicapped Individuals Act".

FINDINGS AND POLICY

29 USC 701 note. SEC. 301. The Congress finds that—

- (1) the United States has achieved great and satisfying success in making possible a better quality of life for a large and increasing percentage of our population;
- (2) the benefits and fundamental rights of this society are often denied those individuals with mental and physical handicaps;
- (3) there are seven million children and at least twenty-eight million adults with mental or physical handicaps;
- (4) it is of critical importance to this Nation that equality of opportunity, equal access to all aspects of society and equal rights guaranteed by the Constitution of the United States be provided to all individuals with handicaps;
- (5) the primary responsibility for meeting the challenge and problems of individuals with handicaps has often fallen on the individual or his family;
- (6) it is essential that recommendations be made to assure that all individuals with handicaps are able to live their lives independently and with dignity, and that the complete integration of all individuals with handicaps into normal community living, working, and service patterns be held as the final objective; and
- (7) all levels of Government must necessarily share responsibility for developing opportunities for individuals with handicaps;

and it is therefore the policy of the Congress that the Federal Government work jointly with the States and their citizens to develop recommendations and plans for action in solving the multifold problems facing individuals with handicaps.

AUTHORITY OF PRESIDENT, COUNCIL, AND SECRETARY

29 USC 701 note. SEC. 302. (a) The President is authorized to call a White House Conference on Handicapped Individuals not later than two years after the date of enactment of this title in order to develop recommendations and stimulate a national assessment of problems, and solutions to such problems, facing individuals with handicaps. Such a conference shall be planned and conducted under the direction of the National Planning and Advisory Council, established pursuant to subsection (b) of this section, and the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") and each Federal department and agency shall provide such cooperation and assistance to the Council, including the assignment of personnel, as may reasonably be required by the Secretary.

National
Planning and
Advisory Council.
Establishment.

(b) (1) There is established a National Planning and Advisory Council (in this title referred to as the "Council"), appointed by the

Secretary, composed of twenty-eight members of whom not less than ten shall be individuals with handicaps appointed to represent all individuals with handicaps, and five shall be parents of individuals with handicaps appointed to represent all such parents and individuals. The Council shall provide guidance and planning for the Conference.

Membership.

(2) Any member of the Council who is otherwise employed by the Federal Government shall serve without compensation in addition to that received in his regular employment.

(3) Members of the Council, other than those referred to in paragraph (1), shall receive compensation at rates not to exceed the daily rate prescribed for GS-18 under section 5332, title 5, United States Code, for each day they are engaged in the performance of their duties (including traveltime); and, while so serving away from their homes or regular places of business, they shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703, title 5, United States Code, for persons in Government service employed intermittently.

Compensation;
travel expenses.

5 USC 5332 note.

(4) Such Council shall cease to exist one-hundred and twenty days after the submission of the final report required by section 302(e).

Termination date.

(c) For the purpose of ascertaining facts and making recommendations concerning the utilization of skills, experience, and energies, and the improvement of the conditions of individuals with handicaps, the Conference shall bring together individuals with handicaps and members of their families and representatives of Federal, State, and local governments, professional experts, and members of the general public recognized by individuals with handicaps as being knowledgeable about problems affecting their lives.

(d) Participants in the White House Conference, and in conferences and other activities leading up to the White House Conference at the local and State level are authorized to consider all matters related to the purposes of the Conference set forth in subsection (a), but shall give special consideration to recommendations for:

Recommendations.

(1) providing education, health, and diagnostic services for all children early in life so that handicapping conditions may be discovered and treated;

(2) assuring that every individual with a handicap receives appropriately designed benefits of the educational system;

(3) assuring that individuals with handicaps have available to them all special services and assistance which will enable them to live their lives as fully and independently as possible;

(4) enabling individuals with handicaps to have access to usable communication services and devices at costs comparable to other members of the population;

(5) assuring that individuals with handicaps will have maximum mobility to participate in all aspects of society, including access to all publicly-assisted transportation services and, when necessary, alternative means of transportation at comparable cost;

(6) improving utilization and adaptation of modern engineering and other technology to ameliorate the impact of handicapping conditions on the lives of individuals and especially on their access to housing and other structures;

(7) assuring individuals with handicaps of equal opportunity with others to engage in gainful employment;

(8) enabling individuals with handicaps to have incomes sufficient for health and for participation in family and community life as self-respecting citizens;

(9) increasing research relating to all aspects of handicapping conditions, stressing the elimination of causes of handicapping conditions and the amelioration of the effects of such conditions;

(10) assuring close attention and assessment of all aspects of diagnosis and evaluation of individuals with handicaps;

(11) assuring review and evaluation of all governmental programs in areas affecting individuals with handicaps, and a close examination of the public role in order to plan for the future;

(12) resolving the special problems of veterans with handicaps;

(13) resolving the problems of public awareness and attitudes that restrict individuals with handicaps from participating in society to their fullest extent;

(14) resolving the special problems of individuals with handicaps who are homebound or institutionalized;

(15) resolving the special problems of individuals with handicaps who have limited English-speaking ability;

29 USC 730.

(16) allotting funds for basic vocational rehabilitation services under part B of title I of the Rehabilitation Act of 1973 in a fair and equitable manner in consideration of the factors set forth in section 407(a) of such Act; and

29 USC 787.

(17) promoting other related matters for individuals with handicaps.

Report to President; availability to public.

Recommendations, transmittal to President and Congress.

(e) A final report of the White House Conference on Handicapped Individuals shall be submitted by the Council to the President not later than one hundred and twenty days following the date on which the conference is called, and the findings and recommendations included therein shall be immediately made available to the public. The Council and the Secretary shall, within ninety days after the submission of such final report, transmit to the President and the Congress their recommendations for administrative action and legislation necessary to implement the recommendations contained in such report.

RESPONSIBILITIES OF COUNCIL AND SECRETARY

29 USC 701 note.

SEC. 303. (a) In carrying out the provisions of this title, the Council and the Secretary shall—

(1) request the cooperation and assistance of such other Federal departments and agencies as may be appropriate, including Federal advisory bodies having responsibilities in areas affecting individuals with handicaps;

(2) render all reasonable assistance, including financial assistance, to the States in enabling them to organize and conduct conferences on handicapped individuals prior to the White House Conference on Handicapped Individuals;

(3) prepare and make available necessary background materials for the use of delegates to the White House Conference on Handicapped Individuals;

(4) prepare and distribute such interim reports of the White House Conference on Handicapped Individuals as may be appropriate; and

5 USC 101 *et seq.*

(5) engage such individuals with handicaps and additional personnel as may be necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service, and without regard to chapter 57 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; but at rates of pay not to exceed the rate prescribed for GS-18 under section 5332 of such title.

5 USC 5701, 5331.

5 USC 5332 note.

(b) In carrying out the provisions of this title, the Secretary shall employ individuals with handicaps.

DEFINITION

SEC. 304. For the purpose of this title, the term "State" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. 29 USC 701 note.

STATE PARTICIPATION

SEC. 305. (a) From the sums appropriated pursuant to section 306 the Secretary is authorized to make a grant to each State, upon application of the chief executive thereof, in order to assist in meeting the costs of that State's participation in the Conference program, including the conduct of at least one conference within each such State. 29 USC 701 note.

(b) Grants made pursuant to subsection (a) shall be made only with the approval of the Council.

(c) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Secretary in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than \$25,000 nor less than \$10,000. State apportionment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 306. There are authorized to be appropriated, without fiscal year limitations, \$2,000,000 to carry out the provisions of this title and such additional sums as may be necessary to carry out section 305. Sums so appropriated shall remain available for expenditure until June 30, 1977. 29 USC 701 note.

CARL ALBERT

Speaker of the House of Representatives.

LEE METCALF

Acting President of the Senate pro Tempore.

IN THE HOUSE OF REPRESENTATIVES, U.S.,

November 20, 1974.

The House of Representatives having proceeded to reconsider the bill (H.R. 14225) entitled "An Act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest:

W. PAT JENNINGS
Clerk.

By W. Raymond Colley

I certify that this Act originated in the House of Representatives.

W. PAT JENNINGS
Clerk.

By W. Raymond Colley

IN THE SENATE OF THE UNITED STATES,

November 21, 1974.

The Senate having proceeded to reconsider the bill (H.R. 14225) entitled "An Act to extend the authorizations of appropriations in the Rehabilitation Act of 1973 for one year, to transfer the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare, to make certain technical and clarifying amendments, and for other purposes; to amend the Randolph-Sheppard Act for the blind; to strengthen the program authorized thereunder; and to provide for the convening of a White House Conference on Handicapped Individuals", returned by the President of the United States with his objections to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

FRANCIS R. VALEO
Secretary.

[Note by the Office of the Federal Register.—This Act became law on November 21, 1974, in accordance with the order of the United States District Court for the District of Columbia, *Kennedy v. Jones, et al.*, Civil Action No. 74-194, D.D.C. 1976. The Court decision came too late for this law to be published in regular sequence in 88 Stat. Therefore it is at the beginning of 89 Stat.]

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 93-1048 (Comm. on Education and Labor) and No. 93-1457 (Comm. of Conference).

SENATE REPORTS: No. 93-1139 accompanying S. 3108 (Comm. on Labor and Public Welfare) and No. 93-1270 (Comm. of Conference).

CONGRESSIONAL RECORD, Vol. 120 (1974):

May 21, considered and passed House.

Sept. 10, considered and passed Senate, amended, in lieu of S. 3108.

Oct. 10, Senate agreed to conference report.

Oct. 16, House agreed to conference report.

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 10, No. 44:

Oct. 29, 1974, vetoed; Presidential message.

CONGRESSIONAL RECORD, Vol. 120 (1974):

Nov. 20, House overrode veto.

Nov. 21, Senate overrode veto.

Kennedy v. Jones, et al.,

Civil Action No. 74-194 (412 F. Supp. 353).